

## **REAP Executive Committee Meeting minutes**

### **Wichita Workforce Center**

**2021 N Amidon Ave #1100**

**Wichita, KS 67203**

**March 2, 2023 ~ 11:30 am**

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1. Welcome and Introductions: Commissioner Pete Meitzner, Chair
2. Approval of Minutes from the Executive Committee Meeting from February 2, 2023 (pp. 2-4): Commissioner Pete Meitzner, Chair
3. DRAFT Regulation Change to Groundwater Rights and Permits (pp. 5-6): Laura Rainwater
4. 2023 Kansas Legislature Update (pp. 7-12): Kimberly and Josh Svaty
5. Committee Reports:
  - A. Wichita Airport Advisory Board (pp. 13-17)
  - B. Wichita Transit Advisory Board: No report
6. Community Updates
7. Adjourn

**NEXT MEETING: Our next meeting will be Thursday, April 6, 2023, at 11:30 a.m.**

## REAP Executive Committee Meeting minutes

### Wichita Workforce Center

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1. Welcome and Introductions: Commissioner Pete Meitzner, Chair (11:35 am)
2. Approval of Minutes from the Executive Committee Meeting from December 8, 2022  
Commissioner Pete Meitzner, Chair

***ACTION TAKEN: Mayor Russ Kessler (Haysville) made a motion to approve the December 8, 2022, REAP Executive Committee Meeting Minutes. Council Member Nick Engel (Derby) seconded. THE MOTION PASSED UNANIMOUSLY.***

3. Amtrak Heartland Flyer Extension Federal Railway Administration Grant:  
Cory Davis, Director, Multimodal Transportation and Innovation, KDOT
  - Connecting OKC to Newton with stops in Ark City and Wichita
  - Service Development Plan
  - Next Step includes Formalize partnerships (KDOT, ODOT, BNSG, Amtrak) with local communities
  - Pursue Capital and Operating Funds
  - Expression of interest submitted to FRA last year
  - Corridor ID Program, we are ahead of the game with project planning underway
  - Federal funding of 80% cost
  - Application process KDOT is taking lead, ODOT is a joint applicant
  - Due March 20, 2023
  - Letters of Support needed

***ACTION TAKEN: Commissioner Don Schroeder (Harvey County) made a motion to Approve REAP Letter of Support for the Kansas Department of Transportation, Oklahoma Department of Transportation, and Texas Department of Transportation's joint application for the Heartland Flyer Extension to be accepted into the U.S. Department of Transportation's Federal Railroad Administration's Corridor Identification and Development (Corridor ID) Program. Mayor Russ Kessler (Haysville) seconded. THE MOTION PASSED UNANIMOUSLY.***

## 4. 2023 Kansas Legislature Update: Kimberly and Josh Svaty

- State Finance Council Meeting today to approve APEX 2
- House Water Committee - Legislation introduced: One deals with using a portion of sales tax to fund water plan, the other mandates financial reporting and management plans for GMDs
  - Dealing with the time frame allowed for reviewing water rights and cases to 15 days
  - Dedicated portion of sales tax to go to water fund
  - Around \$46million annually with \$ 15 million set aside for smaller communities for water infrastructure
  - Pay down existing water debts
  - Hearings starts next week
  - Written testimony will be very beneficial
- HB2150: Three-mile area of influence on zoning planning cases
- SB86: Requiring local governmental officials to disclose substantial interests in the construction and operation of a wind or solar energy conversion system and to abstain from all local governmental actions relating to such matters.
- Micron industries semiconductor meeting visit in Wichita
- Nation Science Foundation President Visit
- Mental Health Continuum of Care and housing the homeless - Sally Stang (City of Wichita) taking the lead
- WPD Homeless Outreach Team has vouchers for housing
- State Mental Health Hospital in the governor's budget, will be located in the region,
- Partnerships between WSU/KU on the biomedical campus
  - Tremendous momentum in Topeka to fund
  - Location in downtown Wichita

## 5. Committee Reports:

- A. Wichita Airport Advisory Board – Written report provided in meeting packet
- B. Wichita Transit Advisory Board – Written report provided in meeting packet

## 6. Community Updates

- Chambers Chairs Lunch at 11:30 am on Wednesday, Feb 8, 2023, at Century II. Three seats left at the REAP table. First come first served
- Chamber's Sunrise Scramble with Jeremy Hill, Wednesday, Feb 15, 8 am-9:30 am at Holiday Inn East
- New REAP member - City of Sedgwick Mayor Bryan Chapman and City Administrator Kyle Nordick

# REAP | Regional Economic Area Partnership

- Park City Star Bond Hearing: February 14, Mayor Lehnherr and Sean Fox
  - \$500 million Echo Hills Golf course
  - Aquarium project 100K facility, hotels, retail stores, restaurants
  - Baseball fields not in Star bond district
  - 3.1 million people yearly

7. Adjourn at 12:40 pm

**NEXT MEETING: Our next meeting will be Thursday, March 2, 2023, at 11:30 a.m.**

Attendees:

Name	City	In Person	Zoom
Chairman Pete Meitzner	Sedgwick County	X	
Council Member Mike Hoheisel	Wichita		X
Will Black	Haysville		X
Mayor Russ Kessler	Haysville	X	
Mayor John Lehnherr	Park City	X	
Diane Tinker Hurst	WSU		X
Dr. Justin Henry	Goddard USD		X
Commissioner Don Schroeder	Harvey County	X	
Anthony Schwartzendruber	Harvey County		X
Council Member Nick Engle	Derby	X	
Kelly McElroy	Newton		X
Mike Zamrzla	Senators Moran's Office	X	
Chip Westfall	Harvey County	X	
Lauren Clay	Kansas Gas Service	X	
Kevin Cocchetella	Transfer Capital	X	
Cory Davis	KDOT		X
Josh Svaty			X
Sean Fox	Park City	X	
Don Koci	Colwich		X
Daniela Rivera	McPherson	X	
Kennisha Rolfe	Workforce Alliance	X	
Laura Rainwater	REAP	X	

**K.A.R. 5-5-17. Application to change points of diversion of groundwater rights more than 300 feet.** (a) This regulation shall apply to groundwater water rights and permits.

(b) As used in this regulation “circle” has the same meaning as in K.A.R. 5-3-11.

(c) As used in this regulation, “area of consideration” means the portion of the two-mile circle located within the limits of an aquifer expressed in acres, including any area of the circle located within the boundaries of a groundwater management district. The area of consideration shall not include any portion of the circle located outside the state of Kansas.

(d) An application for a change in point of diversion that is filed requesting to move a point of diversion more than 300 feet shall not be approved unless the following conditions are met:

(1) A proposed point of diversion shall not allow a water right or permit to move into a more appropriated area of consideration, and shall not allow a vested right or prior appropriation right or permit to be added to an area of consideration, unless the water right or permit would meet the requirements of safe yield pursuant to K.A.R. 5-3-10, and amendments thereto, at the proposed point of diversion; and

(2) A proposed point of diversion located within the high plains aquifer shall not substantially increase the rate of decline of the aquifer for any existing water rights or permits within the area of consideration, based on an established peer-reviewed hydrologic model or simulated using Theis analysis or another established method of hydraulic analysis, unless more site-specific information is available to the chief engineer.

(e) A change in the point of diversion of a water right or permit with an earlier priority date than the effective date of this regulation shall not be greater than 2,640 feet from the water right or permit’s authorized point of diversion on the effective date of this regulation.

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(f) A change in the point of diversion of a water right or permit with a later priority date than the effective date of this regulation shall not be greater than 2,640 feet from the water right or permit's original authorized point of diversion.

(g) This regulation shall apply to:

(1) changes in points of diversion that would only impact another water right or permit held by the owner of the water right or permit at issue; and

(2) applications for changes in points of diversion filed within a groundwater management district for which the chief engineer has previously adopted regulations specifying a less restrictive standard for changes in the points of diversion of groundwater water rights and permits. (Authorized by K.S.A. 82a-706a; implementing K.S.A. 82a-706a and K.S.A. 82a-708b; effective P-\_\_\_\_\_).

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## **2023 Kansas Legislative Session Weekly Legislative & Regulatory Update**

### **At A Glance**

- Turnaround review

### **Looking Ahead**

- 1 March – Lawmakers return to session
- 29 March – Second Turnaround deadline
- 6 April – First Adjournment
- 26 April – Veto Session begins

### **Welcome to Week 8**

The Turnaround deadline was Friday, February 24<sup>th</sup> which is a line in the sand milestone for many pieces of legislation. The House and Senate churned through bills on the floors of their respective Chambers last week. There were a number of bills of consequence that received debate will not make newspaper headlines and there were several bills that receive all the ink. The Senate took a major step in tax policy reform before it adjourned for several days, when it passed a “flat tax” bill creating a standard 4.75% tax rate across the board. The fiscal note on the Senate version of the flat tax bill was argued to be less than the projected fiscal note associated with the House version of the flat tax bill. The House version exempted the first \$15,000 of income for single filers and \$30,000 of income for married filers. The Senate flat tax bill did however did take another different approach from various tax bills in that it eliminated all local sales tax on food items as well in the march to zero percent tax on food items and ingredients. The loss of revenue to local governments is broad, sweeping and a significant encroachment on local government decision making.

### **New Bills**

- **City Planning & Zoning**  
SB 273 was introduced in the Senate Assessment & Taxation Committee. It is an identical bill to HB 2150 which was defeated in the House Local Government Committee before Turnaround. Like HB 2150, SB 273 repeals the zoning and planning authority for cities in the three-mile area extending from the city boundaries. SB 273 is scheduled for a hearing on Thursday, March 2<sup>nd</sup> in the Senate Local Government Committee. [SB 273 | Bills and Resolutions | Kansas State Legislature \(kslegislature.org\)](#)



- **Public Utility Customer Data Collection bill**

HB 2440 and SB 278 were introduced in exempt committees last week. Under both bills, all public utilities operating in Kansas – including “small public utilities that serves fewer than 10,000 customers or earns less than \$250,000 in annual gross revenue, will be required to provide data about 26 different topics to the Kansas Corporation Commission (KCC). From those 26 different topics, the KCC shall establish uniform standards for the reporting of data by public utilities. SB 278/HB 2440 require each public utility effective September 1, 2024, and annually thereafter, to file with the KCC a written report outlining compliance with 5 bucketed areas. The bill allows for an online reporting system of required information. Examples of information required to be provided to the KCC monthly by every public utility in the state includes: the number of customers; the total dollar amount billed to and collected from customers; the average amount billed to customers; average usage amount; the number of customers receiving utility assistance; number of customer receiving disconnection notices, reconnections and such fees, number of customers who’s payments are in arrears by 30, 60, 90 days and number of customers in deferred payment agreements. Each utility must organize the information by utility type, customer class, income level, census tract and zip code from the preceding month.

[SB 278 | Bills and Resolutions | Kansas State Legislature \(kslegislature.org\)](#)

[HB 2440 | Bills and Resolutions | Kansas State Legislature \(kslegislature.org\)](#)

- **Local Government Competition**

HB 2319 would have provided a tax exemption for business property that operates in competition with property owned or operated by a governmental entity was not advanced this session. However, a similar bill, SB 252 was introduced the week before Turnaround and passed the Senate Assessment & Taxation Committee. The Senate President led the proponent testimony for SB 252. The Senate bill is more targeted in the businesses it sees as in competition with local government and still largely centers around private health care facilities and YMCAs/YWCAs as well as some other interesting targets such as EMS providers.

[SB 252 | Bills and Resolutions | Kansas State Legislature \(kslegislature.org\)](#)

## **Bill Review**

- **Water Plan Funding Bill – Passed House**

**HB 2302** – Provides a five year dedicated mechanism to fund the State’s water plan among other attributes. The bill emerged from House Water Committee unanimously last week. The good will in the committee was so strong there was even applause from the audience at the passage of the bill, which is rare in the Kansas Legislature. With a fiscal note of nearly \$50 million per year, this legislation is attracting a lot of attention, but there are strong indications that it will not only be worked on the House floor, but may also have the votes to pass.

- **Light Mitigation – Passed Senate**



**SB 49** – Senate Bill 49 is the “Light Mitigation Bill” in which passed the Senate Utilities committee last week. SB 49 combined the contents of SB 46 and SB 49 into one bill addressing light mitigation technology for prospective wind farms in Kansas as well as all operating wind farms. The bill passed unanimously out of committee on Thursday, and we expect it to cross the Senate floor sometime this week.

- **State Revolving Loan Fund & PE Engineer – Passed House/ Passed Senate**  
**HB 2047 and SB 120** – After a quick amendment to the House bill (HB 2047), these two bills are identical and both passed out of their respective House or Senate Agriculture and Natural Resources committees. The legislation would change the amortization period for state revolving fund water projects to 30 years from 20 and would allow the Department of Health and Environment to certify communities with their own qualified professional engineers on staff to be capable of approving their own extensions and replacements of water lines. These are both expected to pass without incident.
- **GMD Reporting – Passed House**  
**HB 2279** – House Water also passed HB 2279 out with amendments during Thursday’s debate. The bill would mandate more financial reporting from Groundwater Management Districts and set deadlines for the GMDs to determine plans for areas with considerable declines in the aquifer. After amendments the bill passed unanimously. The bill is expected to be debated this week by the House.
- **Right of First Refusal – Pending in Senate**  
**SB 68** – Known as “Right of First Refusal” or ROFR, SB 68 received four days of hearing in Senate Utilities. The bill creates a right of first refusal for regionally cost allocated, high voltage electric transmission lines approved for construction by SPP. The bill was worked by the committee on Monday of last week and passed as amended. It is not clear if the bill will be debated by the full Senate before Turnaround. Moments after the controversial bill was moved through committee, the committee chairman announced his intention to not seek re-election in two years.
- **Election of KCC Commissioners – House bill is blessed, Senate bill not moving**  
**SB 88/HB 2154** – Provides for the election of commissioners to the Kansas Corporation Commission as well as moving much of the KCC staff to a new Utility Division in the Attorney General’s office. The bill had a hearing in the Senate Utilities Committee. There is a House companion bill, HB 2154 which also had a hearing and has been “blessed”, meaning it is exempt from legislative deadlines so it can be worked later in session.
- **Net Metering & Third-Party Power Purchase Agreements – Not moving this session**  
**HB 2227 and 2228** – HB 2227 would allow for large customers to enter into third-party agreements to procure power and HB 2228 would alter the state’s net metering statutes considerably by requiring all municipal and cooperative electric utilities to adhere to the revised net metering statutes.

- **Plastic Bag/Consumer Merchandise Bill**

SB 47 was defeated in Senate Commerce prior to Turnaround. However, a new bill is likely to be introduced that would prohibit local governments from regulating or banning consumer merchandise from a business or entity authorized to do business in the state.

- **Sales Tax on Utility Service**

SB 54 was advanced to the Senate floor for debate as part of a broader tax package. Under SB 54, state sales tax on commercial utility service would be moved to zero, similar to state sales tax for residential customers. Local sales tax would remain at the discretion of each local government.

- **Other Utility Related Matters**

HB 2225 which limits the cost recovery for certain future transmission costs as well as some previously incurred costs was blessed so it could continue to be worked on this session. HB 2226 passed the House. The bill extends the timer period for excavation notice and allows for virtual “whitelining” as part of the One-Call program. HB 2156 which would have allowed investor-owned utilities to establish rates that benefits low-income customers did not advance. The bill was introduced by CURB and was supported by the impacted electric and natural gas utilities. SB 166 requires public disclosure of impacted landowners along a transmission line route. The bill was pulled from debate. SB 78 which has a House companion bill of HB 2155, requires the KCC to review the regional rate competitiveness of an electric utility’s rates in a rate case proceeding. Neither bill advanced. SB 154 limits the amount of fees, taxes and other charges on a utility bill assessed by a board of public utility did not receive committee action. Neither did SB 214, although it is technically exempt from deadlines, that would prohibit public utilities from recovering any dues, donations or contributions to any charitable or social organization or entity through customer rates. HB 2004 which would have imposed new fees on electric vehicles did not advance. HB 2394 created an energy assistance program for low income individuals as well as those individuals transitioning from unhoused to affordable housing. The bill did not advance this session.

- **Local Government Disclosure for Clean Energy Projects**

SB 86 was defeated in Senate Local Government after being amended to attempt to narrow the bill’s effects somewhat. Under the measure, which pertained only to clean energy projects, a county commission could not take any action, except to ban a project. Further, any county commissioner or staff member could not take any action if a laundry list of relatives or intimate relations had an interest in a clean energy project. A more targeted bill is expected to be introduced.

- **STAR Bond Replacement Fund**

The House passed HB 2387 which creates a STAR Bond Food Sales Tax Replacement Fund for STAR bond projects that have groceries included in the districts that came into being prior to 2022 that are impacted by the lowering of the food sales tax. The Replacement Fund is in several other food sales tax related bills pending this session including HB 2435.

- **Foreign Ownership of Land**

**HB 2397 and SB 100** – These are the “Foreign Ownership of Land” bills in each respective chamber. SB 100 was not heard and is considered the more far-reaching of the two bills as it prohibits any foreign ownership of land with a greater than 51% interest. HB 2397 restricts the prohibition of foreign land ownership to “foreign adversaries”, which includes Russia, Cuba, the Maduro Government in Venezuela, Iran, North Korea, and the People’s Republic of China but does not include a percentage of ownership interest. HB 2397 was heard in House Agriculture and Natural Resources and included in-person testimony from the Attorney General of Kansas, Kris Kobach, who considers this one of his top five legislative priorities. The Attorney General proposed five amendments to the House bill so it would mirror the more prohibitive Senate bill. This issue is being considered in numerous other states and Kansas will likely continue to discuss it this session in some form or fashion.

- The House has three ESG related under consideration this session. HB 2404 and HB 2436 being the two most recent bills introduced.
- The House and Senate both had bills pending to re-instate transfers to the local ad valorem tax reduction fund (LAVTRF). Neither bill moved.
- HB 2220 that would have created a five-year property tax exemption for city, county and township property used for business incubator purposes in counties with 40,000 or less in population did not advance from committee.

### **The Kansas Legislature to You**

Committee hearings and Chamber debate is available on the Legislative YouTube page and some committees allow for virtual testimony as well (if permission is granted by the Committee Chair). On the Kansas Legislature webpage, click on the Audio/Video link in the right-hand corner to be directed to your AV choices.

[Welcome | Kansas State Legislature \(kslegislature.org\)](https://kslegislature.org)

### **Closing Thoughts**

Please contact us anytime this legislative session with any questions, thoughts, or concerns.

Kimberly & Josh Svaty

### **Contact Information**

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**DIRECTOR'S REPORT:**

- Romo was appointed to the Kansas Aviation Board
- Wise reported that the Department of Transportation (DOT) is expected to announce the Small Community Air Service Development Program. This is a program that the DOT makes available to small hub airports. The DOT has added some flexibility to the application process this year. Instead of applying for a specific destination, the Airport Authority intends to apply for a \$1 million grant to be used as a minimum revenue guarantee for nonstop service to the east coast with a focus on Washington, D.C. A matching amount of \$500,000 from public/private entities is necessary. Letters of support will be needed from the airlines. Once the program is announced, there will be six weeks to apply. In-kind donations, such as marketing support from media outlets, are also needed. The airport will waive landing fees and terminal charges for up to two years, as well as provide marketing support. The consensus of the Wichita Airport Advisory Board was to apply for this grant
- Phillip Zevenbergen\, with the Wichita Area Planning Division, presented a zone change and a conditional use change for a 155ft monopole cell tower which is located at the intersections of Pawnee, West St., and Southwest Blvd.

**Year in Review 2022**

**AIRPORT OPERATIONS:**

- New Airport Operations Manager hired
- Airport Operations Supervisor earned AAAE Certified Member (CM) status in September
- First full year of GA Apron and Expansion Phase 1 – no accidents, incidents, or regulatory violations
- Six significant winter snow, and ice events in 2022- initiatives launched to enhance tenant communication and transparency
- Significant staffing challenges
- Daily inspecting of 1,850,000 square yards of pavement
- Daily inspecting of 2,205,000 lf. of pavement markings
- Daily inspecting of 302 lighted airfield signs
- Issuing 1,920 NOTAMs total for the year

**AIRPORT BUILDINGS & UTILITIES (ABU) DIVISION:**

- All new phase IV electrical system grades have been added to Lucity facility management.
- Update Asset Condition inventory
- 1955 Midfield Road property upgrades
- Updated Custodial Tasks & Frequency Schedule
- Maintaining 584,000 sq. ft. of buildings
- Cleaning 338,000 sq. ft. of buildings
- Maintaining 302 lighted airfield signs
- Maintaining 3,270 airfield light fixtures

**AIRPORT POLICE & FIRE (APF) DIVISION:**

- Continued work with Airport engineering to develop electronic building floorplans to be used for emergency and lifesaving response
- Continued to work to develop comprehensive procedures and training to respond to acts of violence, active shooter, crowd management, evacuation and return to operational status
- Added two new Airport Master Firefighters (AMF), and four new airport Certified Employees – Law Enforcement Officer (ACE-LEO)
- New ARFF vehicle RESCUE 1 procured and ordered in 2022. Estimated delivery in mid-2023
- APF responded to:
  - 52 aircraft emergencies
  - 162 medical calls
  - 775 law enforcement calls
  - 2067 citizen and tenant assists
  - 1041 article of found property
  - 1781 ID/access media issued
  - 69 parking citations issued
  - 18 moving violation citations issued

**AIRPORT GROUNDS & FLEET (AGF) DIVISION:**

- 6 significant winter snow and ice events
- Significant staffing challenges
- Maintaining 15,600 sq. ft. of surface painted hold-short markings
- Maintaining 2,219,000 lf. of pavement surface lines
- Maintaining 1,874,000 sq. yds. of pavement
- Winter treatment of 1,374,000 sq. yds of pavement
- Mowing 1,470 acres of airfield grounds
- Maintaining 174 units of motorized equipment

**PROJECT UPDATES:**

- Jabara Development Study
- ATCT Parking Lot:
  - Part of the 2022 Streets and Parking Lots project with a cost of \$3.2 million
  - Replaced pavement constructed in the 1980's
- GA Apron Rehab & Expansion, Phase 1:
  - \$23.7 million project budget
  - Replace pavement from as early as 1950's
  - Project started May 2022 and will end early 2024
- Fuel Farm:
  - \$55.5 million project cost
  - 8 underground steel tanks each at 15,000 gallons
  - 3 islands to transfer fuel from the tanks into the delivery trucks.

New control building constructed.  
Phase 3 design to begin this spring with an early project cost of \$2 million.

**PROPERTIES AND DEVELOPMENT:**

- Development Process:
  - Updated application and review process.
  - Reinforcing procedures and expectations for both parties.
  - Review of applications are structured and thorough.
  - Will strive to negotiate an LOI within 90 days of accepting an application or move on to the next one.
  - Improvements to the website and materials for interested parties are still in progress.
- Development interest on the rise:
  - Several concurrent negotiations occurring for multiple development opportunities for both airports.
  - Interest coming from manufacturing, maintenance, service providers, etc.
  - Some parties are local, some are from out of state.
- Up to 9 potential deals or interest expressed between the two airports in 2022.
- Four new agreements brought in new revenue and escalates annually thereafter: \$466,460.
- Tenant Improvements totaling \$7,050,000.

**AIR SERVICE:**

- Enplanements have recovered 88%.
- Seats have recovered 90% of 2019.
- 2022 load factors exceeded 2021.
- Q3 average airfare increased 13% from Q3 2021 but still 7% less than Q3 2019.
- Started hotel discount campaign with Double Tree and Hampton Inn

**AIRPORT ADMINISTRATION AND REVENUE MANAGEMENT:**

- Operating revenue is 12% above 2021.
- Operating expenses 7% below budget.
- \$57M in capital spending over five years.
- Aircraft landed weight 92% of 2019.
- Fuel gallons 15% higher than 2021.
- Staffing trends, prior to covid processed 14 hiring, termination events. Currently processing 40 per year.



**INFORMATION TECHNOLOGY:**

- IT Manager has been added to Airport IT team resulting in a total of four positions
- PropWorks property and lease management software has been upgraded to a cloud-hosted solution and the old hardware has been decommissioned
- Hardware upgrade was performed on the airport's primary battery backup system (UPS)
- Phone system was upgraded to a newer model but resized to meet current technology standards
- In preparation for the launch of Windows 11 in 2023, 90% of the airport's business computers were replaced
- Implemented a project to develop an IT high-level design to modernize the airport's IT infrastructure. Faith Group was selected as the design firm

**2023 GOALS & STRATEGIC OBJECTIVES:**

Provide and maintain infrastructure that supports operations and postures us for growth.

Projects:

- Complete Phase 1 of the GA Apron rehab/replace project
- Construct new snow removal equipment facility at AAO
- Complete the renovations and upgrades to the US Customs and Border Protection facility at ICT
- Install infrastructure in parking garage for EV charging stations
- Evaluate plans for ICT airport terminal efficiency improvements

Strategic Objective:

- Position ourselves to compete for new development through partnerships and leveraging resources

Projects:

- Position AAO properties for development
- Revise website to have more developer-friendly information readily available
- Improve promotion of available facilities and parcels

Strategic Objective:

- Identify opportunities to leverage new technologies, upgrade operating capabilities, and improving the customer experience

Technology:

- Complete IT high-level design (HLD)
- Select a System Integrator as continuation of 2020 IT Capital Plan
- Improve Wi-Fi improvements in terminal, campus
- Parking management software upgrade
- Evaluate common use technologies
- Evaluate and initiate EV charging stations

- Safety related improvements:
  - Surveillance system upgrade & expansion.
  - Upgrade badging an identify management system.
- Administration
  - A/V upgrades to board & meeting rooms.
- IT
  - Enhancements to all data centers.

Strategic Objective:

- Recruit, train, and retain a talented workforce. Identify and apply innovative solutions.

Workforce:

- Address workforce shortage with more creative recruiting, such as job fairs.
- Evaluate cross training options, continue to find efficiencies and contract out what we can.
- Connect local businesses with regionalized air service that impacts workforce development.

**Q3 2022 AVERAGE FARES:**

The Bureau of Transportation Statistics (BTS) recently released its 2022 third-quarter average airfare report. BTS average fares include round-trip and one-way itineraries. The average U.S. domestic airfare, inflation-adjusted, increased in the third quarter of 2022 to \$383.34, up 13% from the third quarter of 2021 fare of \$340.22. Compared to Q3 2019, the fare was 4% less, \$398.59.

At Wichita Eisenhower National Airport, the average inflation-adjusted domestic fare in Q3 2022 increased 13% to \$420.80 from Q3 2021 and is 7% less than in Q3 2019. Wichita's fare is comparable with the fares in the region.

The pandemic forced airlines to drop airfares in 2020. The U.S. airfare fell 30%, and ICT's average airfare fell 26% (Q3 2020 vs. Q3 2019). Fuel and labor costs have increased considerably since the pandemic.

***Recommended Action: Receive and file.***