

Salina Airport Authority Board of Directors Regular Meeting

July 19, 2023



Call to order.



DETERMINE THAT A QUORUM IS PRESENT
AND CONFIRM THAT THE MEETING
NOTICE HAS BEEN PUBLISHED.



RECOGNITION OF GUESTS.



ADDITIONS TO THE AGENDA AND
AGENDA OVERVIEW.

Tod Roberg, Chair



Approval of the minutes of the June 21, 2023 regular board meeting.

Tod Roberg, Chair



Approval of airport activity, financial reports and ten-year trend analysis for the month ending June 30, 2023

Tim Rogers, A.A.E.

Shelli Swanson, C.M.

Produced July 2023

June 2023 Market Review

Salina Regional Airport (SLN)

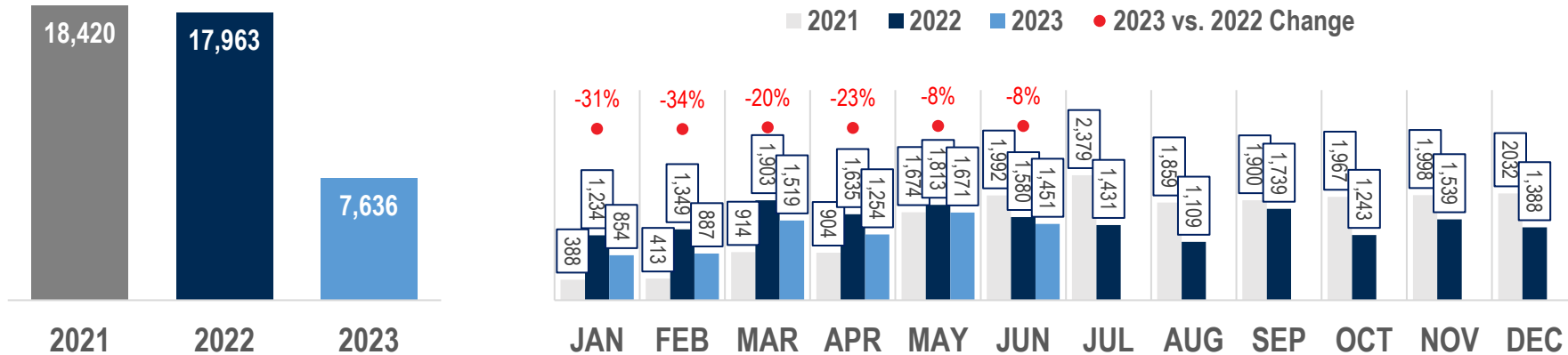


Key Performance Indicators

For a second month running, June enplanements were down 8% on a year-over-year basis

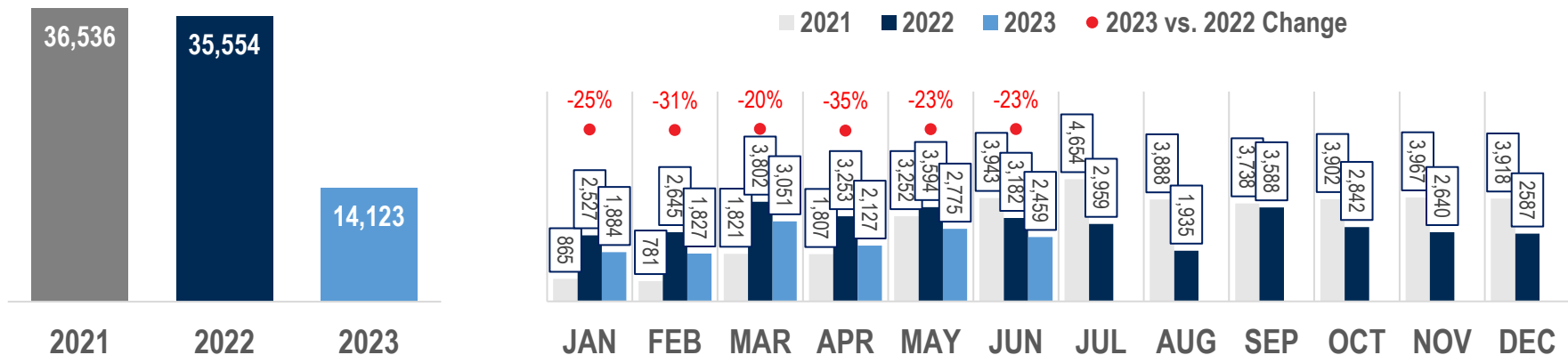
SLN Outbound Passenger Enplanements

January 2021 to June 2023



SLN Roundtrip Passenger Enplanements

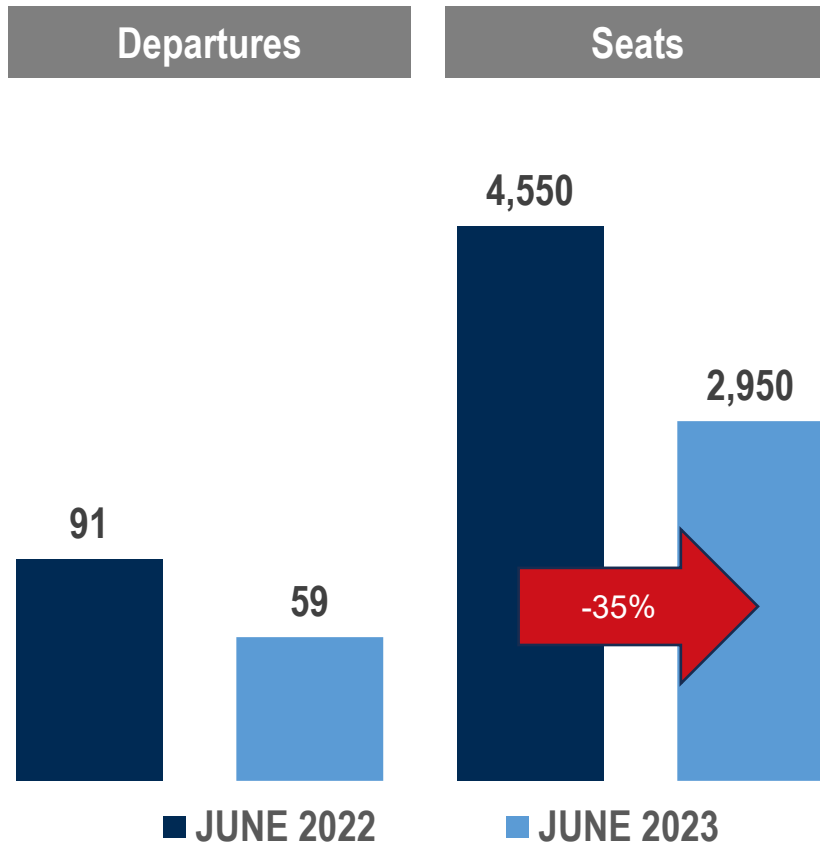
January 2021 to June 2023



Load Factor declined 6 points year-over-year on the back of a 35% decrease in capacity

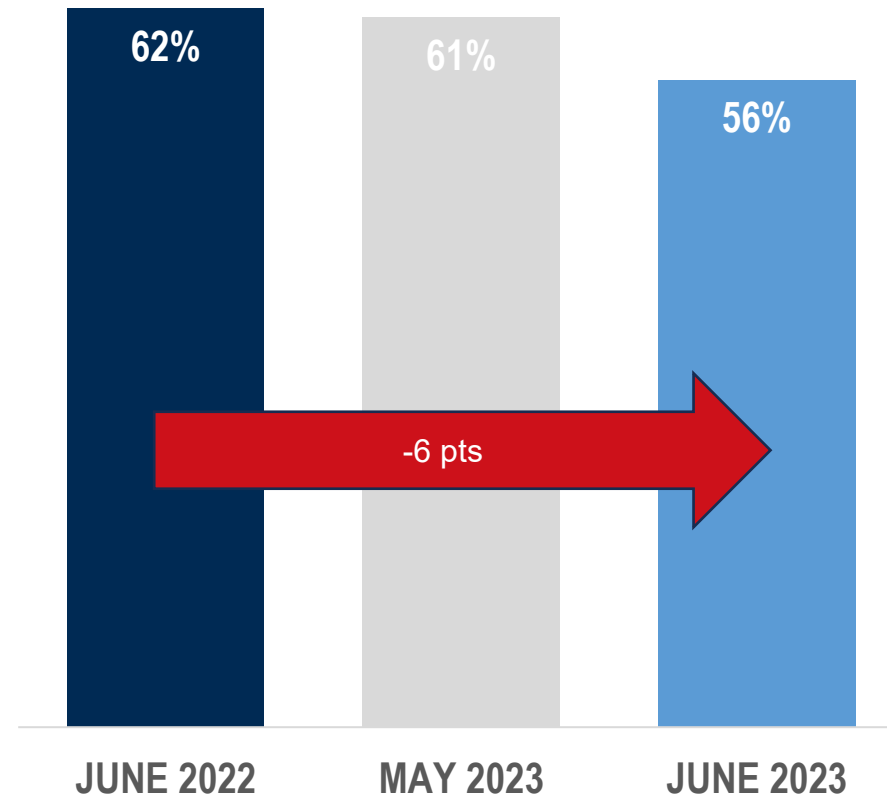
SLN Outbound Operated Capacity

June 2023 vs. June 2022



SLN Load Factor

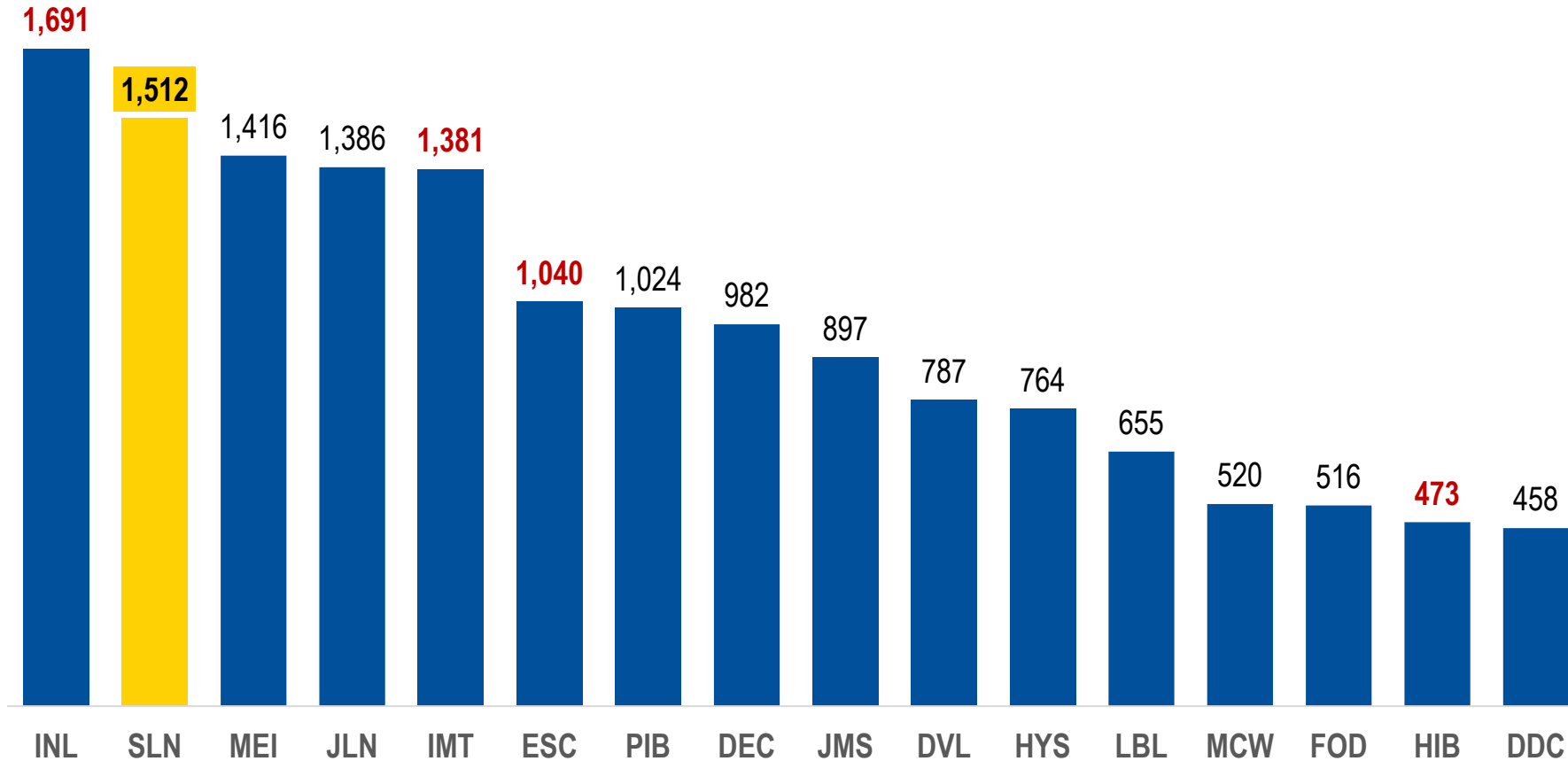
June 2023, May 2023, June 2022



SLN is SkyWest's best performing tagged United Express market, and second-best performer overall

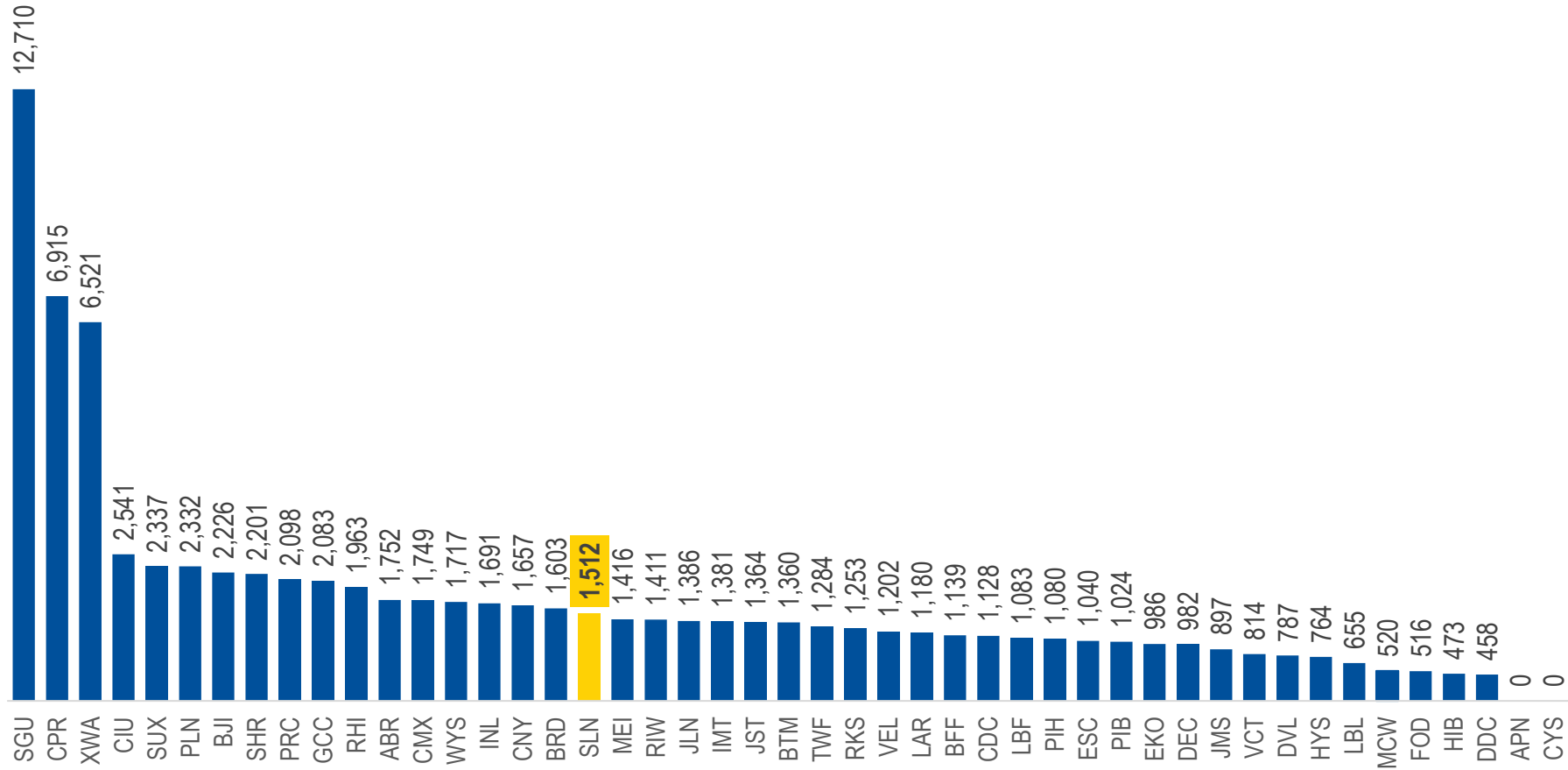
TSA Throughput in SkyWest Tagged Prorate Markets

June 04 through July 01, 2023 (Latest Four Weeks of Data)



Viewed against all prorate markets in the four-week period shown, SLN recorded **1,512** TSA screenings, placing it **18th** of the 47 prorate markets, or in the second quartile

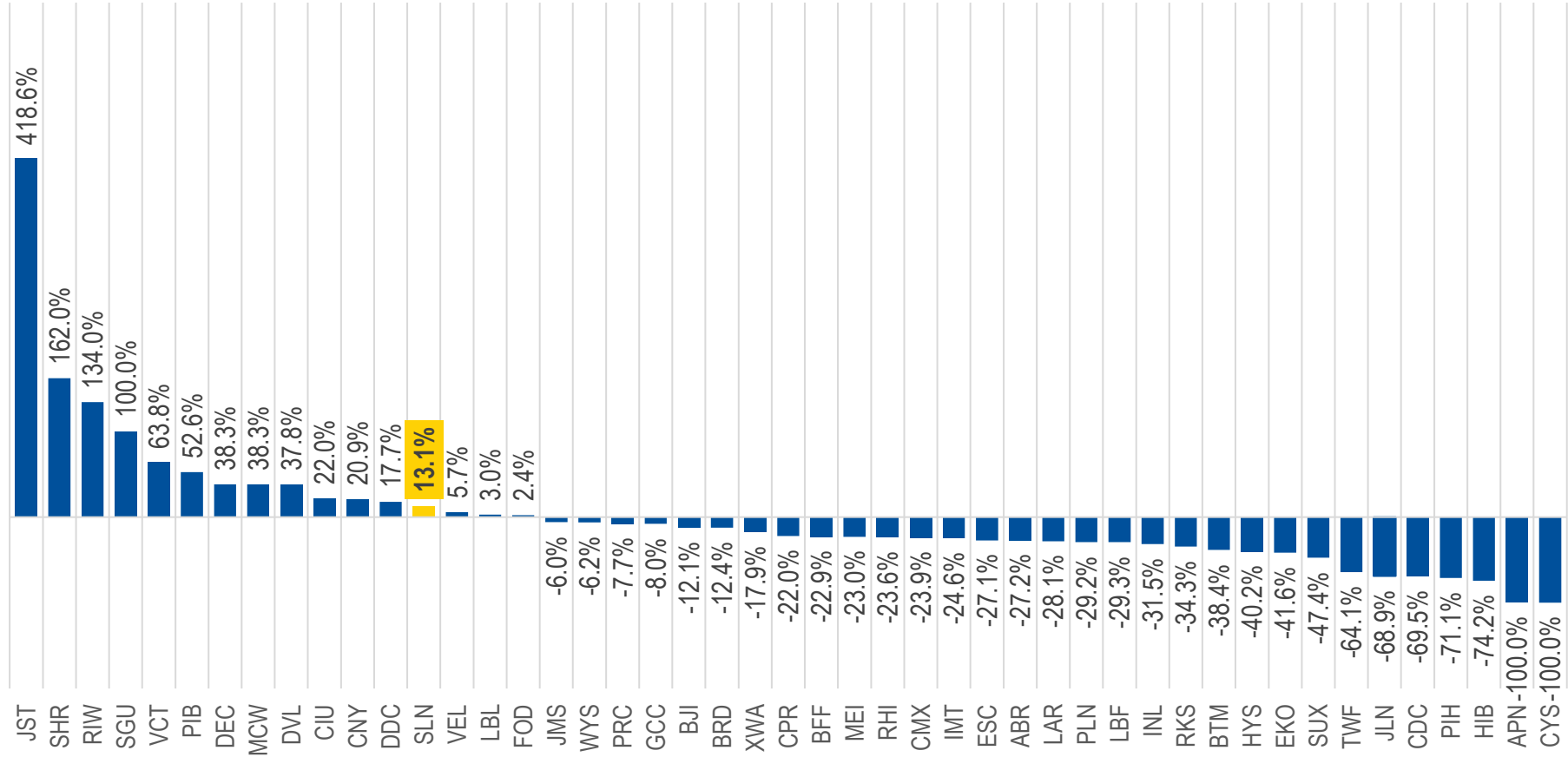
TSA Throughput in SkyWest Prorate Markets June 04 through July 01, 2023 (Latest Four Weeks of Data)



Despite the tag, SLN is up 13% vs. the same four weeks in pre-pandemic 2019, making it one of just 16 SkyWest prorate markets that showed improvement

Change in TSA Throughput in SkyWest Prorate Markets

June 04 through July 01, 2023 (Latest Four Weeks of Data) vs. Same Four Weeks in 2019

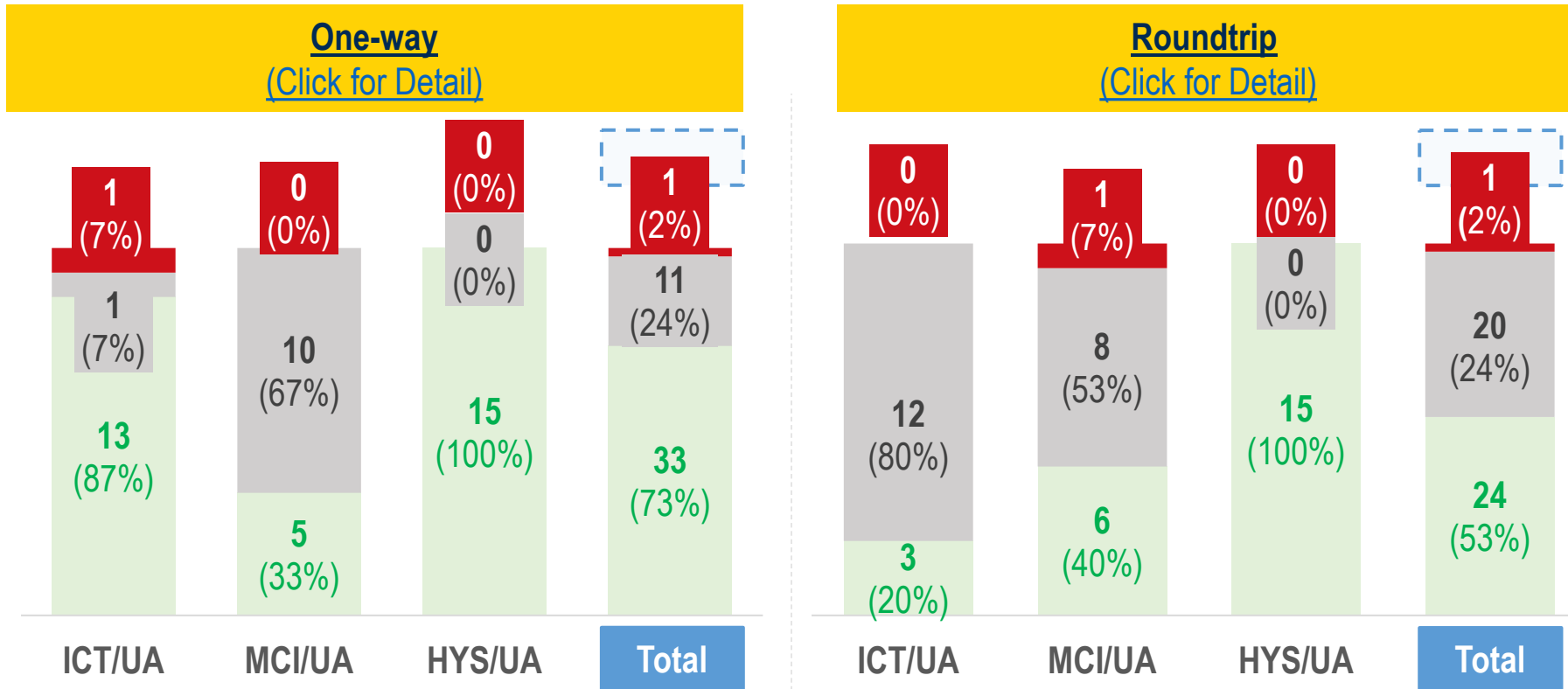


73% of the one-way fares and 53% of roundtrip fares were lower from SLN when compared to UA at ICT, MCI and HYS

Top Market Fares Differential Summary

Comparisons to Wichita, Kansas City and Hays Airports

- Number of Fares Lower from SLN
- Number of Fares Within \$75 Each Way of SLN
- Number of Fares More than \$75 Each Way of SLN



\$180 roundtrip fares are available between SLN and DEN for 29 of the 30 days displayed in September

SLN to DEN Roundtrip Fare Calendar

September 2023 as of July 06, 2023

< Sep 1 - 30, 2023 >

Flexible calendar +/- 3-day matrix

Sun	Mon	Tue	Wed	Thu	Fri	Sat
27	28	29	30	31	1 from \$180 Lowest	2 from \$180 Lowest
3 from \$180 Lowest	4 from \$180 Lowest	5 from \$180 Lowest	6 from \$180 Lowest	7 from \$180 Lowest	8 from \$180 Lowest	9 from \$180 Lowest
10 from \$180 Lowest	11 from \$180 Lowest	12 from \$180 Lowest	13 from \$180 Lowest	14 from \$180 Lowest	15 from \$180 Lowest	16 from \$180 Lowest
17 from \$180 Lowest	18 from \$180 Lowest	19 from \$180 Lowest	20 from \$180 Lowest	21 from \$201	22 from \$180 Lowest	23 from \$180 Lowest
24 from \$180 Lowest	25 from \$180 Lowest	26 from \$180 Lowest	27 from \$180 Lowest	28 from \$180 Lowest	29 from \$180 Lowest	30 from \$180 Lowest

\$180 roundtrip fares are available between SLN and ORD for 26 of the 30 days displayed in September

SLN to ORD Roundtrip Fare Calendar

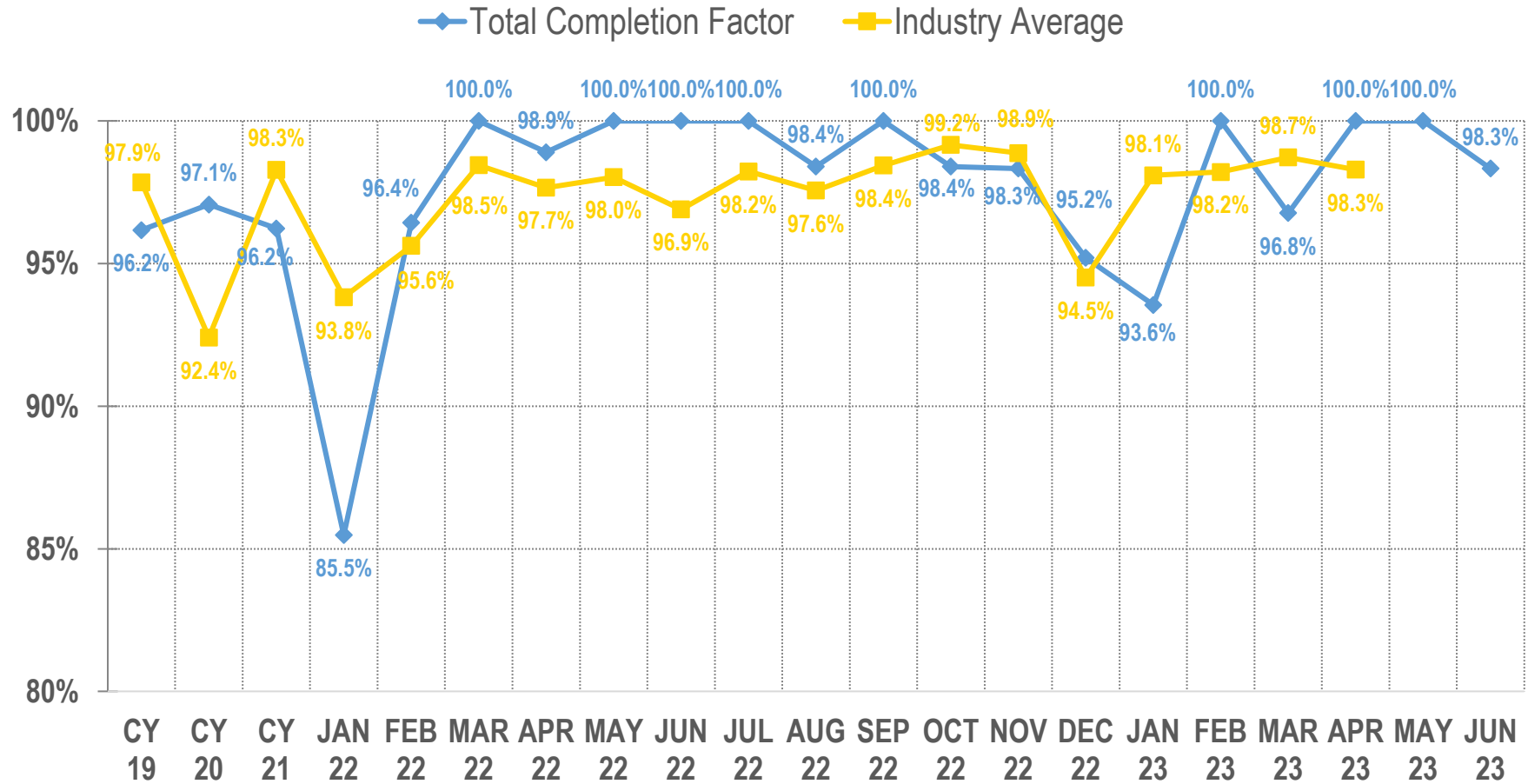
September 2023 as of July 06, 2023

< Sep 1 - 30, 2023 >

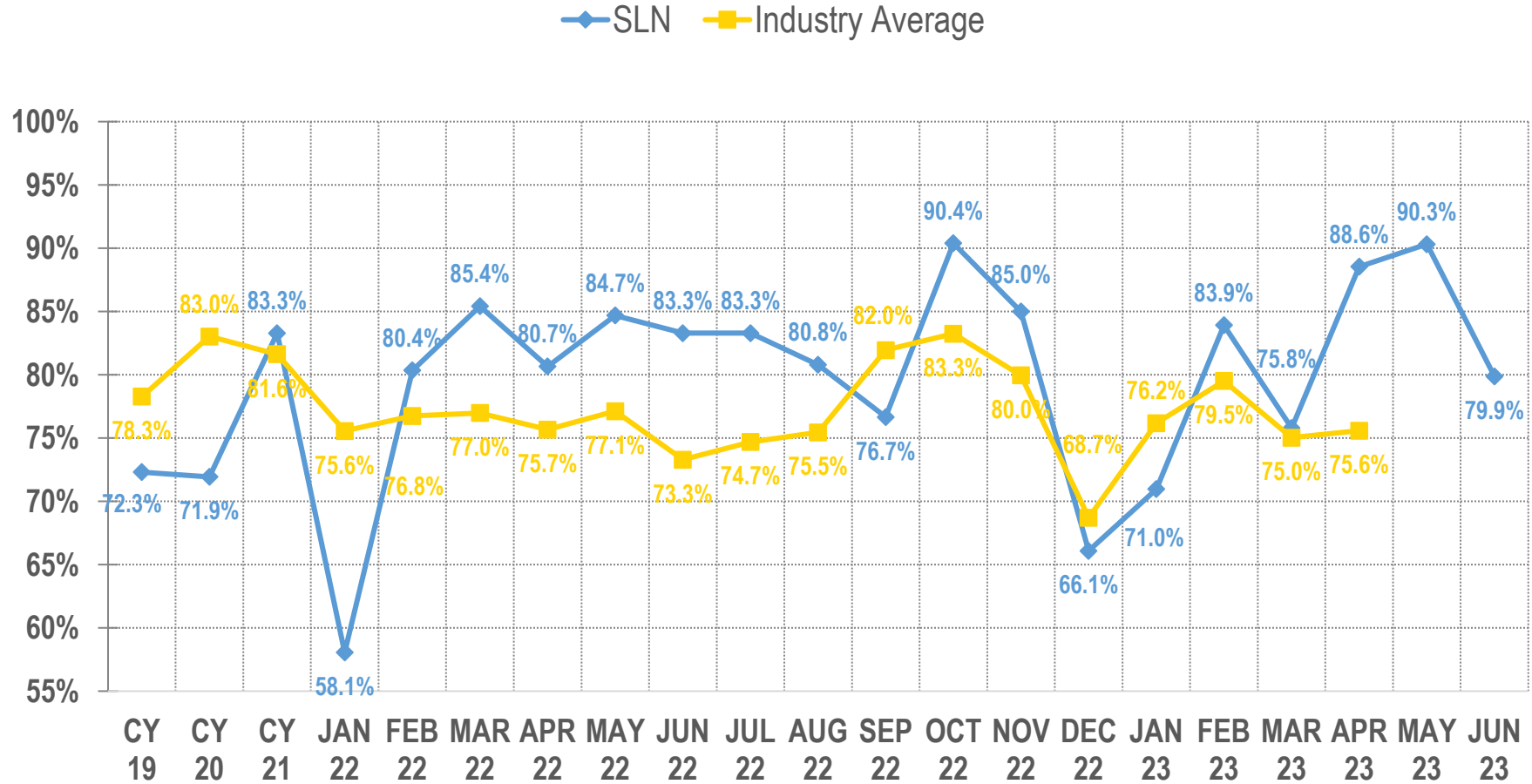
Flexible calendar +/- 3-day matrix

Sun	Mon	Tue	Wed	Thu	Fri	Sat
27	28	29	30	31	1 from \$209	2 from \$180 Lowest
3 from \$202	4 from \$209	5 from \$180 Lowest	6 from \$180 Lowest	7 from \$180 Lowest	8 from \$180 Lowest	9 from \$180 Lowest
10 from \$180 Lowest	11 from \$180 Lowest	12 from \$180 Lowest	13 from \$180 Lowest	14 from \$180 Lowest	15 from \$180 Lowest	16 from \$180 Lowest
17 from \$180 Lowest	18 from \$180 Lowest	19 from \$180 Lowest	20 from \$180 Lowest	21 from \$180 Lowest	22 from \$180 Lowest	23 from \$180 Lowest
24 from \$180 Lowest	25 from \$180 Lowest	26 from \$180 Lowest	27 from \$180 Lowest	28 from \$180 Lowest	29 from \$202	30 from \$180 Lowest

Total Completion Factor (Including Weather) at SLN



On-Time Arrivals at SLN (within 14 Minutes)



Schedule Correction

Comparison of Connecting Pairs

Old Schedule, New Schedule Before "Fix", and New Schedule After "Fix"

Working with United, ArkStar has increased the connect window from 4 to 6 hours for travel involving SLN and HYS. As a result, the new schedule with earlier departure to DEN now connects to 12 more unique pairs than the old schedule. The issue with connectivity specifically to West Coast markets has been rectified with the exception of Santa Ana, CA (SNA)

New Schedule (Before Connect Window Change)	
Total Unique Pairs	
93	
ABE	ICT
ALB	IND
ATL	JAX
ATW	LBF
AUS	LEX
AVL	LGA
AVP	LIT
BDL	LNK
BHM	MBS
BNA	MCI
BOS	MCO
BTV	MDT
BUF	MEM
BWI	MKE
CAE	MLI
CAK	MSN
CHA	MSP
CHS	MSY
CID	OKC
CLE	OMA
CLT	ORD
CMH	ORF
CMX	PHL
COS	PIA
CPR	PIT
CRW	PVD
CVG	PWM
DAY	RAP
DCA	RDU
DEN	RIC
DFW	ROA
DLH	SAT
DSM	SBN
DTW	SCE
EWR	SDF
FAR	SGF
FNT	SLC
FSD	STL
FWA	SYR
GRB	TPA
GRR	TUL
GSO	TYS
GSP	XNA
HNL	YOW
HSV	YUL
IAD	YYZ
IAH	

New Schedule (After Connect Window Change)		
Total Unique Pairs		
112		
ABE	FRA	PDX
ALB	FSD	PHL
ATL	FWA	PHX
ATW	GEG	PIA
AUS	GRB	PIT
AVL	GRR	PVD
AVP	GRU	PWM
BDL	GSO	RAP
BHM	GSP	RDU
BNA	HNL	RIC
BOS	HSV	RNO
BTV	IAD	ROA
BUF	IAH	ROC
BWI	ICT	RSW
CAE	IND	SAN
CAK	JAX	SAT
CHA	LAS	SBN
CHS	LAX	SCE
CID	LBF	SDF
CLE	LEX	SEA
CLT	LGA	SFO
CMH	LHR	SGF
CMX	LIT	SLC
COS	LNK	SMF
CPR	MBS	STL
CRW	MCI	SYR
CVG	MCO	TLV
DAY	MDT	TPA
DCA	MEM	TUL
DEN	MKE	TVC
DFW	MLI	TYS
DLH	MSN	XNA
DSM	MSP	YOW
DTW	MSY	YUL
EWR	OKC	YVR
FAR	OMA	YYZ
FAT	ORD	
FNT	ORF	

Old Schedule	
Total Unique Pairs	
105	
FAR	GSP
LHR	ORF
SFO	PHL
SGF	CAE
COS	RSW
ASE	ABE
SAT	RIC
SGU	SYR
OKC	MDT
SLC	BUF
TUL	CHS
PDX	CLE
LAS	CLT
RAP	PWM
DFW	ATW
AUS	FRA
ICT	YOW
MCI	RDU
SAN	ALB
DSM	BOS
MSP	BDL
OMA	BWI
STL	CAK
SEA	ATL
IAH	PIT
ORD	YYZ
LAX	SCE
XWA	CMX
SMF	LIT
BHM	YVR
DTW	TYS
IND	LNK
LG	DLH
TPA	JAX
BTV	SDF
DAY	MEM
PVD	AVL
YUL	CID
DEN	XNA
HPN	CHA
GRR	PHX
ROA	MSY
GSO	MLI
DCA	PIA
IAD	FNT
SBN	GRB
AVP	SNA
MCO	FAT
BNA	FSD
CMH	HSV
CVG	MKE
MBS	MSN
EWR	

Summary			
Gained Unique Pairs	Maintained Unique Pairs	Lost Unique Pairs	
12	100	5	
CPR	ABE	LGA	ASE
CRW	ALB	LHR	SGU
FWA	ATL	LIT	XWA
GEG	ATW	LNK	HPN
GRU	AUS	MBS	SNA
HNL	AVL	MCI	
LBF	AVP	MCO	
LEX	BDL	MDT	
RNO	BHM	MEM	
ROC	BNA	MKE	
TLV	BOS	MLI	
TVC	BTV	MSN	
	BUF	MSP	
	BWI	MSY	
	CAE	OKC	
	CAK	OMA	
	CHA	ORD	
	CHS	ORF	
	CID	PDX	
	CLE	PHL	
	CLT	PHX	
	CMH	PIA	
	CMX	PIT	
	COS	PVD	
	CVG	PWM	
	DAY	RAP	
	DCA	RDU	
	DEN	RIC	
	DFW	ROA	
	DLH	RSW	
	DSM	SAN	
	DTW	SAT	
	EWR	SBN	
	FAR	SCE	
	FAT	SDF	
	FNT	SEA	
	FRA	SFO	
	FSD	SGF	
	GRB	SLC	
	GRR	SMF	
	GSO	STL	
	GSP	SYR	
	HSV	TPA	
	IAD	TUL	
	IAH	TYS	
	ICT	XNA	
	IND	YOW	
	JAX	YUL	
	LAS	YVR	
	LAX	YYZ	



JUNE 2023

FINANCIAL STATEMENTS

JUNE 2023

FINANCIAL STATEMENTS

Moody's Credit Opinion -
Salina Airport Authority, KS /
8 May 2023

Salina Airport Authority

Statement of Net Position Prev Year Comparison

07/14/2023

As of June 30, 2023

	<u>Jun 30, 23</u>	<u>May 31, 23</u>	<u>\$ Change</u>	<u>Jun 30, 22</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS						
Current Assets						
Total Checking/Savings	13,982,588	4,894,692	9,087,896	6,132,201	7,850,387	128%
Total Accounts Receivable	119,459	116,390	3,069	222,672	-103,213	-46%
Total Other Current Assets	1,396,290	1,413,152	-16,862	1,499,825	-103,535	-7%
Total Current Assets	15,498,337	6,424,234	9,074,103	7,854,698	7,643,639	97%
Total Fixed Assets	48,529,232	48,549,282	-20,050	44,078,279	4,450,953	10%
Total Other Assets	4,157,749	4,157,749	0	4,416,660	-258,911	-6%
TOTAL ASSETS	<u>68,185,318</u>	<u>59,131,265</u>	<u>9,054,053</u>	<u>56,349,637</u>	<u>11,835,681</u>	<u>21%</u>
LIABILITIES & EQUITY						
Liabilities						
Total Current Liabilities	376,487	10,821,884	-10,445,397	3,554,576	-3,178,089	-89%
Total Long Term Liabilities	41,168,163	21,543,943	19,624,220	28,955,451	12,212,712	42%
Total Liabilities	41,544,650	32,365,827	9,178,823	32,510,027	9,034,623	28%
Total Equity	26,640,667	26,765,438	-124,771	23,839,610	2,801,057	12%
TOTAL LIABILITIES & EQUITY	<u>68,185,317</u>	<u>59,131,265</u>	<u>9,054,052</u>	<u>56,349,637</u>	<u>11,835,680</u>	<u>21%</u>

Salina Airport Authority
Profit & Loss Prev Year Comparison
January through June 2023

12:37 PM

07/14/2023

Accrual Basis

	<u>Jan - Jun 23</u>	<u>Jan - Jun 22</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
Total Airfield revenue	667,363	683,764	-16,401	-2%
Total Building and land rent	921,469	871,768	49,701	6%
Total Other revenue	59,226	69,134	-9,908	-14%
Total Income	<u>1,648,058</u>	<u>1,624,666</u>	<u>23,392</u>	<u>1%</u>
Gross Income	1,648,058	1,624,666	23,392	1%
Expense				
Total Administrative expenses	916,449	893,745	22,704	3%
Total Maintenance expenses	514,036	574,724	-60,688	-11%
Total Expense	<u>1,430,485</u>	<u>1,468,469</u>	<u>-37,984</u>	<u>-3%</u>
Net Ordinary Income	217,573	156,197	61,376	39%
Other Income/Expense				
Total Other Income	1,742,142	2,538,914	-796,772	-31%
Total Other Expense	1,928,096	1,777,366	150,730	8%
Net Other Income	-185,954	761,548	-947,502	-124%
Net Income	<u>31,619</u>	<u>917,745</u>	<u>-886,126</u>	<u>-97%</u>

Salina Airport Authority
Capital Additions Budget vs. Actual
 As of June 30, 2023

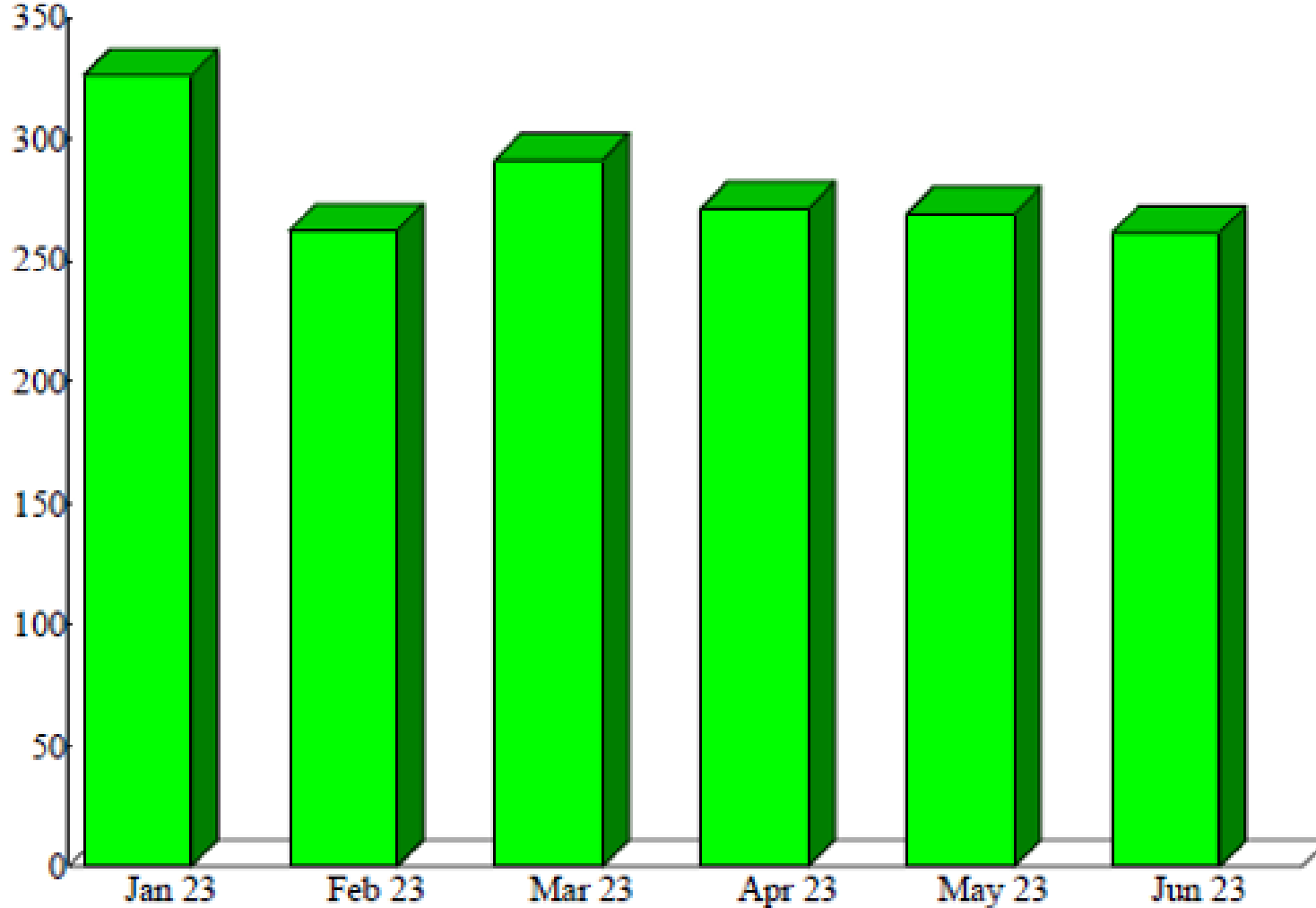
1:05 PM
 07/14/2023
 Accrual Basis

	June 23	Jan - June 23	Annual Budget	+/- Annual Budget	% of Annual Budget
ASSETS					
Fixed Assets					
Fixed assets at cost					
Total Airfeld	83,030	640,231	14,535,804	-13,895,573	4%
Total Buildings & Improvements	145,189	772,614	5,315,000	-4,542,386	15%
Total Equipment	1,732	10,782	147,500	-136,718	7%
Total Land	0	1,955	35,000	-33,045	6%
Total Fixed assets at cost	229,951	1,425,582	20,033,304	-18,607,722	7%

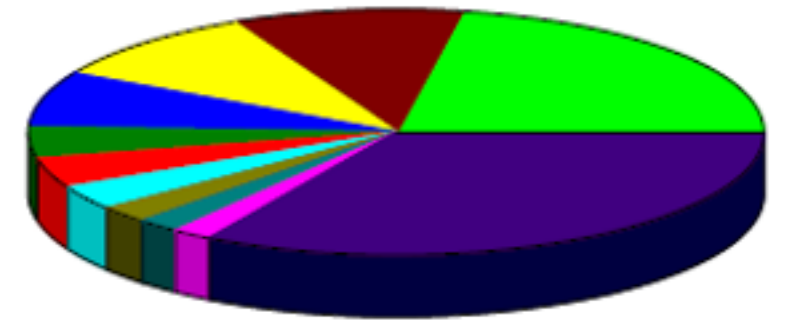
By Customer

Sales by Month
January through June 2023

\$ in 1,000's



Dollar Sales



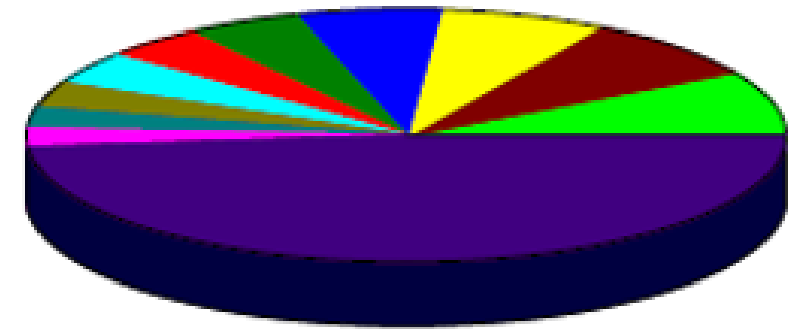
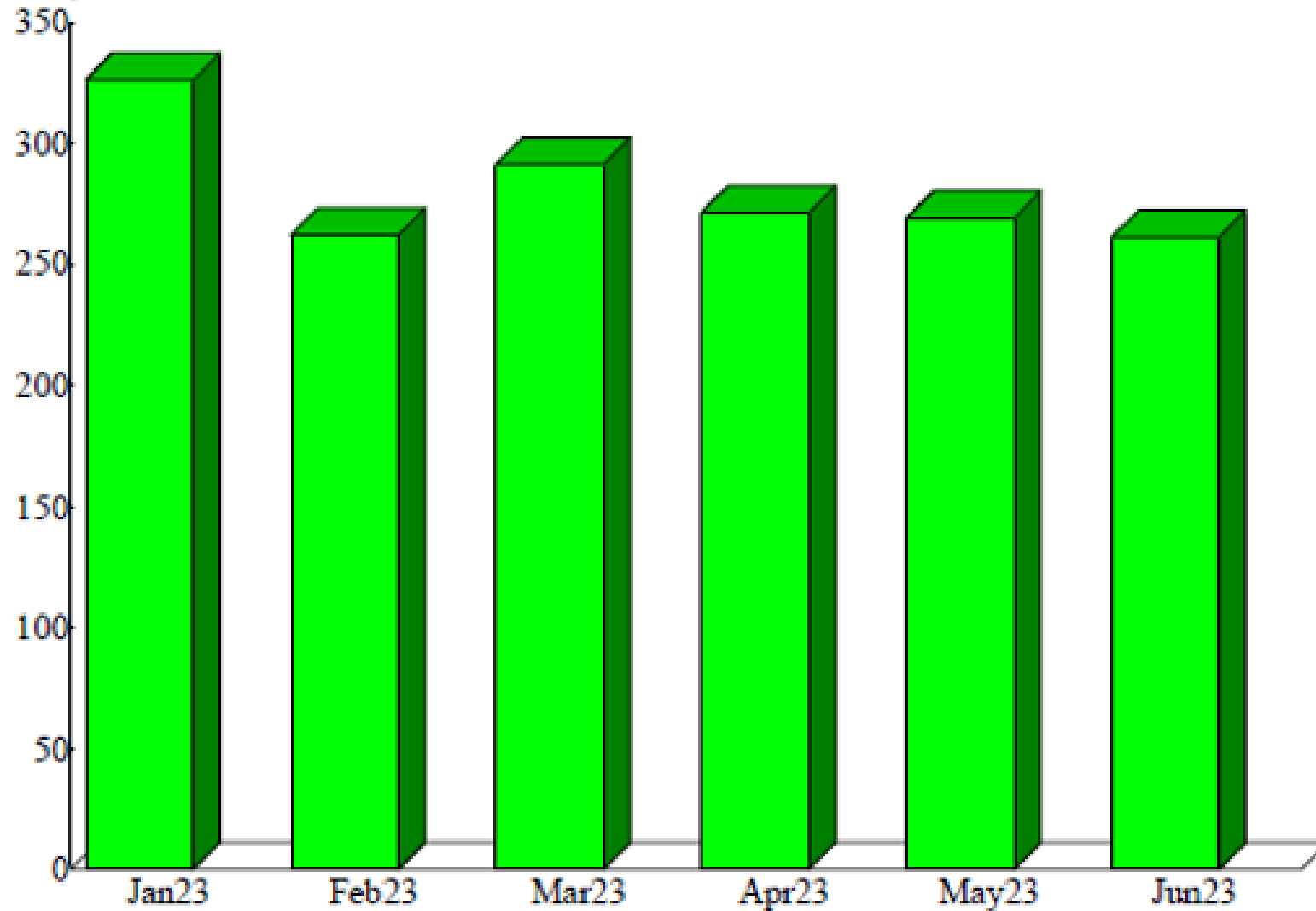
1 Vision Aviation, PLLC	22.23%
Avflight Salina	10.28
Kansas Erosion Products, LLC.	9.73
Stryten Salina, LLC	7.33
K-State Salina	4.17
Universal Forest Products (UFP)	4.00
SFC Global Supply Chain	3.32
SkyWest Airlines, Inc.	2.31
Durham School Service, L.P.	1.98
Gartner Refrigeration, Inc.	1.87
Other	32.77
Total	\$1,681,540.72

By Item

Sales by Month January through June 2023

Dollar Sales

\$ in 1,000's

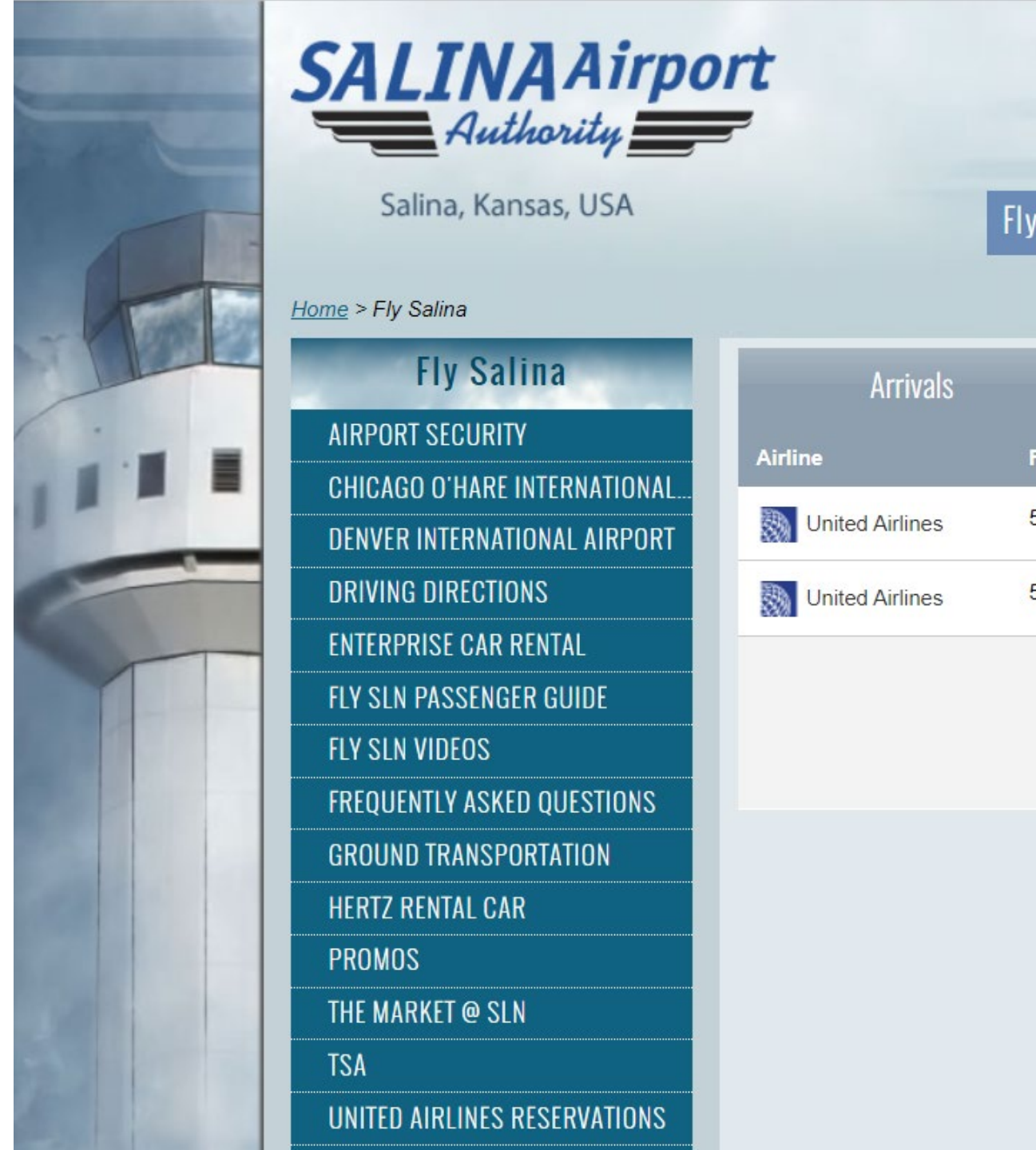


H-00959-1 (Hangar Facility H959 - 2044 S	8.45%
H-0606-3 (Hangar 606, 2630 Arnold Court	8.27
B-01021 (Building #1021 located at 3600	7.04
B-00655-3 (Bldg. #655 (96,611 SF) - 2656	6.27
FFF-Avflight Salina (Fuel Flowage Fee @	5.03
H-0600-1 (Hangar 600 - 20,217 sq. ft.)	4.31
Insurance(CP) (Insurance Reimbursement)	4.27
B-00620-1 (Building #620 (30,000 SF) an	3.41
Utility Reimbursement (Utility Reimburse	2.74
B-00626-1 (Manufacturing facility #626 (2.41
Other	47.82
Total	\$1,681,540.72

Review and consideration of air carrier, Essential Air Service (EAS) Program proposals submitted to the USDOT

Tim Rogers, A.A.E.

- ★ Safety
- ★ Trust
- ★ [Adaptability](#)
- ★ Rooted in Community
- ★ Success





SALINA CITY COMMISSION
REGULAR MEETING AGENDA
 CITY-COUNTY BUILDING, 300 W. ASH, ROOM 107
 SALINA, KANSAS
 JULY 17, 2023
 4:00 P.M.

1. **CALL TO ORDER**
 - a. Mayor request staff confirmation that the Kansas Open Meeting Act required notice has been properly provided.
 - b. Roll call.
2. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**
3. **AWARDS AND PROCLAMATIONS**
4. **PUBLIC HEARINGS AND ITEMS SCHEDULED FOR A CERTAIN TIME**
5. **CONSENT AGENDA**
 - (5.1) Approve the minutes of the meeting of July 10, 2023.
 - (5.2) Award the bid for project number 23018A, 2023 Minor Concrete - Pavement Repair for \$96,428.90 with a 5% (\$4,821.45) construction contingency for a total project authorization not to exceed \$101,250.35 and authorizing the City Manager to execute a contract with Morgan Brothers Construction of La Crosse, Kansas, upon fulfillment of all prerequisites under the bid documents.
6. **ADMINISTRATION**
 - (6.1) Approve Ordinance No. 23-11162, on second reading, changing the zoning district classification of a 12.64 acre tract of land located on the east side of North Ohio Street from C-7 (Highway Commercial) and A-1 (Agricultural) to I-2 (Light Industrial) to allow a utility company/contractor to relocate to the former Harley-Davidson dealership site.
 - (6.2) Authorize publication of the Notice of Budget Hearing for the 2024 budget which sets August 28, 2023 as the date for public hearing to exceed the Revenue Neutral Rate and the date for public hearing on the 2024 budget, and establishes the maximum limits of the 2024 budget.
 - (6.3) Consider bids received for project number 23006, 2023 Broadway Medians.
 - (6.4) USDOT Essential Air Service Request for Proposals Response Community Comment Letter Authorization.
7. **DEVELOPMENT BUSINESS**
8. **OTHER BUSINESS**
9. **CITIZENS FORUM**
10. **ADJOURNMENT**

CITY OF SALINA
 REQUEST FOR CITY COMMISSION ACTION

DATE: 7/17/2023
 TIME: 4:00 P.M.

AGENDA SECTION NO:	6	ORIGINATING DEPARTMENT:	FISCAL APPROVAL:
		City Manager's Office	BY:
ITEM NO:	4	BY: Mike Schrage, City Manager	FINAL APPROVAL:
Page 1			BY:

ITEM: USDOT Essential Air Service Request for Proposals Response Community Comment Letter Authorization

BACKGROUND:

The following background information has been provided by Tim Rogers, Salina Airport Authority Executive Director. Mr. Rogers will be in attendance at the City Commission meeting to make a presentation and respond to questions from the City Commission and the public.

Scheduled air service for Salina and Saline County is partially funded by the USDOT Essential Air Service (EAS) Program. EAS Program funding meets an airline's gap between revenue and expenses at a community. The EAS Program does not require a local match. Salina has been eligible for EAS Program subsidy since the early 1980s. An EAS Program subsidy contract is between the USDOT and the selected air carrier. An air carrier selection is the result of airline responses to an RFP issued by the USDOT. Air carrier proposals received by the USDOT are shared with the community and each community has an opportunity to comment on the proposals. USDOT takes community comments into consideration before making an air carrier selection. Funding for an EAS contract comes directly from the USDOT to the selected air carrier per a contract between the USDOT and the airline.

SkyWest Airlines has been providing scheduled, United Express air service at the Salina Regional Airport since April 2018. The airline's current contract with the USDOT is for daily flights to/from Denver and Chicago at an annual subsidy rate of \$3,310,166. The current, multi-year contract is scheduled to expire on September 30, 2023.

It is worth noting that the USDOT and EAS Program air carriers have had difficulty with the airline proposal process due to the ongoing, national pilot shortage. For several EAS communities, the USDOT has not received proposals for either continued service or replacement service due to lack of pilots.

In advance of the expiration of the SkyWest contract the USDOT requested proposals from interested air carriers for a new Salina EAS program contract. Air carrier proposals were due on July 6, 2023. The USDOT received proposals from SkyWest Charter (a new SkyWest airlines subsidiary) and Denver Air Connection. The proposals are attached.

The USDOT indicated that both the SkyWest Charter and the Denver Air Connection proposals are not acceptable as presented. The SkyWest Charter proposal is not acceptable since the SkyWest subsidiary has yet to receive a final air carrier fitness determination by the USDOT. The SkyWest Charter application for operating authority is expected to be approved by the end of this calendar year. Other than the lack of final USDOT operating authority, the SkyWest Charter proposal meets community needs and requirements for scheduled air service.

CITY OF SALINA
 REQUEST FOR CITY COMMISSION ACTION

DATE: 7/17/2023
 TIME: 4:00 P.M.

AGENDA SECTION NO:	ORIGINATING DEPARTMENT:	FISCAL APPROVAL:
	City Manager's Office	BY:
ITEM NO:	BY: Mike Schrage, City Manager	FINAL APPROVAL:
Page 2		BY:

The Denver Air Connection proposal is not acceptable since it is contingent on a July 1, 2024, start date. A replacement air carrier is expected to start service with 3 months after selection. Also, the Denver Air Connection per passenger subsidy would be \$380 which would be greater than the statutory, eligibility limit of \$200 per passenger.

Since the proposals received are not viable, the USDOT will schedule a new date for Salina proposals. The new proposal due date will probably be in January 2024. In the meantime, SkyWest will continue to operate daily United Express flights per a contract extension.

As you may recall, The City, County and Airport Authority have approved funding to establish a SkyWest Charter overnight maintenance hub at the Salina Airport. The local incentive is contingent on SkyWest Charter being selected for the next multi-year USDOT EAS contract to serve Salina.

The enclosed draft of a community comment letter is an appropriate response to the recently completed proposal process. Community comments from the city commission is a key component in the USDOT's air carrier selection process. The community response has been coordinated with the USDOT EAS Program staff and is consistent with their assessment of the proposals.

FISCAL NOTE:

There is not direct fiscal impact to the City of Salina related to this action item.

COMMISSION ACTION OR RECOMMENDED ACTION:
 Staff has identified the following options for the City Commission's consideration:

- 1.) Authorize the Mayor to execute the attached community comment letter as presented.
- 2.) Authorize the Mayor to execute the attached community comment letter with amendments as the City Commission deems appropriate.
- 3.) Postpone consideration of the attached community comment letter to a specified date and time and provide staff direction regarding additional information, amendments or public comment processes the City Commission would like to request for their further consideration.
- 4.) Take no action resulting in a community comment letter not being submitted by the City of Salina on behalf of the community.

Staff recommends Option #1.

CC: Tim Rogers, Salina Airport Authority Executive Director





July 6, 2023

Michael Martin
United States Department of Transportation
Office of Aviation Analysis
1200 New Jersey Ave SE
Washington, DC 20590

SkyWest Charter's Essential Air Service Proposal for Salina, KS
Docket DOT-OST-2002-11376

Dear Mr. Martin:

SkyWest Charter, LLC (SWC) welcomes the opportunity to provide subsidized essential air service to the Salina (SLN) community for a two-year term contingent upon the approval of SWC's Commuter Authority application which is currently pending before USDOT.

Service will be provided on 30-seat CRJ200 jet aircraft and conducted as 14 CFR Part 380 public charters with 6 weekly round trips serving Denver International Airport (DEN) and 6 weekly round trips serving Chicago O'Hare (ORD). Flights will be operated under an agreement with United Airlines. All flights will be timed to depart and arrive DEN and ORD to facilitate seamless connections to United's network.

SWC will work closely with USDOT and the community on the necessary EAS waivers for the implementation of SWC service as described above.

Thank you for your consideration.

Brad Link
Director of Operations
SkyWest Charter, LLC

July 17, 2023

Mr. Michael Martin
United States Department of Transportation
Essential Air Service (EAS) Program
1200 New Jersey Avenue, SE
Washington, DC 20590
Via: Email to Michael.F.Martin@dot.gov

Re: DOT-OST-2002-11376, Salina Community Comments Concerning Air Carrier Proposals

Dear Mr. Martin:

The Salina City Commission has reviewed the July 6, 2023, EAS Program proposals submitted by SkyWest Charter (SWC) and Denver Air Connection (DAC) to the USDOT for subsidized air service at the Salina Regional Airport (SLN). The community appreciates the interest that both air carriers expressed in serving Salina, but both proposals are determined to be not viable.

The Denver Air Connection proposal states that the airline would not be able to start service until July 1, 2024. Delaying the start of DAC flights until July 1, 2024, is an unreasonable contingency and indicates that the air carrier lacks the resources currently to start new EAS contract flights.

An additional community concern is the fact that a DAC EAS contract at \$9.475M would result in a per passenger subsidy rate of \$380. The current statutory per passenger subsidy cap for SLN is \$200 per passenger. The community is not willing to recommend the selection of an air carrier that would place Salina at risk of losing EAS Program eligibility.

The SkyWest Charter proposal is not viable since the airline has yet to receive USDOT, Part 135 commuter authority. The SWC proposal does meet Salina, Saline County and North Central Kansas air service needs. If SWC had the required USDOT fitness operating authority the community preference would be for the SWC proposal.

Since both the DAC and SWC proposals are not viable for further consideration, the Salina community requests that the USDOT schedule a new date for air carrier proposals. The community further recommends that the current contract with SkyWest Airlines operating as United Express be extended through the next request for SLN proposals.

Respectively submitted,



SkyWest Charter
Essential Air Service Bid
7/6/2023

Table with 3 columns: SLN, DEN, and ORD. Rows include: Number of round trips per week, Passenger Revenue, Block Time, RPMS, ASMs, Revenue, Marketing Costs, Operating Income, and Effective Subsidy Rate.



July 6, 2023

Todd M. Homan, Director
United States Department of Transportation
Office of Aviation Analysis
1200 New Jersey Ave SE
Washington, D.C. 20590

Re: Response to Order 2022-3-8/Proposal to Provide Essential Air Service at Salina, Kansas
Via e-mail to: EAS@dot.gov and Kevin.Schlemmer@dot.gov

Dear Mr. Homan,

Attached is Denver Air Connection's proposal to provide air service at Salina, Kansas to Denver International Airport (DEN) and Chicago O'Hare International Airport (ORD) or Dallas Fort Worth International Airport (DFW).

If we are selected, we will provide vital support to the regional economy with scheduled passenger service on our safe and reliable 30-seat Dornier Jet and 50-seat Embraer EMB-145 aircraft with service and schedules tailored to the community's needs.

Our reliable service will provide the Salina region with options to access the world's most comprehensive route network of United Airlines, American Airlines, and other major carriers through Denver International and Chicago O'Hare International or Dallas Fort Worth International. Our service is dedicated to the community to ensure seat availability and direct flights to and from Denver with an option to include Chicago or Dallas. The communities we service praise our excellent completion rates and on-time performance rate.

As directed by the RFP, we will offer the Salina community 12 non-stop round-trip flights per week for a new 2 term with a 4 year option. Service scheduled to begin on July 1, 2024. We will work closely with local leadership to set a schedule that balances operations and regulatory needs with community desires and connectivity to the national transportation system. Denver Air Connection believes this proposal meets the needs of the community and provides the best overall option for air service to the Salina community with reliable connectivity at Denver, Colorado and Chicago, Illinois or Dallas, Texas.

Thank you for your consideration.

Marcus Hesting, Director of Finance
Denver Air Connection
13252 E. Control Tower Rd. / Englewood Colorado 80112 | O: 303.768.9626 / M: 720.635.5903
mhesting@keylimeair.com / denverairconnection.com



Bid Proposal

The proposal is for a two-year term with a four-year option.

Table with 3 columns: DEN, ORD or DFW, and DFW. Rows include: Denver Air Connection Essential Air Service Bid, Aircraft Data, Passenger Revenue, Expenses, Annual Subsidy Requirement, and Effective Subsidy Rates.

2022 Annual Comprehensive Financial Report Presentation

Shelli Swanson, C.M.

- ★ Safety
- ★ Trust
- ★ Adaptability
- ★ Rooted in Community
- ★ Success

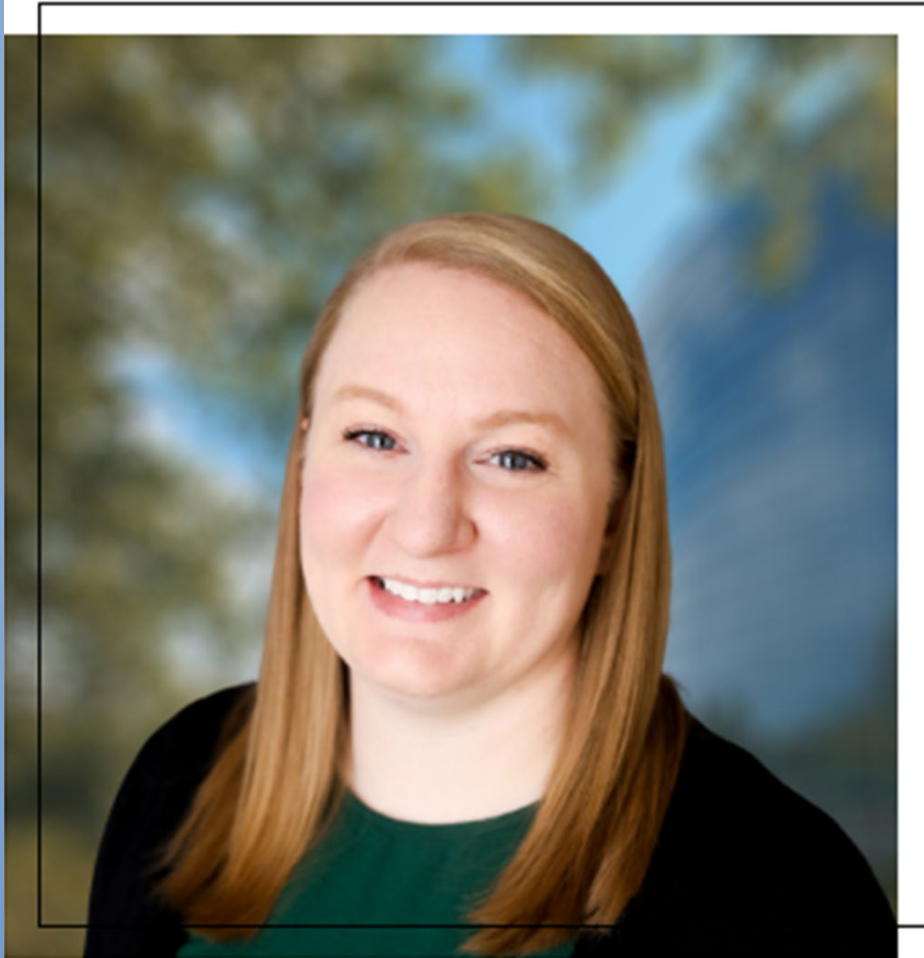



COMPREHENSIVE ANNUAL FINANCIAL REPORT

SALINA AIRPORT AUTHORITY
A Component Unit of the
City of Salina, Kansas
For the Fiscal Years Ended December 31, 2022 and 2021

Prepared by the Management
of the
Salina Airport Authority
www.salinaairport.com

CUSIP #794760XXX



Jami Benyshek, CPA 
ADAMS BROWN
Strategic Allies and CPAs

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Salina Airport Authority
Salina, Kansas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of **Salina Airport Authority**, a component unit of the City of Salina, Kansas, as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of **Salina Airport Authority** as of December 31, 2022 and 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Salina Airport Authority**, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

2024 G.O. Bond Debt Schedule and Mill Requirements *for G.O. bond debt payments*

Shelli Swanson, C.M.

- ★ Safety
- ★ Trust
- ★ Adaptability
- ★ Rooted in Community
- ★ Success



Bond and Interest Fund Mill Levy Projection

Salina Airport Authority

Debt Service and Levy Requirements

Year	Annual Debt Service Payments						Series 2023-A,B,C Bonds	Aggregate Debt Service	Reductions to Levy Amount				Net Debt Service to Levy	Assessed Valuation (3)	Mill Levy
	Outstanding Bonds and Notes								Other Operating Revenues (1)	GA Box Hangar Revenues	Motor Vehicle Taxes (2)	Total Reductions			
	Bonds Series 2015-A	Bonds Series 2017-A	Bonds Series 2017-B	Bonds Series 2019-A	Bonds Series 2021-A	Total Outstanding									
2023													1,982,031	496,759,566	3.990
2024	91,043	1,705,600	165,550	77,043	175,305	2,214,540	847,994	3,062,534	(85,000)		(265,500)	(350,500)	2,712,034	499,243,364	5.432
2025	93,195	1,703,160	164,800	80,385	179,580	2,221,120	687,562	2,908,682	(85,000)	(75,000)	(341,591)	(501,591)	2,407,092	501,739,581	4.797
2026		1,522,598	449,050	78,530	178,455	2,228,633	687,562	2,916,195	(85,000)	(75,000)	(310,920)	(470,920)	2,445,275	504,248,279	4.849
2027		1,248,883	714,750	76,605	176,955	2,217,193	687,562	2,904,755	(85,000)	(76,875)	(315,145)	(477,020)	2,427,735	506,769,520	4.791
2028		1,245,333	717,200	79,575	175,305	2,217,413	687,562	2,904,975	(85,000)	(76,875)	(313,681)	(475,556)	2,429,419	509,303,368	4.770
2029		1,244,738	719,050	77,325	178,355	2,219,468	687,562	2,907,030	(85,000)	(78,797)	(314,181)	(477,978)	2,429,052	511,849,884	4.746
2030		1,291,875	675,300		176,030	2,143,205	687,562	2,830,767	(85,000)	(78,797)	(314,473)	(478,270)	2,352,498	514,409,134	4.573
2031			1,967,300		178,705	2,146,005	687,562	2,833,567	(85,000)	(80,767)	(306,965)	(472,732)	2,360,835	516,981,179	4.567
2032					175,985	175,985	1,787,562	1,963,547	(85,000)	(80,767)	(308,149)	(473,916)	1,489,631	519,566,085	2.867
2033					178,265	178,265	1,784,313	1,962,578	(85,000)	(82,786)	(217,976)	(385,762)	1,576,815	522,163,916	3.020
2034					180,130	180,130	1,784,200	1,964,330	(85,000)	(82,786)	(227,447)	(395,233)	1,569,097	524,774,735	2.990
2035					176,900	176,900	1,786,000	1,962,900	(85,000)	(84,856)	(226,946)	(396,802)	1,566,098	527,398,609	2.969
2036					178,500	178,500	1,785,800	1,964,300	(85,000)	(84,856)	(226,942)	(396,797)	1,567,503	530,035,602	2.957
2037					-	-	1,783,600	1,783,600	(85,000)	(86,977)	(227,401)	(399,378)	1,384,222	532,685,780	2.599
2038					-	-	1,784,400	1,784,400	(85,000)	(86,977)	(208,398)	(380,375)	1,404,025	535,349,209	2.623
2039					-	-	1,788,000	1,788,000	(85,000)	(89,151)	(210,801)	(384,952)	1,403,048	538,025,955	2.608
2040					-	-	1,784,200	1,784,200	(85,000)	(89,151)	(211,010)	(385,161)	1,399,039	540,716,085	2.587
2041					-	-	1,788,200	1,788,200	(85,000)	(91,380)	(210,900)	(387,280)	1,400,920	543,419,665	2.578
2042					-	-	1,784,600	1,784,600	(85,000)	(91,380)	(211,414)	(387,794)	1,396,806	546,136,764	2.558
2043					-	-	1,783,600	1,783,600	(85,000)	(93,665)	(211,296)	(389,960)	1,393,640	548,867,447	2.539
Total	184,238	9,962,185	5,573,000	469,463	2,308,470	18,497,355	27,085,406	45,582,761	(1,700,000)	(1,586,843)	(5,181,137)	(8,467,980)	39,096,812		

Assumptions:

- (1) Represents transfer of operating revenues into Bond & Interest Fund.
- (2) Based on Authority's estimated share of countywide motor vehicle tax collections.
- (3) Assessed valuation grows annually at rate of: 0.50%

2023 Notice of Revenue Neutral Rate Intent

Shelli Swanson, C.M.



- ★ Safety
- ★ Trust
- ★ Adaptability
- ★ Rooted in Community
- ★ Success



Saline County Clerk/Election Office

Jamie R Doss – County Clerk/Election Officer

Phone: (785) 309-5820 300 W Ash St, Rm 215
 FAX: (785) 309-5826 P.O. Box 5040
 E-mail: dossj@salinecountyks.gov Salina, KS 67402-5040
www.salinecountyks.org

Notice of Revenue Neutral Rate Intent

PURSUANT TO K.S.A 79-1460, 79-1801, 79-2024, 79-2925c

THE GOVERNING BODY OF Salina Airport Authority, HEREBY NOTIFIES THE SALINE COUNTY CLERK THE REVENUE NEUTRAL RATE INTENT;

X Yes, we intend to exceed the Revenue Neutral Rate and our proposed mill levy rate is 6.3042. The date of our hearing is August 30, 2023 at 4:00 PM AM/PM and will be held at H600, Rm 100, 2720 Arnold Ct. address in Salina, Kansas.

 No, we do not plan to exceed the Revenue Neutral Rate and will submit our budget to the County Clerk on or before August 25, 2023.

WITNESS my hand and official seal on _____, 2023.

(Seal)

2023 Mill Levy Analysis for Calculation (Funding 2024 Budget)

Revised - 07/14/2023

	2023		2022	+/-	
	Mill Levy \$	Mills	Mills Certified	Mill	%
July 1, 2023 Estimated Assessed Valuation	\$ 511,302,867				
(Less TIF & Pending Exemptions)					
2024 GO Bond P&I Payments		3,062,534			
Less other operating revenue		(85,000)			
Less MV Tax Est. Collections		(265,500)			
Total Mill Levy \$ for 2023 Debt Service Fund	2,712,034	5.304	3.9900	1.3142	32.94%
Federal / State Grant Match	511,303	1.000	0.9780	0.0220	2.25%
TOTAL Estimated Mill Levy	\$ 3,223,337				
Plus estimated MV Tax Collections	265,500.00				
Total anticipated mill levy receipts	\$ 3,488,837				
Total Mills		6.3042	4.968	1.34	26.90%
Total Mills - Final Certified		-			

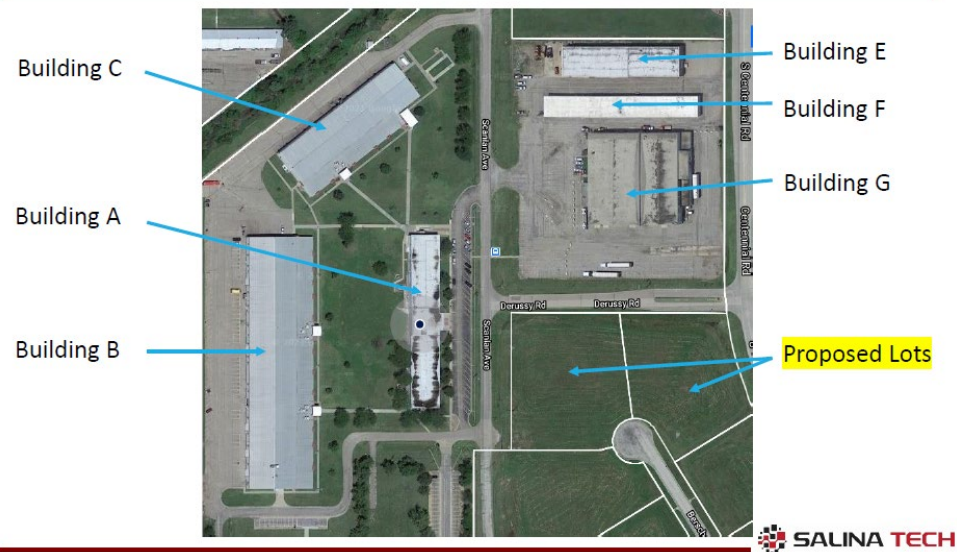
Approval of the transfer of Lot
9, Block 4, Schilling Subdivision
No. 5, City of Salina (1.72 acres)
*to the Salina Area Technical
College*

Tim Rogers, A.A.E.

- ★ Safety
- ★ Trust
- ★ Adaptability
- ★ **Rooted in Community**
- ★ Success



Campus View



MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY MARCH 10, 2021 HANGAR 600, ROOM 100

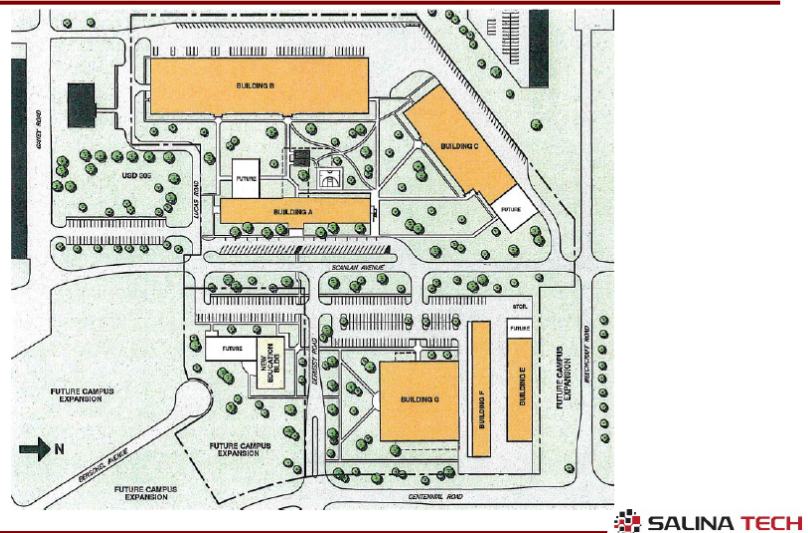
Call to Order

The meeting was called to order at 8:00 AM by Chairman Alan Eichelberger. Chairman Eichelberger confirmed that a quorum was present. Windhorst noted the board meeting notice was published and distributed on Friday, March 5, 2021.

Salina Area Technical College (SATC) Request to Acquire SAA Property

Rogers presented five options regarding the acquisition of the Airport Authority's property located adjacent to the SATC campus. The property of interest is Lots 8 (1.57 acres) and 9 (1.72 acres), Block 4, Subdivision No. 5, Schilling Subdivision. The acquisition of the SAA's two lots totaling 3.29 acres would permit SATC to proceed with fund raising efforts to construct a new education building for health care and childcare education/training programs. The board consensus is to consider option #4, to donate lots 8 and 9 at no cost with development to occur within three (3) years. SATC will provide additional plans for Bldg. G. Director Gunn moved to approve the acceptance of option #4, to donate lots 8 and 9 to SATC. Director Buer seconded. Motion passed unanimously.

Campus Vision for the Future



Strategic Planning

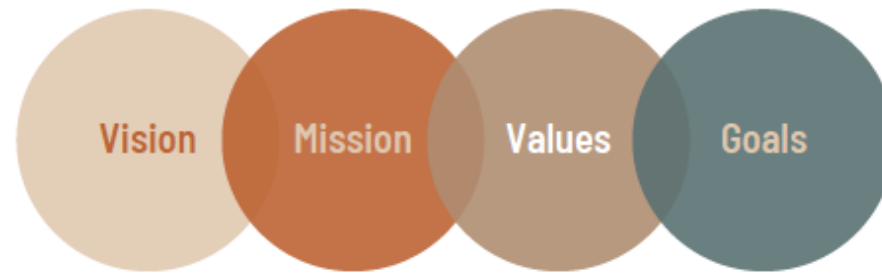
2024 Goals by Core Values (STARS)

Tim Rogers A.A.E.

Lindsey Dreiling



Salina Airport Authority Strategic Planning



We continue to strategically plan for the future, creating a map to success. With input from our SAA Board, SAA Employees, SAA Leadership, and trusted partners, we set our vision, mission and values to provide clarity and strategic alignment between our purpose, values and goals. These provide a framework for decision-making, prioritization, organizational growth, and will assist in creating a successful future!

Vision	Mission
Charting the course for global success.	To be a trusted global leader propelling economic growth for aerospace, business, industry, and military by strengthening partnerships.
Values	Goals
Safety Trust Adaptability Rooted in Community Success	Achievable goals that are guided by STARS values and supported by annual budget decisions.

2024 TOP GOALS BY CORE VALUE



SAFETY: Approach each day's tasks with attention and dedication to the safety of staff, airport users, tenants, and the public. Safety goals are achieved by means of planning and execution.

1. **Enhance Safety Measures:** Implement comprehensive safety protocols and procedures to ensure the well-being of staff, airport users, tenants, and the public. Continuously review and improve safety practices through regular training, inspections, and evaluations.
2. **Schilling Air Force Base Environmental Cleanup Project:** Relates to the core value of "Safety" by addressing environmental hazards and contaminants present at the former air force base, which may pose risks to human health and the environment.
3. **Fuel Facility Construction:** Relates to the core value of "Safety" by prioritizing the safety of staff, airport users, tenants, and the public through the implementation of safer modern above ground aircraft fuel facility.
4. **Runway 12/30 Rehabilitation Construction & Design:** Relates to the core value of "Safety" by improving the runway condition and lighting for aircraft use.



TRUST: Trust is earned by adhering to the SAA's Code of Ethics and commitment to fair and equitable treatment of all individuals, organizations, and entities.

5. **Promote Ethical Conduct:** Uphold the SAA's Code of Ethics and ensure fair and equitable treatment of all individuals, organizations, and entities. Build a culture of trust and integrity, reinforcing ethical behavior at all levels of the organization.
6. **2023 Audit / CAFR:** Relates to the core value of "Trust" by ensuring financial accountability and transparency through a successful audit and the achievement of a certificate of achievement from the Government Finance Officers Association (GFOA).



ADAPTABILITY: An important factor for economic and organizational success is the ability to adapt to fit changing local and world events. To meet the challenges of change, SAA board members and staff members are committed to make affective adjustments to goals and objectives.

7. **Promote Adaptability:** Embrace a proactive approach to adapt to changing local and global events. Invest in modern infrastructure and cutting-edge technology to meet the evolving needs of the aerospace, business, industry, and military sectors. Continuously assess market trends, technological advancements, and regulatory changes to make effective adjustments to goals and objectives, ensuring the airport remains competitive and responsive to evolving needs.
8. **SLN airfield development:** Relates to the core value of "Adaptability" by making effective adjustments to goals and objectives to meet the changing needs of the aviation industry and ensure the airport remains competitive.

9. **Select New Fire Suppression System and Alarm Inspection Partner:** Relates to the core value of "Adaptability" by making effective adjustments to meet the needs of SAA facilities.



ROOTED IN COMMUNITY: The SAA's goals and objectives are intended to result in a positive economic impact through partnerships that lead to business and jobs growth. The Airport Authority's partnerships also help improve the Salina community's quality of life.

10. **Drive Economic Growth:** Develop strategies and initiatives that attract new businesses, industries, and investments to the airport. Work closely with local and regional economic development organizations to create a conducive environment for business growth, resulting in increased job opportunities and economic prosperity.
11. **SLN North Ramp development:** Relates to the core value of "Rooted in Community" by contributing to the economic impact through partnerships, leading to business and job growth in the community.
12. **Launch the Aviation Innovation & Maintenance (AIM) Center training programs:** Relates to the core value of "Rooted in Community" by taking ownership of the AIM Center with clear direction while partnering with stakeholders and organizations to address the aviation workforce issue, providing Salina with stable talent for years to come.
13. **Legislative Aviation Advocacy for the Kansas Air Service Development (KASD) Fund:** This incentive program will support all commercial service airports in Kansas to maintain competitiveness by providing Minimum Revenue Guarantees, market reports and regional development.



SUCCESS: The Airport Authority's success is measured by the success of its tenants, community partners, clients, and staff members.

14. **Measure Success Through Stakeholders:** Gauge the success of the Airport Authority by evaluating the success of tenants, community partners, clients, and staff members. Continuously strive to create an environment that enables the achievement of their goals and fosters professional development.
15. **Maintain \$1.8M operating cash / reserve fund balance:** Relates to the core value of "Success" by maintaining a healthy financial position and ensuring the airport's ability to meet operational needs and unexpected challenges.

Staff Reports

Tim Rogers A.A.E.



Directors' Forum

Tod Roberg



Visitor's Questions and Comments

Tod Roberg



Announcements

Kasey Windhorst





- **Wednesday, August 16, 2023, 8:00 a.m.** **Regular Board Meeting**
- **Wednesday, August 30, 2023, 4:00 p.m.** **Special Board Meeting**
- **Wednesday, September 20, 2023, 8:00 a.m.** **Regular Board Meeting**
- **Wednesday, October 18, 2023, 8:00 a.m.** **Regular Board Meeting**
- **Wednesday, November 15, 2023, 8:00 a.m.** **Regular Board Meeting**
- **Wednesday, December 20, 2023, 8:00 a.m.** **Regular Board Meeting**



**SMOKY HILL AIR NATIONAL GUARD RANGE
OPEN HOUSE
5 AUG 2023
10 A.M. – 3 P.M.
GATES OPEN AT 8 A.M.**



- Food, refreshments, and memorabilia will be available for purchase (Cash)
- Emergency team present
- Bring your lawn chair/cooler (**No Alcohol**)
- Ear Protection provided
- Motorcyclists must wear helmets
- Registered Service Animals **ONLY**
- **No Firearms**

Questions:

Call: 316-759-8525

Inclement weather message: 316-759-8556

**Aerial Gunnery Demonstrations
Fighter and Bomber Aircraft**

SALINA Airport



Executive Session

Tim Rogers, A.A.E.

VA Airport
Industrial Center

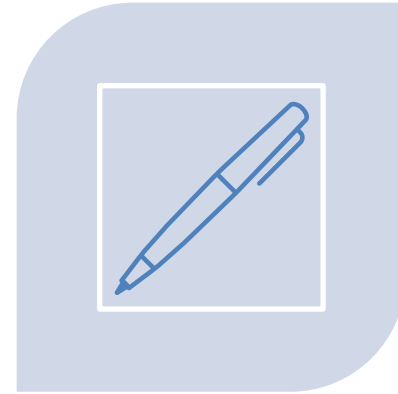
SLN



Signatures



ALL BOARD MEMBERS



CHAIR SIGNATURE

Tim Rogers, A.A.E.

Adjournment

Tod Roberg

