

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
SEPTEMBER 20, 2023
HANGAR 600, ROOM 100**

Call to Order

Chair Tod Roberg called the meeting to order at 8:00 A.M. and confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst noted that the meeting notice and board packet was published and distributed on Friday, September 15, 2023.

Attendance

Attendance was taken. Present were Directors Roberg, Carlin, Gunn, and O'Brien. Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Maynard Cunningham; Business and Communications Manager Kasey Windhorst; Airport Administration Specialist Michelle Moon; and Attorney Greg Bengtson attended. Guests at the meeting were Mitch Robinson, Salina Community Economic Development Organization; Julie Yager-Zucker, Avflight Salina; and Renee Duxler, Salina Area Chamber of Commerce.

Agenda

Executive Director Rogers stated no additions to the agenda but requested that the presentation by Renee Duxler be moved forward to accommodate an adjacent meeting for Ms. Duxler.

Consideration of the Request for the Salina Area Chamber of Commerce

Salina Area Chamber of Commerce President and CEO Renee Duxler presented an overview of the Chamber's plan to complete an update of the Salina community vision statement and goals as

part of the Chamber's 2025 Strategic Plan. Duxler is asking each of the Chamber's partner entities to invest \$5,400 as a one-time commitment toward strategic planning, replacing the current, Imagine Salina program annual expense of \$7,500/year. Total project cost is \$42,000. The Chamber will contract with Sevenfold to provide the Salina community vision and goal setting services. Director Gunn moved, and Director O'Brien seconded the motion to approve of the Airport Authority's \$5,400 cost share for the Salina Chamber's proposed community vision and goals setting process. Motion carried 4-0.

Minutes

Director Gunn moved to approve the minutes of the August 16, 2023 regular board meeting and the minutes of the August 30, 2023 special board meeting as presented. Director O'Brien seconded the motion. Motion carried 4-0.

Airport Activity

Rogers reviewed the air traffic, fuel flowage and enplanement reports for the month of August. A total of 5,945 operations occurred during the month of August which was a 47% increase compared to the same period last year. Fuel Flowage came in at 134,249 gallons which was 29% more than the August 2022 total of 103,932 gallons. Enplanements were up for the month in 2023 over 2022, but still below the 2019 benchmark by 14.7%. ArkStar figures confirmed that enplanements were up 6% over August 2022, including a 2% load factor increase for the same period. Fares out of SLN continue to be within \$75.00 of ticket prices at neighboring airports, keeping SLN within market goals for November and December 2023 travel. Weather has been a notable factor in the on-time operations. Rogers updated the board on SkyWest's contract at SLN and pending application for SkyWest Charter to the FAA.

Financial Review

Swanson reviewed the financial activity ending August 31, 2023, Total assets were up 20%. Cash in bank-bond funds is \$9,730,938 including bond proceeds; cash in bank-operating funds is \$2,159,635; unrestricted cash in bank is \$2,041,415. Total 2023 year-to-date income is 3% over 2022 (\$62,795). Fixed assets are at \$7.6M. Liabilities for the month are up 25% over August 2022 at \$8M. Total Equity is up 14% at \$3M. Net operating income before depreciation is \$191,382 year-to-date and interest income year-to-date is \$165,816. Fuel flowage remained steady, slightly lower than 2022. Total operating expenses are down 3% under budget and down \$4,295 from August 2022. Swanson reviewed significant capital expenditures and provided a report of the disbursements from the 2022-1 GO Temporary Note project funds for the month of August. Chair Roberg directed staff to file the financials for audit.

Resolution No. 23 -14

Rogers presented SAA Resolution No. 23-14 to levy an ad valorem tax of an estimated 5.304 Mills on all taxable tangible property within the City of Salina, Kansas for the purpose of paying the principal and interest on the general obligation bonds of the Salina Airport Authority pursuant to K.S.A. 27-323(a). The action is required to set the mill levy for the 2024 budget. Director Carlin made the motion to approve and authorize Chair Roberg to sign SAA Resolution No. 23-14, Director Gunn seconded the motion. The motion carried 4-0.

Resolution No. 23-15

Rogers reviewed the Board's approval of Resolution No. 23-10, stating the intent to levy a tax not to exceed one (1) mill to provide the matching funds required in federal or state grants. A

notice was prepared and published as required by K.S.A. 27-322(b) and appeared in the Salina Journal on June 28, 2023, and July 2, 2023. The notice informed the public that the Airport Authority's use of mill levy funds to qualify for state or federal grants is subject to a petition by qualified electors of the City of Salina. The 30-day period for submittal of a petition by qualified voters expired on August 1, 2023. A petition was not filed during the 30 days following the last publication of the Airport Authority's notice of intent. The consideration of Resolution 23-15 is the last step in the process of establishing the SAA's 2023 mill levy for matching federal or state grant funds for the budget year 2024. Director O'Brien motioned for approval of and authorize Chair Roberg to sign SAA Resolution No. 23-15 levying an ad valorem tax of an estimated 1 mill on all taxable tangible property within the City of Salina, Kansas for the purpose of providing matching funds to qualify for federal or state grants relating to the development, improvement, operation, or maintenance of the Salina Regional Airport pursuant to K.S.A 27-322(b). Director Gunn seconded the motion. The motion carried 4-0.

Lease with the Federal Aviation Administration

Swanson presented an overview of the lease agreement with the Federal Aviation Administration (FAA) that is due for renewal. The FAA maintains the navigational aids at the airport, requiring office and warehouse space.

Term: Ten years subject to Federal annual appropriations
Rate: \$54,270.64/Year or \$4,522.55/Month
(Hangar 409=\$15.59/SF/Year; Bldg. 412=\$9.39/SF/Year
CPI Annual Adj. Annual adjustment for changes in costs of operating expenses including utilities and services attributable to the FAA's occupancy.
Area: 4,156 SF comprised of office, warehouse, and technical space.
Effective date: October 1, 2023
Lease Type: Gross Lease whereby the SAA is responsible for utilities, trash removal, all building maintenance, janitorial (except in Bldg. 412) snow removal and landscaping.

The terms reflect an increase of 17.5% over the previous lease agreement.

Director Gunn moved to approve the Standard Space Lease Agreement No. 697DCM-23-L-00161 with the Federal Aviation Administration for occupancy of the Salina Systems Service Center staff and authorize the Executive Director to sign the lease. Director O'Brien seconded the motion and the vote passed unanimously.

Staff Reports

Rogers reported that Pieter Miller will join the SAA staff on Monday, October 2, 2023.

Rogers provided an update on the west airfield development plan, AIM Center, and K-AIRES projects.

Director Gunn moved to adjourn, seconded by Director Carlin. The meeting adjourned at 9:21 A.M. following a unanimous vote.

Minutes approved at the October 18, 2023 board meeting.

Kasey L. Windhorst, Board Clerk

(SEAL)