

Revision A
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING AGENDA

Industrial Airport, Kansas

Tuesday, January 8, 1991 - 1:00 P.M.

TAB

- A** I. APPROVAL OF MINUTES of December 11, 1990 meeting.
- II. REPORT OF THE CHAIRMAN:
- A. Discuss proposed change in Airport Commission meeting date and time.
- B** III. REPORT OF THE TREASURER:
- A. Disbursements for December 1990.
- B. Receivables report.
- C. 1990 actuals vs. budget report.
- C** IV. COMMITTEE REPORTS:
- A. Administrative Committee:
- B. Industrial Committee:
1. Discussion of amendment to Burns-McDonnell contract.
 2. Discussion of Dazey Corporation occupying Bldg. 45.
 3. Discussion of gas lines at Industrial Airport.
 4. Discussion of Director of Industrial Development.
 5. Discussion of standard lease form.
- D** V. STAFF REPORTS:
- A. Report of the Director, Aviation:
1. Update on Phase I Land Purchase at Executive Airport.
- B. Report of the Director, Emergency Services:
- C. Report of the Director, Planning & Administration:
1. Status of capital projects.
- D. Report of Legal Counsel:
- E. Report of the Executive Director:
1. Update on airport-area zoning.
 2. Discuss date of proposed joint meeting with the Olathe Chamber of Commerce.

VI. UNFINISHED BUSINESS:

VII. NEW BUSINESS:

1:30 pm

1. City of Gardner presentation of a landscape plan for Highway 56.
2. City of Olathe annexation request by Asphalt Sales Company.
3. Consider approval of an amendment to the Burns and McDonnell contract.

VIII. BUSINESS FROM THE FLOOR:

XI. ADJOURNMENT

Revision B
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING AGENDA

Industrial Airport, Kansas

Wednesday, February 27, 1991 - 9:00 A.M.

TAB

A I. APPROVAL OF MINUTES of January 8, 1991 meeting.

II. REPORT OF THE CHAIRMAN:

A. Discuss proposed change in Airport Commission meeting date and time.

B III. REPORT OF THE TREASURER:

A. Disbursements for January 1991.

B. Receivables report.

C. 1990 year end actuals vs. budget report.

D. 1991 actuals vs. budget report.

C IV. COMMITTEE REPORTS:

A. Administrative Committee:

1. Discuss proposed terms and rates for agriculture leases - Industrial and Executive Airport.
2. Discuss retail sales tax on water at Industrial Airport.
3. Discuss Gardner's proposed improvements for Hwy 56 corridor.
4. Status of water source negotiations.

B. Industrial Committee:

1. Discuss land buy at Industrial Airport.
2. Discuss status of airport-area zoning.
3. Discuss scope of services for consultant for Industrial Park Master Plan.
4. Discuss Director of Property Management job description.
5. Discuss request from Ronald Martin to acquire Airport gas wells.
6. Discuss a proposed booth at the National Business Aviation Association annual convention.
7. General Chemical lawsuit.
8. Discuss a meeting with air shuttle representatives and various community members.
9. Update on property tax situation.

D

V. STAFF REPORTS:

A. Report of the Director, Aviation:

1. Update on land purchase at Executive Airport.
 - a. BoCC resolution requesting increase in expenditure allowance.
2. Update on ramp project at Executive Airport.
3. Update on ILS project at Executive Airport.
 - a. Authorization for Professional Services - HNTB.

B. Report of the Director, Emergency Services:

C. Report of the Director, Planning & Administration:

1. Status of capital improvement projects.
2. Status of airport improvement projects.
2. Report on BoCC work session - 50th anniver. air show.

D. Report of Legal Counsel:

E. Report of the Executive Director:

VI. UNFINISHED BUSINESS:

E

VII. NEW BUSINESS:

- A. Consider recommending approval to the BoCC of an interlocal cooperation agreement for fire services with Rural Fire District No. 1.
- B. Consider recommending approval to the BoCC of an interlocal cooperation agreement for fire services with the City of Gardner.
- C. Consider approval for release of old helmets to Industrial Airport firefighters when newly purchased helmets arrive.
- D. Consider approval of a memorandum of understanding with the Confederate Air Force regarding Hangar 43.
- E. Discussion with Kansas City Aviation Center about majority stock transfer.
- F. Discuss proposed 1992 capital improvements program.
- G. Consider approval of a Right of First Refusal with JcAir Associates.

10:00am

VIII. BUSINESS FROM THE FLOOR:

IX. EXECUTIVE SESSION TO DISCUSS:

- A. Executive director's performance evaluation.
- B. Land acquisition.

XI. ADJOURNMENT

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JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING AGENDA

Industrial Airport, Kansas

Friday, March 29, 1991 - 9:00 A.M.

TAB

A

I. **APPROVAL OF MINUTES** of February 27, 1991 meeting.

II. **REPORT OF THE CHAIRMAN:**

A. Chairman's absence at June 26 meeting.

B. Site for April 24 meeting.

B

III. **REPORT OF THE TREASURER:**

A. Disbursements for February 1991.

B. Receivables report.

C. 1991 actuals vs. budget report.

IV. **COMMITTEE REPORTS:**

A. **Administrative Committee:**

B. **Industrial Committee:**

C

V. **STAFF REPORTS:**

A. **Report of the Director, Aviation:**

1. Status of Airport Improvement Program (AIP) projects.

B. **Report of the Director, Emergency Services:**

C. **Report of the Director, Planning & Administration:**

1. Status of capital improvement projects.

D. **Report of Legal Counsel:**

E. Report of the Executive Director:

1. Airport-area zoning MOU's with cities.
2. Legal issues update.
3. KCAC sale.
4. K-10 Corridor Committee.
5. Industrial Park Master Plan RFP.
6. Director of Property Management.
7. Property tax legislation.
8. CIP review with budget office.
9. 1992 budget process.

VI. UNFINISHED BUSINESS:

D VII. NEW BUSINESS:

- 9:30 am A. Discuss budget for small business incubator -
Dennis McKee - CERI.

VIII. BUSINESS FROM THE FLOOR:

IX. ADJOURNMENT

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - JANUARY 8, 1991 - 1:00 p.m. - INDUSTRIAL AIRPORT

Airport Commission: Present
 Craig Thomen Nohe Walter
 Viets Winn

Absent
Meyer

Staff: Metcalfe Schaefer Smyth
 Fredrichs Lind Stramberg

Others: Connie Bye, Kansas City Star
 Jan Durrett, League of Women Voters
 Christy Marsh, Sun Newspapers
 Del Dolisi, Gardner City Administrator
 Doug Pickert, KSU Architecture Student

The meeting was called to order at 1:05 P.M. by Chairman Craig.

I. APPROVAL OF MINUTES:

MR. NOHE MOVED AND MRS. THOMEN SECONDED APPROVAL OF THE MINUTES OF THE DECEMBER 11, 1990 MEETING. APPROVED UNANIMOUSLY (3-0).

II. REPORT OF THE CHAIRMAN:

A. Discuss proposed change in airport commission meeting date and time.

Staff reported on its survey of the Airport Commissioners to determine a convenient time and date for the Airport Commission meetings. After discussion about proposed times and dates, it was **MOVED BY MR. NOHE, SECONDED BY MRS. THOMEN, TO CHANGE THE REGULARLY SCHEDULED AIRPORT COMMISSION MEETING TIME AND DATE TO THE FOURTH TUESDAY OF EACH MONTH AT 2:30 P.M. AND TO DIRECT STAFF TO MAKE THE APPROPRIATE NOTIFICATIONS. APPROVED UNANIMOUSLY (5-0). THE NEXT MEETING WILL BE HELD ON FEBRUARY 26 AT 2:30 P.M.**

III. REPORT OF THE TREASURER:

A. Disbursements for December 1990.

Responding to questions on various line items, Mr. Metcalfe explained that the rail line repair completed by R. D. Long Contracting was a short-term fix to the problem with the deteriorating road bed of the rail lines; Mr. Schaefer reported that there will be one more small payment to Boone Brothers for the maintenance shop roof repair after the final inspection is complete; and the final payment to Superior Asphalt for the Industrial Parkway rehab project will be made when the damaged street light is replaced. **MR. WINN MOVED AND MR. WALTER SECONDED**

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TO APPROVE THE DISBURSEMENTS FOR DECEMBER AS PRESENTED. APPROVED UNANIMOUSLY (5-0).

B. Receivables Report.

The accounts receivable list was reviewed. The FAA has stopped paying on part of their lease, but staff believes there was a glitch due to the change in fiscal year and expects to receive payment soon. Mr. Metcalfe reported that since it is early in the month there are a few more t-hangar accounts on the list, but staff does not see any problems with collection. The late charge on t-hangar accounts is 5% per month. Chairman Craig stated that the new rental rates and late charge is new policy within the last year.

Mr. Schaefer reported that staff has been successful in creating two accounts to set aside 1990 funds for the 1991 budget year for the Industrial Park Master Plan and for the gas well tax liability.

C. December 1990 actuals vs. budget report.

Mr. Metcalfe reported the financial reports from the Finance Department will not be available until later in the week, at which time the usual summary reports will be prepared and mailed to the Commissioners.

IV. COMMITTEE REPORTS:

A. Administrative Committee

There having been no meeting of the committee in the interim, there was no report. An Administrative Committee meeting will be held on Thursday, January 24, 1991 at 8:00 a.m. at Howard Johnson's Restaurant in Lenexa to discuss water source negotiations, hay leases, Mr. Metcalfe's performance evaluation and the 1992 budget.

B. Industrial Committee

1. Discussion of amendment - Burns-McDonnell contract.

Mr. Viets recapped the discussion at the Committee meeting (see attached committee meeting minutes). **MR. VIETS MOVED AND MR. WINN SECONDED TO RECOMMEND APPROVAL TO THE BOCC OF THE AMENDMENT TO THE BURNS AND MCDONNELL CONTRACT FOR TESTING AND REMEDIATION OF THE PARSONITT SITE IN THE AMOUNT OF \$19,200.00, WHICH WILL NOT INCREASE THE NOT-TO-EXCEED AMOUNT OF \$71,000.00. APPROVED UNANIMOUSLY (5-0).**

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VII. NEW BUSINESS:

1. City of Gardner presentation of a landscape plan for Highway 56.

Del Dolisi, City Administrator of Gardner, and Doug Pickert, a KSU landscape architecture student, presented the proposed landscape plan for the Highway 56 corridor east of Gardner. Mr. Pickert has prepared a landscape plan which includes the planting of 450 trees of various types indigenous to our area. Mr. Pickert explained that on the north side of the highway he proposes plant materials native to the northern part of the state and on the south side of the highway plant materials native to the southern part of the state. To tie both sides of the highway together he proposes a singular type of tree (such as a red sunset maple) spread throughout the corridor on both sides. Mr. Pickert explained he has been in contact with the Kansas Department of Transportation about their mowing practices along the corridor and the proposed landscaping theme would blend well with the practices to mow 10' wide along the edge of the road and vision triangles and to mow the steeper areas only every couple of years. The cost estimate for the landscape project is \$42,000, \$25,000 in plant material and \$17,000 installation. Mr. Dolisi explained that the City of Gardner is committed to the improvement of the corridor and have budgeted \$20,000 in 1991 to begin the project. Mr. Dolisi requested the Airport Commission consider participating in the cost. The City would like to accomplish the project at one time instead of in stages to allow the trees to grow at the same time and maintain the theme as proposed. Mr. Viets commented he was very excited about the plan and suggested contacting Cedar Creek development officials to determine a grass they use that stays short and does not require mowing. He also suggested Mr. Pickert's input on the placement of a monument (sign) for the Industrial Airport. Mr. Viets commented that this may be a good area to be included in the City or County park system. Mr. Nohe stated he felt it would be reasonable to solicit public and private funding for the landscape project. He suggested contacting airport tenants to solicit their participation in the project. Mr. Metcalfe also suggested contacting Mr. Gautt, owner of Woodstone Apartments. Mr. Dolisi stated that Gardner will probably propose to takeover the maintenance of the area from KDOT. Chairman Craig directed the Administrative Committee to discuss this issue further at the meeting on January 24. **MR. VIETS MOVED AND MR. NOHE SECONDED TO DIRECT STAFF TO WRITE A LETTER TO THE CITY OF GARDNER COMMENDING THEM ON THE LANDSCAPE PLAN AND FOR THE COMMITMENT TO THE PROJECT. APPROVED UNANIMOUSLY (5-0).**

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IV. COMMITTEE REPORTS:

B. Industrial Committee

2. Discussion of gas lines at Industrial Airport.

Mr. Viets reported that the committee discussed conveying the gas lines to United Cities who supplies natural gas to the Industrial Airport and to negotiate the granting of easements for those lines at \$1.00 per lineal foot. United Cities would then assume responsibility for improving and maintaining the lines. Mr. Metcalfe stated that it will be necessary to formally convey ownership of the gas lines to United Cities. Mr. Lind stated that it is possible to convey ownership by a quit claim deed. If the value of the pipe is less than \$50,000 it will not be necessary to obtain bids. It will be necessary to present to the BoCC reliable statistics on the value of the pipe. **MR. VIETS MOVED AND MR. WINN SECONDED TO CONVEY TO UNITED CITIES GAS COMPANY, ON THE BASIS OF A QUIT CLAIM DEED, OWNERSHIP OF THE GAS LINES, PENDING DETERMINATION THAT THE GAS LINES ARE OF NOMINAL VALUE, AND THAT THE AIRPORT COMMISSION REQUIRE THAT UNITED CITIES PAY \$1.00 PER LINEAR FOOT FOR EASEMENTS, WITH SUCH EASEMENTS TO BE BASED ON A VALIDATED MAP OF EXISTING GAS LINES.** Mr. Metcalfe stated that United Cities states they have accurate accounting of the location of the lines. We would require they submit that to us and we would then somehow have to validate the information. We will also have to determine how to handle the easements that would go across current leasehold property. **THE MOTION WAS THEN CLARIFIED TO AUTHORIZE STAFF TO BEGIN THE PROCESS TO CONVEY THE OWNERSHIP OF THE GAS LINES AND GRANTING THE EASEMENTS, WHICH SAID DOCUMENT WOULD INCLUDE THE APPROPRIATE LANGUAGE DEALING WITH THE CONTINUED MAINTENANCE, REPAIR AND REPLACEMENT OF LINES AND LANGUAGE DEALING WITH THE LIABILITY ISSUE AND TO DIRECT STAFF TO BRING BACK TO THE AIRPORT COMMISSION THE NEGOTIATED DOCUMENTS FOR FURTHER APPROVAL. APPROVED UNANIMOUSLY (5-0).**

Mr. Metcalfe explained the most recent estimate from United Cities on the relocation of the GTI/DDS gas line is \$16,000. The original estimate for the relocation was \$9,000. The Airport Commission committed to paying 50% of the actual cost up to a maximum share of \$4,000. Mr. Metcalfe stated that GTI/DDS has indicated that if the most recent estimate is the final cost, they will request additional participation from the Airport Commission. He stated that until the final bill is received on the relocation no formal action from the Airport Commission is necessary. Mr. Metcalfe stated that a decision the Airport Commission will have to make when the cost is finalized is whether to reduce the amount to be collected from the gas company for easements by the amount due to the gas co. for the gas line relocation, and what portion of the cost of the relocation will be collected from GTI/DDS.

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3. Discussion of Dazey Corporation occupying Bldg. 45.

Mr. Viets stated that the committee discussed Dazey's occupation of Bldg. 45 (which building has been condemned by the County Building Official). The committee recommended notifying Dazey to vacate the building. **MR. VIETS MOVED AND MR. NOHE SECONDED TO NOTIFY DAZEY CORPORATION TO VACATE BUILDING 45.** Mr. Lind stated that the agreement with Dazey appears to be an unwritten month-to-month lease and would require legal notice giving them 30 days to vacate. If they did not respond it would be necessary to evict them from the building. **APPROVED UNANIMOUSLY (5-0).** Chairman Craig stated that the demolition of Bldg. 45, which is required by the Building Official's condemnation order, has been estimated at \$250,000 and the funds are not currently available.

4. Discussion of Director of Industrial Development.

Mr. Viets reported that the committee reached consensus to redefine the proposed job description for a Director of Industrial Development to focus more on property management skills and coordination of marketing activities by a third party. Mr. Metcalfe was directed to present a revised job description for committee review. The committee discussed possibly contracting with a third party for the marketing aspects of the Industrial Park development. The Airport Commission agreed that the issue should be discussed by the group as a whole.

5. Discussion of standard lease form.

Mr. Viets reported that committee members submitted written comments on the proposed lease forms. Staff will incorporate the comments and bring back the revised lease for discussion at an Industrial Committee meeting set specifically for that discussion. Chairman Craig stated that it should be recognized that the standard lease form will be used as a basis for negotiations with prospective tenants. Mr. Lind commented that with standardized lease forms, review and approval by the Commission should be simplified.

V. STAFF REPORTS:

A. Report of the Director, Aviation:

2. Executive Airport grant updates:
 - a. Phase I land purchase.

Mr. Fredrichs reported that two of the four grant-funded land transactions were closed on December 14th and 21st. The other two are still being negotiated.

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Mr. Fredrichs reported that 1990 operations at Executive Airport were approximately 2,000 less and at Industrial Airport were approximately 10,000 more than 1989. He commented that the business jet traffic has increased at Industrial Airport. Mr. Metcalfe commented that he believes Industrial Airport is gaining some student flying because of crowding at Executive Airport and also because of training on the ILS. Chairman Craig noted that there were 214,000 operations in 1990 at Johnson County Airports.

C. Report of the Director, Planning & Administration:

1. Status of capital projects.

Mr. Schaefer referred the board to the report in the agenda package. We are still waiting on the Purchasing Department to award the notice to proceed to the contractor for the asbestos removal in the Administration Building. The contract amount is below the threshold requiring BoCC approval. Mr. Schaefer noted that the request to bid was submitted to Purchasing in August and bids were opened on November 19. The maintenance shop roof repair is complete and warranty inspections will be completed soon. The Industrial Parkway rehab project is complete except for the replacement of the damaged street light. The roof repair project on Bldg. 39A and B is awaiting award of the bid by the Purchasing Department.

D. Report of Legal Counsel:

Mr. Lind reported that there have been continuances on the property tax exemption applications with the State Board of Tax Appeals due to the serious illness of the Appraiser's attorney, so the matter has not been submitted to BOTTA for decision. It has been reported that the Appraiser's attorney is now back in his office.

Chairman Craig stated that the KCAC lease has been executed. Mr. Metcalfe noted that the terms finally agreed to were more favorable for the Commission than those originally proposed by KCAC.

E. Report of the Executive Director:

1. Update on airport-area zoning.

Mr. Metcalfe reported that with Lisa Beeman's assignment to the airport-area zoning things are moving much more quickly. We are still negotiating with the cities as to what goes on in the defined airport interest areas. The cities want higher-density residential zoning than we would like. Mr. Metcalfe has proposed a minimum lot size of two acres. The cities are requesting three units per acre. The regulations for implementation are being drafted. Mr. Viets expressed concern over setting precedence by allowing certain

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residential rights at Executive Airport and the effect it would have at Industrial Airport. He feels there should be no residential development in the airport interest area at Industrial Airport. Mr. Metcalfe acknowledged that what is done at Executive could be precedent-setting for Industrial, and suggested we should take the stand that there will be no residential development within one mile of the ends of the runways and a maximum of one unit per acre in the one to two mile range from the ends of the runways and at the "sides" of the airport. Mr. Metcalfe reported there is already a problem with that because the City of Olathe has already granted zoning for three units per acre on an 80-acre tract within a mile to the northwest of Executive Airport and on a 400-acre tract within $\frac{3}{4}$ mile at the north end of Industrial Airport.

2. Discussion of proposed joint meeting with the Olathe Chamber of Commerce.

Mrs. Smyth reported a tentative date of January 24 has been set for the joint meeting with the Olathe Economic Advisory Council. The tour will begin at Industrial Airport at 2:00 p.m. and then would head to the south Olathe area where a break would be taken at an Olathe business. After a 30 minute to one hour break the tour would resume of the Olathe industrial area and then adjourn back at the Industrial Airport around 5:00 p.m. It was apparent that a majority of Airport Commissioners would be available on that date. Details will be provided at a later date.

VII. NEW BUSINESS:

2. City of Olathe annexation request by Asphalt Sales Company.

Mr. Metcalfe pointed out the property for annexation for the construction of an asphalt plant on the map. The property is located directly east of the Holland property where the City of Olathe denied a request for a special use permit for a rock quarry in 1990. The Airport Commission also was opposed to the quarry in that location because of the potential flying debris and visible emissions which could be a hazard to aircraft approaching runways 22 and 32. The Airport Commission was also opposed because of the potential negative impact it would have on the frontage along Clare Road. Mr. Viets commented that he was very opposed to the quarry because of it's non-compatible use with light to medium industrial use in the vicinity of Industrial Airport. The consensus of the Airport Commission was not opposed to the annexation request to the City of Olathe by Asphalt Sales Company. The Airport Commission directed staff to obtain all the information available such as traffic, aesthetics, environmental issues and reclaiming when the Asphalt Sales Company requests a special use permit, at which time it will develop a position on the specific use.

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MRS. THOMEN MOVED AND MR. VIETS SECONDED TO ADJOURN THE MEETING.
APPROVED UNANIMOUSLY (5-0).

The meeting was adjourned at 2:38 p.m.!

Phyllis Thomen, Secretary

R. Lee Metcalfe,
Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - FEBRUARY 27, 1991 - 9:00 a.m. - INDUSTRIAL AIRPORT

Airport Commission: Present
 Craig Walter Meyer
 Viets Winn

Absent
 Thomen Nohe

Staff: Metcalfe Schaefer Smyth
 Fredrichs Adams Lind
 Stramberg Williams

Others: Commissioner Dan Hosfield, BoCC
 Reporter, Kansas City Star
 John Boyette, Olathe Daily News
 Jan Durrett, League of Women Voters
 Christy Marsh, Sun Newspapers
 Brad Pittenger, Van Enterprises
 C. W. Kemper, Confederate Air Force
 Dennis Kroeker, Confederate Air Force
 Jana Hartnell, Student - Rockhurst College

The meeting was called to order at 9:00 A.M. by Chairman Craig. Chairman Craig welcomed Commissioner Dan Hosfield as the new Airport Commission liaison to the BoCC.

I. APPROVAL OF MINUTES:

MOVED BY MR. MEYER, SECONDED BY MR. WALTER TO APPROVE THE MINUTES OF THE JANUARY 8, 1991 MEETING. APPROVED UNANIMOUSLY (4-0).

II. REPORT OF THE CHAIRMAN:

A. Discuss proposed change in airport commission meeting date and time.

At the January meeting the Airport Commission officially changed the regular meeting date and time. Since that time several Commissioners discovered they had conflicts with the date and time. MOVED BY MR. WINN, SECONDED BY MR. MEYER TO CHANGE THE REGULARLY SCHEDULED AIRPORT COMMISSION MEETING TIME AND DATE TO THE FOURTH WEDNESDAY OF EACH MONTH AT 9:00 A.M. AND TO DIRECT STAFF TO MAKE THE APPROPRIATE NOTIFICATIONS. APPROVED UNANIMOUSLY (4-0). THE NEXT MEETING WILL BE HELD ON MARCH 27 AT 9:00 A.M.

III. REPORT OF THE TREASURER:

A. Disbursements for January 1991.

The voucher list was discussed. The survey work completed by

Allenbrand-Drews was for modifications on current leases. The \$7,168 payment to Howard Needles was the first in a series of payments for the ramp project at Executive Airport. **MOVED BY MR. WALTER, SECONDED BY MR. WINN TO APPROVE THE DISBURSEMENTS FOR JANUARY AS PRESENTED. APPROVED UNANIMOUSLY (4-0).**

B. Receivables Report.

The accounts receivable list was reviewed and no problems were noted.

C. 1990 actuals vs. budget report.

D. 1991 actuals vs. budget report.

The reports were reviewed. Chairman Craig noted that weather and fuel prices hindered operations at both airports and subsequently lowered fuel flowage fees. The transfer of \$80,000 from the 1990 operating budget to a reserve was for property taxes on the gas wells and for the back retail sales tax on water. Mr. Meyer asked about the carryover amount shown on the reports. Mr. Schaefer stated that the actual budgeted carryover figure is \$888 and that Evon Williams is working with the Finance Department to show the balance of the carryover as retained earnings in accordance with enterprise fund accounting procedures. Mr. Metcalfe noted that all but the \$888 was budgeted to be spent, but was not encumbered by the end of 1990. Mr. Schaefer stated that the budgeted and actual revenues do not match on the report because credit for tax revenues is not shown in the report submitted to the Airport Commission. Mr. Schaefer reported that we ended up the year exceeding budgeted revenues, and that we intentionally underspent in some areas to make up for unbudgeted, but necessary large expenditures in other areas.

IV. COMMITTEE REPORTS:

A. Administrative Committee

1. Discuss proposed terms and rates for agriculture leases - Industrial and Executive Airport.

MOVED BY MR. WINN, SECONDED BY MR. WALTER TO ACCEPT THE ADMINISTRATIVE COMMITTEE RECOMMENDATION TO INCREASE THE AGRICULTURE LEASE RATES TO \$13.00 FOR HAY LEASES AND \$39-\$42 FOR ROW CROPS, TO CONTINUE WITH ONE YEAR TERMS COINCIDING WITH HARVEST TIMES, TO OFFER THE EXISTING TENANTS RIGHT OF FIRST REFUSAL FOR 1991-1992 AND TO ADVERTISE IF THE TENANTS DECLINE. APPROVED UNANIMOUSLY (4-0).

2. Discuss retail sales tax on water at Industrial Airport.

MOVED BY MR. MEYER, SECONDED BY MR. VIETS TO RATIFY THE ADMINISTRATIVE COMMITTEE RECOMMENDATION TO PAY THE THREE YEAR BACK TAX LIABILITY ON RETAIL SALES TAX IN THE AMOUNT OF \$14,660 AND FOR

THE AIRPORT COMMISSION TO ABSORB THE COST WITHIN THE OPERATING BUDGET. APPROVED UNANIMOUSLY (4-0). Mr. Schaefer reported that the current tax is being levied to the tenants beginning with January, 1991 sales.

3. Discuss Gardner's proposed improvements for Hwy 56 corridor.

Mr. Metcalfe reported that he contacted tenants who front the project about participation. Company officials commented that there are too many unknown financial liabilities for them to be willing to commit to additional funding. Chairman Craig directed the Administrative Committee to discuss the Airport Commission's contribution to the project now that we know there will be no financial participation from private sources. Mr. Viets stated he favors an aggressive stance on the issue of corridor improvements along Hwy 56 as a measure to notify our neighbors about our positive presence in the area. Mr. Winn stated that landscaping requirements should be incorporated in the master plan. Mr. Metcalfe stated that landscape design is included in the master plan consultant request for proposal.

4. Status of water source negotiations.

There is no additional information to report. Final proposals from potential providers are expected any day now.

VII. NEW BUSINESS:

E. Discussion with Kansas City Aviation Center about majority stock transfer.

Brad Pittenger presented an Estoppel Certificate and Clarification Agreement and requested Airport Commission approval. The documents are needed for the majority stock transfer from Van Enterprises, current owner of Kansas City Aviation Center, to Petersen Manufacturing. Mr. Pittenger stated that the lease and service agreements are ambiguous and require clarification. March 15 has been set for a scheduled closing date on the stock transaction and Mr. Pittenger asked for approval on the documents by that date. Mr. Winn stated that there are probably no policy decisions necessary to execute the agreements and that if staff reviews the documents and find no substantial changes then Chairman Craig could be authorized to sign. If problems arise the Industrial Committee could review and approve the necessary changes and then authorize Chairman Craig to sign the documents. Mr. Lind stated he recommends the entire Airport Commission approve the committee recommendation. Mr. Metcalfe stated he was comfortable with staff and legal reviewing the documents. He stated he has initially reviewed the documents and did not see anything different than has been previously discussed. Chairman Craig stated that this meeting would be recessed to a certain time and date to conduct the business if deemed necessary. **MOVED BY MR. WINN, SECONDED BY MR. VIETS TO**

DIRECT STAFF AND LEGAL COUNSEL TO REVIEW THE PROPOSED ESTOPPEL CERTIFICATE AND CLARIFICATION AGREEMENT, AND IF NO SUBSTANTIAL CHANGES ARE NECESSARY CHAIRMAN CRAIG WILL BE AUTHORIZED TO SIGN THE DOCUMENTS. IF SUBSTANTIAL CHANGES ARE NECESSARY THE AIRPORT COMMISSION WILL MEET AT A DATE AND TIME TO BE SPECIFIED AT THE END OF THIS MEETING TO DISCUSS THOSE CHANGES. Mr. Viets asked about liability for environmental conditions. Mr. Pittenger stated the buyer is having an audit done and will report the findings to the Commission. Mr. Metcalfe felt that the issue could be handled by Mr. Lind and himself, and that if there were problems they could be addressed in the previously mentioned meeting. **APPROVED UNANIMOUSLY (4-0).**

D. Consider approval of memorandum of understanding with the Confederate Air Force regarding Hangar 43.

Mr. Metcalfe reported that the memorandum of understanding memorializes understandings we have with the CAF regarding the rehabilitation of Hangar 43 contingent upon the 1992 budget process. The Airport Commission will be submitting a line item in the capital improvement program in the amount of \$150,000 for funding for the removal of the asbestos and roof repair to Hangar 43. In consideration of the Airport Commission completing those repairs, CAF is committing to perform the remainder of the rehabilitation. The memorandum of understanding does not commit either party to do anything but allows for permanent lease negotiations contingent upon funding requirements. The CAF would like to begin rehabilitation of the hangar in 1991 and wanted the document for a level of comfort that the Airport Commission will negotiate if the money is available for the rehab. Mr. Metcalfe recommended that a signed lease with the CAF be in place before any funds are expended. The \$150,000 for the asbestos and roof repair was based on professional estimates obtained by the CAF. Chairman Craig stated that the Airport Commission will need documentation to submit along with the budget request on those estimates. Mr. Viets stated we could suggest to the county that there will be a recovery process of the funds through the lease. Mr. Metcalfe stated that the whole basis of understanding during the discussions is that the consideration for use of the Hangar would be CAF's contribution to the rehabilitation. Mr. Meyer stated that CAF's occupation of the rehabbed hangar would bring in additional traffic and should be considered somewhat differently because they are a not-for-profit organization. **MOVED BY MR. VIETS, SECONDED BY MR. MEYER THAT THE MEMORANDUM OF UNDERSTANDING WITH THE CONFEDERATE AIR FORCE AS APPROVED BY LEGAL COUNSEL FOR BOTH THE AIRPORT COMMISSION AND THE CONFEDERATE AIR FORCE BE APPROVED. APPROVED UNANIMOUSLY (4-0).**

IV. COMMITTEE REPORTS:

B. Industrial Committee

1. Discuss land buy at Industrial Airport.

The issue will be discussed in executive session later in the meeting.

2. Discuss status of airport-area zoning.

Mr. Viets referred to the attached Industrial Committee minutes.

3. Discuss scope of services for consultant for Industrial Park Master Plan.

The Airport Commission directed staff to proceed with the RFP as presented.

4. Discuss Director of Property Management job description.

MOVED BY MR. VIETS, SECONDED BY MR. MEYER TO ENDORSE THE JOB DESCRIPTION AS PRESENTED AND RECOMMEND IMMEDIATE EXECUTION OF THE RECRUITMENT. APPROVED UNANIMOUSLY (4-0).

5. Discuss request from Ronald Martin with Brock Oil Corporation to acquire Airport gas wells.

The Airport Commission directed staff to begin negotiations with Brock Oil Corporation to operate the Airport gas wells. Brock Oil proposed to pay royalties to the Airport Commission and to assume plugging liability and reporting requirements. Chairman Craig recommended reviewing the companies financial condition before the proposal is accepted. Mr. Metcalfe reported that Brock Oil may also be interested in acquiring the wells off airport property currently under lease by the Airport Commission.

6. Discuss a proposed booth at the National Business Aviation Association annual convention.

MOVED BY MR. MEYER, SECONDED BY MR. WALTER TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ARRANGE AN AIRPORT COMMISSION EXHIBIT AT THE ANNUAL NATIONAL BUSINESS AVIATION ASSOCIATION CONVENTION AT AN APPROXIMATE COST OF \$6,000, WHICH COST INCLUDES A REUSABLE DISPLAY AND PRINTED HANDOUT MATERIALS. APPROVED UNANIMOUSLY (4-0).

7. General Chemical lawsuit.

Mr. Viets referred to the attached Industrial Committee minutes.

8. Discuss a meeting with air shuttle representatives and various community members.

Mr. Viets referred to the attached Industrial Committee minutes.

9. Update on property tax situation.

Mr. Metcalfe reported that the final briefs have not been submitted to the Board of Tax Appeals on the property tax exemption applications. The attorney for the appraiser was seriously ill for some time and was not able to participate in preparing the briefs. It appears that legal counsel is close to submitting the briefs. Mr. Metcalfe reported that after the briefs are filed it would be approximately 60-120 days before the Board of Tax Appeals would rule on the issue. This delay causes serious budget problems for the Gardner school district and they have proposed legislation to temporarily fix their problem. The City of Wichita has proposed legislation for property tax exemption at Mid-Continent Airport and several county staff members felt it was a good opportunity to submit our own legislation to solve our property tax problems. Wichita's bill was received without opposition on the committee level and staff felt we could make use of their arguments if we introduced our own bill. The bill has been drafted and is being reviewed by interested parties. Commissioner Hosfield reported he feels the proposed legislation would benefit the entire region.

A break was taken at 10:45 a.m. The meeting resumed at 10:55 a.m.

Commissioner Hosfield reported he received word that Senators Bogina and Allen have agreed to introduce the proposed bill for resolution of the airport property tax problem. Commissioner Hosfield reported that the bill will ultimately put all airport property back on the tax rolls. He also stated that the BoCC would like to see the Gardner School District in favor of the bill. Mr. Metcalfe stated that the bill would perfect the historical exemptions and allow the airfield property to continue to be exempt. The bill would leave two tools for future economic incentives, the industrial revenue bond exemption statute and the 1986 constitutional amendment which enables local governing bodies to grant limited abatements for specific industries for economic development purposes. The BoCC would oversee the granting of abatements, based on recommendations from the Airport Commission. The bill would put all privately occupied, airport owned properties on the tax rolls in a "ramp-up" procedure so that by 1995 the properties would be 100% on the tax rolls. Many existing leases do not specifically provide for the pass through of property taxes for the land. Mr. Metcalfe stated that that issue will need to be resolved. Mr. Metcalfe stated that the tenant-occupied, airport-owned building leases also do not specifically provide for a pass through of property taxes. That tax liability is approximately \$75,000. He reported that ~~the~~ North Supply Company's abatement would be affected by the bill and would not allow us to perform on

our lease agreement which gives them total abatement until 1995. The bill would require a payment of 20% of taxes in 1991 and would step up their taxes to 100% in 1995.

V. STAFF REPORTS:

A. Report of the Director, Aviation:

1. Update on land purchase at Executive Airport.

Mr. Fredrichs reported the we will close on the Garrett property at Executive Airport on March 18.

1.a. BoCC resolution requesting increase in expenditure allowance.

MOVED BY MR. WALTER, SECONDED BY MR. MEYER TO RECOMMEND APPROVAL TO THE BOCC OF A RESOLUTION TO INCREASE THE EXPENDITURE AMOUNT FOR THE LAND BUY AT EXECUTIVE AIRPORT TO THE ORIGINAL TOTAL PROJECT COST OF \$1,413,900. THE REQUEST DOES NOT INCREASE THE PROJECT TOTAL, BUT SIMPLY INCREASES THE EXPENDITURE AUTHORITY UP TO THE GRANT AMOUNT. APPROVED UNANIMOUSLY (4-0).

2. Update on ramp project at Executive Airport.

Mr. Fredrichs reported that we will advertise for bids on the ramp project on March 29.

3. Update on ILS project at Executive Airport.

a. Authorization for Professional Services - HNTB.

MOVED BY MR. MEYER, SECONDED BY MR. WALTER TO APPROVE THE AUTHORIZATION FOR PROFESSIONAL SERVICES WITH HOWARD NEEDLES TAMMEN BERGENDOFF TO PERFORM THE FIRST INCREMENT OF ENGINEERING SERVICES FOR THE ILS PROJECT AT EXECUTIVE AIRPORT. APPROVED UNANIMOUSLY (4-0).

C. Report of the Director, Planning & Administration:

1. Status of capital projects.

The report was presented and briefly discussed.

2. Status of airport improvement projects.

The report was presented and briefly discussed.

3. Report on BoCC work session - 50th anniversary air show.

Mr. Schaefer reported on the work session with the BoCC, and advised that the plans for the air show were very well received. The BoCC was supportive and gave the committee the go ahead on the project.

VII. NEW BUSINESS:

- A. Consider recommending approval to the BoCC of an interlocal cooperation agreement for fire services with Rural Fire District No. 1.

Mr. Metcalfe stated that the agreement would create an automatic mutual aid arrangement. The arrangement has been implemented currently on an experimental basis; this document formalizes the arrangement. Mr. Metcalfe reported that in past practice a specific request had to be made by the responding department to dispatch other units. This agreement makes the dispatching automatic at certain times of day during the week. Previously, our department has been dispatched as medical standby on fires in Gardner and the Rural Fire District. Under this arrangement our department would take the fire truck instead of the ambulance to these calls, which would allow greater flexibility in dealing with incidents requiring mutual aid. The reciprocal aspect of this agreement is that Gardner and Rural Fire District units would be automatically dispatched on certain types of calls at the airport. This is important to us as our one fire truck and crew would not be able to deal with many of the large fire/disaster exposures we have at Industrial Airport. Mr. Adams reported that the agreement restructures the current services and does not necessitate additional staffing or equipment. **MOVED BY MR. MEYER, SECONDED BY MR. WALTER TO RECOMMEND APPROVAL TO THE BOCC OF AN INTERLOCAL COOPERATION AGREEMENT FOR FIRE SERVICES WITH RURAL FIRE DISTRICT NO. 1. APPROVED UNANIMOUSLY (4-0).**

- B. Consider recommending approval to the BoCC of an interlocal cooperation agreement for fire services with the City of Gardner.

This agreement is essentially the same as the Fire District agreement discussed earlier, and serves the same purpose. **MOVED BY MR. VIETS, SECONDED BY MR. MEYER TO RECOMMEND APPROVAL TO THE BOCC OF AN AGREEMENT FOR PROVIDING FIRE SERVICES WITH THE CITY OF GARDNER. THE AGREEMENT WILL BE FINALIZED BY LEGAL COUNSEL WITH THE SUBSTANCE REMAINING THE SAME AS PRESENTED. APPROVED UNANIMOUSLY (4-0).** .

- C. Consider approval for release of old helmets to Industrial Airport firefighters when newly purchased helmets arrive.

Mr. Adams reported that as a part of updating safety equipment the fire department helmets must be replaced. The firefighters have requested acquiring the old helmets when they are no longer useful. Legal counsel has agreed that with Airport Commission approval it is allowable to the release the old helmets to firefighters. The firefighters will be required to sign a disclaimer that the helmets will be used for display purposes only. **MOVED BY MR. MEYER,**

SECONDED BY MR. WALTER TO ALLOW THE RELEASE OF OLD HELMETS TO INDUSTRIAL AIRPORT FIREFIGHTERS WHEN THE NEW HELMETS ARRIVE. APPROVED UNANIMOUSLY (4-0).

F. Discuss proposed 1992 capital improvements program.

The various projects as presented by staff were discussed. Mr. Metcalfe explained that the CIP would be presented to county staff and ultimately to the BoCC for their consideration. The BoCC concentrates on the coming year projects only. There was discussion about the water source capital item. The \$2,000,000 water connection line item to be funded with revenue bonds is an estimate based on estimates from potential long term water sources and could possibly include elevated storage. The line items for rehabilitation of the water distribution system includes replacing all lines, hydrants and valves. Mr. Metcalfe stated that the current water situation is not ideal with the inoperable hydrants and old lines, but those factors have been considered by staff and have been worked into plans to maintain public safety. There was discussion about the line item for demolishing buildings 43 and 45. Mr. Metcalfe explained that the alternative of committing \$150,000 to assist the CAF in rehabbing Hangar 43 as opposed to demolishing it for \$250,000 will be discussed during the CIP process. The CIP items will be prioritized before they are submitted to the BoCC. Mr. Metcalfe discussed other line items: "Executive Airport maintenance shop and office" is to replace the use of a t-hangar and old house as current facilities. "Construct fire station at Industrial Airport" is to replace the deteriorating and marginally habitable fire station. There may be an opportunity to seek FAA funding for a portion of this project. The new station is designed to be converted to a maintenance shop building if a different station arrangement in a different location is required in the future. An equipment barn will be necessary if we tear down or lease Hgr. 43 because we will lose storage space for our seasonal equipment. The maintenance equipment line item includes \$160,000 for snow removal equipment for the runways and \$120,000 for road grader, also used for snow removal. This equipment may be eligible for FAA reimbursement and the county funding could be contingent upon FAA reimbursement. Mr. Viets suggested the first priority should be funding for the additional land purchase at Industrial Airport, second for the long-term water connection and third for demolishing Building 45. Chairman Craig agreed. Mr. Metcalfe stated staff would provide a prioritized list by the end of the week.

G. Consider approval of a Right of First Refusal with JcAir Associates.

Mr. Metcalfe reported that JcAir had requested a Right of First Refusal on a piece of land which had been included in a larger parcel they had previously optioned. The .21 acres in the right of first refusal is that portion of the previously optioned property

that is not currently under lease. Mr. Metcalfe reported that the boundaries of the subject property are adjacent to Stouse boundaries and Stouse officials are not opposed to the agreement. Mr. Craig questioned the reasoning about no charge for the refusal right. Mr. Metcalfe stated that essentially JcAir had paid for it when they optioned the property. The property in the agreement does not in any way conflict with the boundaries of the Stouse leasehold property. Mr. Meyer stated that he opposes right of first refusals in concept, but realizes sometimes they are necessary. Mr. Metcalfe stated he likes these arrangements better than options because it doesn't tie up the land if a new lease opportunity comes up. **MOVED BY MR. VIETS, SECONDED BY MR. MEYER TO APPROVE THE RIGHT OF FIRST REFUSAL WITH JCAIR ASSOCIATES FOR .21 ACRES. APPROVED UNANIMOUSLY (4-0).**

MOVED BY MR. MEYER, SECONDED BY MR. WALTER TO ADJOURN TO EXECUTIVE SESSION AT 11:53 A.M. TO DISCUSS PERSONNEL AND LAND ACQUISITION AND TO RECONVENE AT 12:30 P.M. APPROVED UNANIMOUSLY (4-0).

The meeting was reconvened at 12:30 p.m.

Chairman Craig reported that Mr. Metcalfe's performance evaluation is complete and will be transmitted to the county personnel department.

MOVED BY MR. WALTER, SECONDED BY MR. MEYER TO RECESS THE MEETING AT 12:46 P.M. UNTIL THURSDAY, MARCH 14, 1991 AT 9:00 A.M. AT THE METCALF STATE BANK AT COLLEGE BOULEVARD AND QUIVIRA IF IT IS NECESSARY TO CONDUCT BUSINESS RELATED TO THE SALE OF THE KANSAS CITY AVIATION CENTER. APPROVED UNANIMOUSLY (4-0).

Phyllis Thomen, Secretary

R. Lee Metcalfe,
Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - MARCH 29, 1991 - 9:00 a.m. - INDUSTRIAL AIRPORT

Airport Commission: Present
 Craig Walter Meyer
 Winn Thomen Nohe

Absent
Viets

Staff: Metcalfe Schaefer Smyth
 Fredrichs Adams Lind
 Stramberg Williams

Others: Commissioner Dan Hosfield, BoCC
 Connie Bye, Kansas City Star
 John Boyette, Olathe Daily News
 Jan Durrett, League of Women Voters
 Christy Marsh, Sun Newspapers
 Dennis McKee, CERI

The meeting was called to order at 9:00 A.M. by Chairman Craig.

I. APPROVAL OF MINUTES:

MOVED BY MR. WALTER, SECONDED BY MR. NOHE TO APPROVE THE MINUTES OF THE FEBRUARY 27, 1991 MEETING. APPROVED UNANIMOUSLY (5-0).

II. REPORT OF THE CHAIRMAN:

Chairman Craig thanked Commissioner Hosfield for attending the Senate Assessment and Taxation Committee hearing in Topeka on the airport property tax legislation. He commented that the language in the bill needs some fine tuning and is currently being reviewed. The committee hearing was running behind schedule and we were only given 15 minutes to present the bill, which is difficult to explain in such a short time. One committee member was concerned that they were being asked to approve the legislation before the Board of Tax Appeals rendered a decision on our exemption applications.

He thanked Larry Winn for filling in for Lee Metcalfe on the "Leadership Overland Park" agenda on Wednesday, March 27. Mr. Metcalfe was called on short notice to testify on the property tax bill.

Chairman Craig commended Rick Lind and Bob Ford for their concentrated effort to bring the long list of outstanding legal issues up to date.

A. Due to a conflict in Chairman Craig's schedule, the June meeting will be changed to Friday, June 28 at 9:00 a.m.

B. Due to renovation in the Administration Building the conference room will not be available for the April 24 meeting. Several suggestions were made for a meeting site. Staff was directed to find a suitable meeting site and to notify participants.

III. REPORT OF THE TREASURER:

A. Disbursements for February 1991.

The voucher list was discussed. **MOVED BY MR. WALTER, SECONDED BY MRS. THOMEN TO APPROVE THE DISBURSEMENTS FOR FEBRUARY AS PRESENTED. APPROVED UNANIMOUSLY (5-0).**

B. Receivables Report.

The accounts receivable list was reviewed and no problems were noted.

C. 1991 actuals vs. budget report.

The reports were reviewed. Mr. Schaefer explained that previously Med-Act was collecting patient charges for the Airport Ambulance service. Mr. Adams discovered that the collections record was not acceptable and decided to take over collection responsibilities. Mr. Adams explained that we have to go through a special licensing procedure to bill and collect patient charges and when that is completed the Airport Fire Department collection procedures will be implemented.

Mr. Nohe asked why we did not show property tax as an income source. Mr. Metcalfe responded that it is not reported to us in a form we can use. The funds are not credited to our account until the end of the year. Mr. Nohe stated that not reporting the property taxes doesn't give the Airport Commissioners a clear picture of our financial status. Mr. Meyer stated that the actuals vs. budget reports indicate how we are performing in relation to the planned budget for the year and with that information the Airport Commission can monitor spending. Mr. Metcalfe stated that through the annual budget process the Airport Commissioners establish the financial plan by which staff operates, and the disbursements list, which shows all expenditures except personnel, is the commission's check on staff's performance. Mr. Metcalfe said we can only assume that the budgeted tax revenues will be forthcoming.

IV. COMMITTEE REPORTS:

A. Administrative Committee

There having been no meeting in the interim, there was no report.

B. Industrial Committee

There having been no meeting in the interim, there was no report.

V. STAFF REPORTS:

A. Report of the Director, Aviation:

1. Status of Airport Improvement Program (AIP) projects.

Three properties in the Phase I land buy at Executive Airport have been closed. The appraisals for Phase II of the land buy are being completed and should be received soon.

The purchase of 80 acres at Industrial Airport will be closed today. The purchase price was a very favorable \$2,175 per acre.

Bids for the ramp and tiedown project at Executive Airport will be advertised on April 5.

The study on the instrument landing system at Executive Airport will begin on April 22. Staff held a meeting with the Executive Airport tenants on March 20 to discuss the project.

As has been the case for the previous three years, there were no discrepancies found during the annual FAA certification inspection at Industrial Airport.

C. Report of the Director, Planning & Administration:

1. Status of capital projects.

The carpet and tile removal project will begin April 1. The roof repair on the pump houses will begin April 15. Bids for the master plan consultant will be advertised April 5 (This has subsequently been slipped by the Purchasing Dept. to April 10). The Parsonitt expenditures to date have been for engineering, testing, design and disposal of contaminated water. Staff will meet with Burns and McDonnell officials on March 29 to discuss remediation of the contaminated soil.

VII. NEW BUSINESS:

- A. Discuss budget for small business incubator -
Dennis McKee, CERI.

Chairman Craig explained that the Airport Commission is being asked to approve a supplementary budget request to fund the small business incubator for 1992 in the amount of \$126,680. Chairman Craig discussed the history of the incubator. Dennis McKee, Executive Director of Johnson County Economic Research Institute (CERI) discussed the studies conducted by his department regarding small business incubators. The first study looked at the feasibility of an incubator in Johnson County. The outcome showed the need for an incubator for advanced technology firms. The study concluded that a 50,000 square foot facility would be necessary. The incubator would not be self-sufficient until the debt for the facility is retired, assumedly in twenty years. The study also concluded that the facility would be best located in Industrial Airport. It was determined that with strong management and strong University linkage the incubator could be a success. The study shows a net operating loss, that would reach a peak in the second year of activity, of \$486,000 leveling off to \$327,000 and staying constant until the debt was retired. That leads to a public investment over a period of twenty years of \$6.7 million which is proposed to be funded from up to a 1/2 mill levy by the BoCC. Against that investment, it was assumed that during that period, 48 new firms would be created, supplying 10,886 jobs both directly and through the multiplier. The cost benefit to Johnson County over the twenty years would be \$73.5 million. All of the 400 incubators in the United States show a public subsidy. The tenants admitted to the incubator could be required to pay a royalty on sales or an equity option. Mr. Winn expressed his support for the project. Chairman Craig stated that the location of the incubator at Industrial Airport is supported by the Economic Development groups. Studies show successful incubator tenants will typically move from the incubator facility into light industrial, warehouse or commercial space in the same general area, which will benefit commercial developments throughout Johnson County. The incubator task force hopes that funding of the first year budget would be a commitment by the BoCC to fund the additional years. The BoCC could utilize the Economic Development mill levy which has not been used previously. The incubator study proposed the use of the mill levy which would provide a stable means of financial support. Mr. McKee stated that the discussions with other incubators across the United States have stressed the extreme importance of finding the right person for the director's position. He stated that during the first year of the project the Executive Director would be hired. The Director would then refine the strategic plan, develop the necessary marketing plan, find tenants and get the facility constructed. Mr. Metcalfe stated the Airport Commission staff could absorb any burdens the project may cause, assuming that our Property Manager is on board and the master plan is complete.

MOVED BY MR. NOHE, SECONDED BY MR. WINN TO ENDORSE THE REQUEST TO SUBMIT A SUPPLEMENTARY BUDGET PROPOSAL FOR 1992 FOR \$126,680 FOR THE FIRST YEAR OF FUNDING FOR THE FIRST STAGE OF DEVELOPMENT OF THE SMALL BUSINESS INCUBATOR. APPROVED UNANIMOUSLY (5-0).

Commissioner Hosfield recommended a separate discussion with the BoCC on the supplementary budget request.

V. STAFF REPORTS:

E. Report of the Executive Director:

1. Airport-area zoning MOU's with cities.

Mr. Metcalfe reported that the BoCC has approved the final draft of the Memorandum of Understanding which is a temporary mechanism to formalize the exchanging of information about development proposals on and off the airport property. The MOU's do not have any legally binding provisions, but they do formalize the airport-area zoning boundaries at both airports. The City of Gardner has approved the MOU. Olathe and Overland Park are expected to take action of the MOU the first week of April (The City of Olathe formally approved the MOU on April 1). The Airport Commission will be asked to formally accept the MOU after the approval of all the cities.

2. Legal issues update.

Mr. Metcalfe commended the legal department for the effort in completing many of the projects.

3. KCAC sale.

The sale of KCAC, which was a stock transaction, was completed on March 15.

4. K-10 Corridor Committee.

Mr. Metcalfe reported that he has been appointed to the steering committee. The group is in the formative stages and is beginning development of a plan of action for the development of the corridor.

5. Industrial Park Master Plan RFP.

The bid advertisement will begin on April 5 (Slipped to April 10 by Purchasing). Mr. Metcalfe stated that staff has received favorable responses and there seems to be a lot of interest in the project. The selection committee for the consultant will be defined soon.

6. Director of Property Management.

The job description has been submitted to the Personnel Department and staff hopes to begin interviewing candidates in 30-45 days.

7. Property tax legislation.

Chairman Craig reported that the Airport Commission needs to make contacts with Senators asking for their support of the bill (Senate Bill No. 399). Mr. Metcalfe was directed to distribute a memo to the Airport Commission with background information so the Airport Commission can make the contacts.

8. CIP review with budget office.

The CIP was presented to the budget office on March 20. Mr. Metcalfe stated he had no sense at this time of what their recommendations will be.

9. 1992 budget process.

Staff will complete the budget and send the proposed operating budget within two weeks for review. Final approval will be necessary at the April 24 meeting. Chairman Craig requested the Administrative Committee hold a meeting to discuss the budget prior to the April 24 meeting.

The meeting was adjourned at 10:35 a.m.

Phyllis Thomen, Secretary

R. Lee Metcalfe,
Executive Director