

**MINUTES OF THE REGULAR MEETING OF THE BOARD  
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY  
SEPTEMBER 21, 2022  
AIRCRAFT RESCUE AND FIREFIGHTING (ARFF) STATION,  
2040 BEECHCRAFT ROAD, SALINA, KANSAS**

**Call to Order**

The meeting was called to order at 8:00 A.M. by Chair Kent Buer. Chair Buer confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst stated that the meeting notice was published Friday, September 16, 2022, and the board packet published and distributed on Monday, September 19, 2022.

**Attendance**

Attendance was taken. Chair Buer, Directors Roberg, Gunn, Carlin, and Eichelberger (via telephone call conference bridge) were present. Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Maynard Cunningham; Business and Communications Manager Kasey Windhorst; Administration Specialist Michelle Moon; and Attorney Greg Bengtson attended. Mitch Robinson, Salina Community Economic Development Organization, and Patrick Parker, Ashby House, were guests in attendance.

Parker presented an overview of Ashby House services and upcoming events. Ashby House has unique funding issues because it is neither fully a housing service nor a treatment facility. A large part of the services at Ashby House build on facilitating clients networking with business members and assisting with client job placement. Parker reached out to the Salina Airport Authority specifically for client employment opportunities.

### **Additions to the Agenda**

Chair Buer asked if there were any additions to the agenda. Executive Director Rogers stated a tour of the fire station is added to the agenda. Rogers then provided an overview of the agenda items.

### **Minutes**

Chair Buer asked if the board members had additions or corrections to the minutes. Director Gunn moved to approve the minutes of the August 17, 2022 regular board meeting, August 31, 2022 special board meeting and the September 14, 2022 special board meeting; Director Carlin seconded the motion. Motion carried 5-0.

### **Airport Activity**

Executive Director Rogers reviewed the airport activity during the month of August 2022. The Salina air traffic control tower (ATCT) recorded 4,040 operations during August 2022 which was a 35% decrease as compared to the August 2021 total of 6,181. The year-to-date total of 43,117 operations is a 19% decrease from August 2021 year-to-date total of 53,535. August 2022 fuel flowage came in at 103,932 gallons which was 54% less than the August 2021 total of 226,367 gallons. The decrease in air traffic and fuel flowage is a result of the Runway 17/35 closure for construction. SkyWest enplaned 1,109 passengers during August 2022, which was a 40% decrease from the August 2021 total of 1,859 passengers. Total passenger count was 2,277 which was a 31% decrease from the August 2021 year-to-date total of 3,888. The decrease in passenger enplanement reflects the negative impact of the routing and scheduling tag with Hays. The implementation of a new “optimized” SLN schedule that breaks the HYS tag has slipped to later this year and possibly early 2023.

## **Financial Reports**

Director of Administration and Finance Swanson reviewed the financials ending August 31, 2022. Unrestricted cash in the bank is at \$1,860,521. Total year-to-date income came in \$157,216 over the same period in 2021 (8%) and is tracking 8% over the 2022 budget projections of \$153,955. Total operating expenses came in \$3,858 under budget, running 2.27% more than 2021 or \$42,493. Net operating income before depreciation equaled \$177,297 year-to-date at the end of August. The airport authority remitted the 2<sup>nd</sup> and final 2022 bond payment to the State Treasurer's office in the amount of \$1,952,940 (\$1,670,000 principal; \$282,940 interest). Swanson reviewed the significant expenditures and commented on disbursements from bond funds.

Swanson updated the board on the status of the FEMA projects. Swanson anticipates the funds to be obligated by the end of 2022.

## **Consideration of an architectural and engineering agreement with Hutton Corporation for the design of the hangar H626 rehabilitation project**

Executive Director Rogers reviewed the project and scope of work for the design of H626 rehabilitation project. After discussing the terms of the contract, Director Carlin moved that the board approve the proposed Hutton Corporation architectural agreement in the amount of \$246,000 for the H626 rehabilitation project, to include the construction observation, administration and full construction documents, and authorize the executive director to sign the agreement. Director Roberg seconded the motion. Motion carried 5 - 0.

**Consideration of a Lease Agreement with Flotation Technology, LLC for Unit A in the Salina Development Center, 2775 Arnold Ave., Saina Airport Industrial Center**

Executive Director Rogers provided the overview of Flotation Technology and discussed the proposed lease terms as follows:

**Salina Development Center, 2775 Arnold Ave., Unit A**

- Flotation Technology, LLC
  - 5,350 SF
  - Five (5) years effective October 1, 2022, with options for one (1) additional term of one (1) year
  - Biennial CPI adjustments
  - \$2,565 per month
  - \$30,780 per year
  - \$5.75 per SF per year

Director Gunn moved that the board approve the proposed Unit A, Salina Development Center lease with Flotation Technologies, LLC and authorize Chair Buer to sign the lease agreement.

Director Eichelberger seconded the motion. The motion carried 5 – 0.

**Consideration of a Lease Agreement with Hentzen Coatings, Inc. for Unit A of Building B595, 2761 Berschel, Saina Airport Industrial Center**

Director of Administration and Finance Swanson commented on the lease agreement with Hentzen Coatings and reviewed the proposed lease terms:

**Building B595, 2761 Berschel, Unit A**

- Hentzen Coatings, Inc.
  - 9,175 SF
  - One (1) year effective October 1, 2022, with options for four (4) additional terms of one (1) year each
  - Biennial CPI adjustments
  - \$4,100 per month
  - \$49,200 per year
  - \$5.35 per SF per year

Director Carlin moved that the board approve the proposed Unit A, Building B595 Lease

Agreement with Hentzen Coatings, Inc., and authorize Chair Buer to sign the lease agreement. Director Gunn seconded the motion. The motion carried 5 – 0.

**Review of the SAA's 2022 Year-to-Date Building and Hangar Leasing Activity and Review of the SAA's 2023 Leasing Plan**

Executive Director Rogers reviewed the updated scorecard. The benchmark was set at 42% unleased occupancy in April 2014 following Beechcraft's termination of their lease. As of November 1, 2022, the unleased occupancy rate is 11%.

Rogers reviewed the 2023 building and leasing plan. The priority will be to secure long-term tenants for hangars H509, H600 and H626. Together the three hangars have a potential new lease revenue greater than \$900,000.

**Staff Reports**

Executive Director Rogers provided a damage report from the storm on Saturday, August 17, 2022. One building sustained damage. Building B673 has been vacant for several years and was in poor condition prior to the storm.

**Announcements**

The next regular board meeting scheduled for October 19, 2022 will be held at Hangar H600 board meeting room.

The International Aerobatic Club will be leasing H606 for the U.S. National Aerobatic

Championships from October 2, 2022 to October 7, 2022.

**Airport Fire Station Tour**

Executive Director Rogers hosted a tour of the airport fire station's facilities and equipment.

Upon a motion duly made, the meeting adjourned at 10:05 A.M.

Minutes approved at the October 19, 2022, board meeting.

---

Alan Eichelberger, Secretary

(SEAL)