

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
OCTOBER 19, 2022
HANGAR 600, ROOM 100**

Call to Order

Chair Kent Buer called the meeting to order at 8:00 A.M. and confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst stated that the meeting notice was published Friday, October 14, 2022, and the board packet published and distributed on Monday, October 17, 2022.

Attendance

Attendance was taken. Chair Buer, Directors Roberg, Carlin, and Eichelberger (via GTM) 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, Julie Yager-Zucker, Avflight Salina, Dr. Alysia Starkey, K-State Salina, and Tim Zimmerman (via GTM) , Kansas Department of Commerce were guests in attendance.

Additions to the Agenda

Chair Buer asked if there were any additions to the agenda. Executive Director Rogers stated that the agenda did not have any additions. 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

Eichelberger moved to approve the minutes of the September 21, 2022 regular board meeting. Director Carlin seconded the motion. Motion carried 4-0.

Airport Activity

Executive Director Rogers reviewed the September 2022 airport activity. The Salina air traffic control tower (ATCT) recorded a 2% increase in operations for September 2022 over figures for September 2021 (7,352 operations in 2022, 7,206 operations in 2021). Traffic levels have returned to expected activity following reopening Runway 17/35 after the completion of the resurfacing project. Year-to-date total of 50,469 operations remains 17% below 2021 year-to-date (60,741).

September 2022 fuel flowage came in at 434,725 gallons, an increase of 154% over September 2021 sales of 171,259 gallons. 2022 year-to-date is 1,873,462 gallons delivered, a 20% increase over 2021 year-to-date (1,565,572 gallons). The September 2022 increase is directly attributed to Jaded Thunder. The military and government fuel sales account for 30% to 40% of the annual fuel delivered at SLN.

SkyWest continues to experience a decrease in passengers due to the Hays tag. 2022 year-to-date enplanements are at 14,552 passengers (up 17% from 2021 year-to-date), the September 2022 enplanement count at 1,116 passengers (down 40% from 1,900 in September 2021) and total September passengers through SLN at 2,271 (down 40%, 3,738). Rogers reported that the goal for SLN is to encourage United to optimize the schedule for SLN with a morning flight to Denver and an afternoon flight to Chicago, providing the maximum number of connections for our passengers at these hubs. Advanced bookings for January 2023 are below the number booked in September 2021 for January 2022.

Marketing efforts therefore are focusing on advance bookings for the holidays, highlighting competitive ticket pricing.

Financial Reports

Director of Administration and Finance Swanson reviewed the financials ending September 30, 2022. Unrestricted cash in the bank is at \$1,706,215. Total year-to-date income continues to track over 2022's budget (12%), while total expenses are also over budget for the month (6%). The income increase is attributed to the fuel flowage and lease earnings of the Jaded Thunder event. Net operating income before depreciation as of September 30, 2022 is \$158,673 year-to-date. Administrative expenses are up 7% and maintenance expenses are up 4% for the month. Swanson reviewed the significant expenditures, noting progress payments to Hutton, Bettis Asphalt, and Cheney Construction.

Swanson updated the board on the economic impact of the September events, Jaded Thunder and IAC. Jaded Thunder provided a direct cash assessment of \$3.5M to Salina. IAC contributed \$260,000.

Swanson submitted the 10-year trend analysis for the quarter to the board. Chair Buer directed staff to file the financials for audit.

Update on the Status of FEMA Disaster Funding for Windstorm Damage Repair, Replacement and Mitigation

Director of Administration and Finance Swanson updated the board on the status of 7 FEMA

projects, representing 25 airport structures. Two of the projects are officially obligated by FEMA with the third expected by the end of the week. The remaining projects are under review. Swanson anticipates FEMA's share at 90%, State of Kansas funding 2.5% and the airport authority funding the balance. Rogers updated the progress of the GA hangars. Nine hangars will replace the damaged hangars.

K-State Salina, Aerospace and Technology Campus Growth and Development Update

Executive Director Rogers introduced Dr. Alysia Starkey to the board. Starkey provided a report of the recent gift to the facility by General Atomics Aeronautical Systems, planned application for the Innovation Ramp, and a grant from the National Institute of Science and Technology for the transformation of H724 into the Kansas Advanced Simulation Center. The goal of the college is to revamp the image of K-State Salina, reflecting the status as a top 5 aviation program, and elevating the city, county and state economically by leading aerospace technology for the next 50 years.

Salina Airport Authority development review and approval of the 57,000 SF addition to the Geoprobe manufacturing facility located at 1840 Wall St., Salina Airport Industrial Center

Director of Facilities and Construction Cunningham summarized the Geoprobe construction project which doubles the size of the existing facility. Staff received a request from Dominion, LLC, (Geoprobe) for Grantor's Site Development Review of their proposed building expansion. Per the Kansas Warranty Deed site development covenant, the Salina Airport Authority Board of Directors must approve any site development and building construction plans for this property. Cunningham stated that an FAA airspace determination has been received.

Director Carlin moved to approve the development design plans for the construction of the 57,600 SF expansion to the north end of Geoprobe's manufacturing facility located at 1840 Wall St., Salina Airport Industrial Center. Director Roberg seconded the motion. Motion carried 4 – 0.

Review and Update Current Salina Regional Airport Improvement Projects

Executive Director Rogers reviewed the following Airport Improvement Projects.

SLN Fuel Farm will be located just north of the self-fuel station. After the new facility is completed, the current station will be demolished. Rogers anticipates bidding to be in the spring of 2023, optimally 60 to 90 days prior to the grant.

Runway 12/30 is a FAA/AIP funded project. The design should be finished in 2023 for construction bidding in 2024 and consists of lighting and pavement rehabilitation for 6,510 feet of the runway. The plans will also include a standby generator. This add on item would be a 100% SAA cost item as it does not qualify for FAA funding.

Rogers reported that the application for the Terminal Building project was submitted last week. If selected, the FAA will fund 95% of the project (approximately \$11M) and the remaining 5% (\$558,000) will be local funding. Project grant awards would occur by September 2023 based on construction bids received in July 2023.

Hangar H626 rehabilitation design is underway. Rogers noted that a site visit is planned for Project Tanker, October 29, 2022.

The FAA approved the SLN airport layout drawing in September of 2022.

Review and Update Current Salina Regional Airport Improvement Projects

Rogers discussed Building B673, 1725 Scanlan Avenue, damage due to a recent windstorm. Airport Authority staff will assess the building and provide a full report on the building's status. Staff recommendations will be presented and discussed at the November 16, 2022 board meeting.

Directors' Forum

Director Eichelberger asked for an update on the Schilling Environmental project. Rogers stated that an update will be provided to the board prior to year-end.

Chair Buer questioned estimated completion dates on the terminal building remodeling project, if selected. Rogers stated that construction would likely begin in October 2023. The design phase will include an estimated work completion schedule.

Staff Reports

Rogers reported on the excellent partnership efforts of Mitch Robinson, Salina Community Economic Development Organization, Dr. Alysia Starkey, K-State Salina, and Tim Zimmerman, Kansas Department of Commerce for 1 Vision's growth at SLN.

Announcements

Windhorst commented that the next special board meeting is Wednesday, November 2, 2022, at 4:00 p.m. in Hangar H600, first floor conference room.

Upon a motion duly made, the meeting adjourned at 9:36 A.M.

Minutes approved at the November 16, 2022, board meeting.

Tod Roberg, Vice-Chair

(SEAL)