



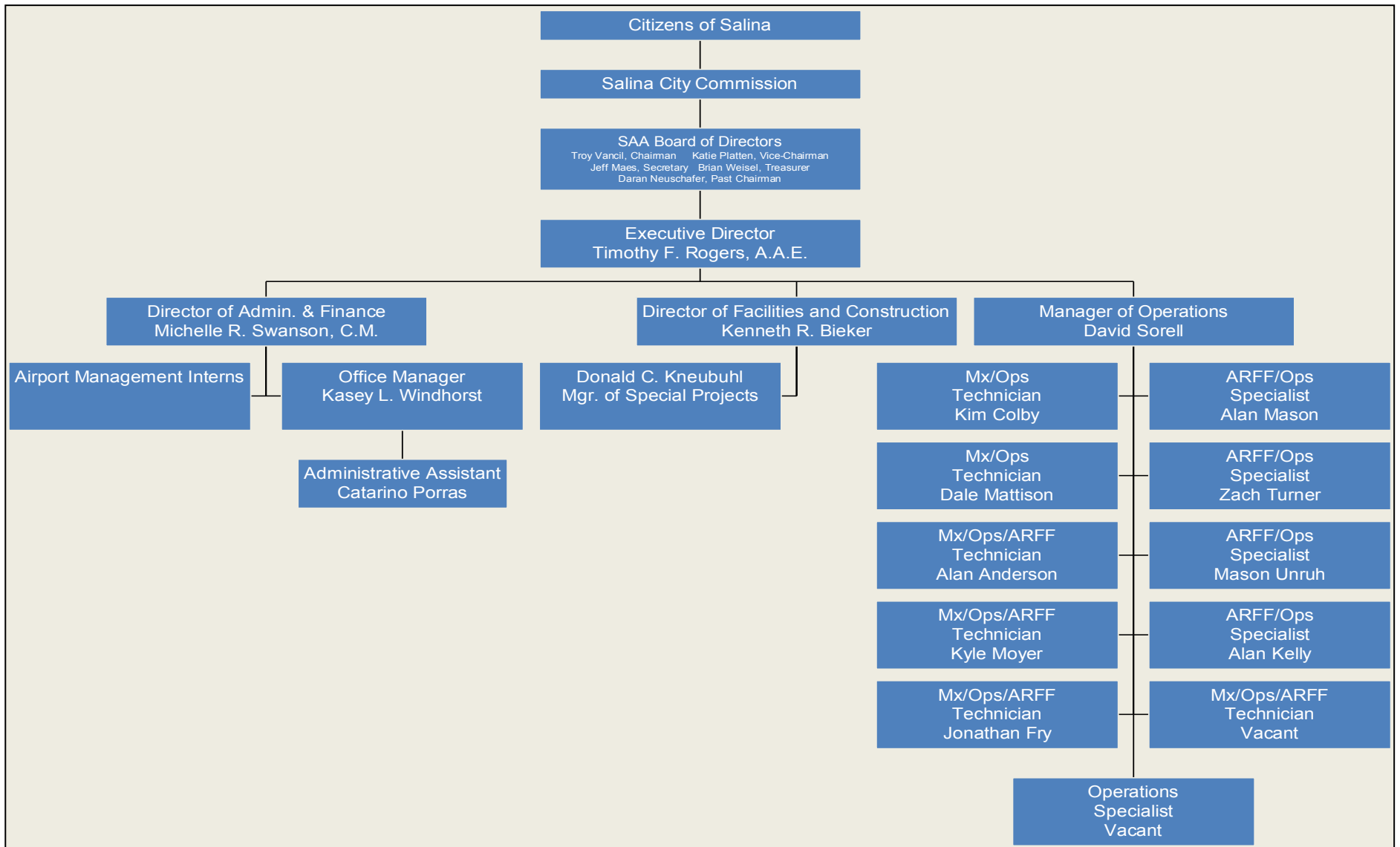
**SALINA AIRPORT AUTHORITY
Board Reference Manual
February, 2017**

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SALINA Airport *Authority*

January 2017



SALINA AIRPORT AUTHORITY

CURRENT BOARD MEMBERS

Katie Platten	3-01-15	to	2-28-18
Troy Vancil	3-01-15	to	2-28-18
Brian Weisel	3-01-16	to	2-28-19
Alan Eichelberger	3-01-17	to	2-28-20
Kent Buer	3-01-17	to	2-28-20

FORMER BOARD MEMBERS

M. J. Kennedy	4-26-65	to	4-26-71
C. J. Wertz	4-26-65	to	4-26-70
	4-26-71	to	4-26-73
	4-26-75	to	4-26-78
Edward H. Bell	4-26-65	to	4-26-72
William W. Yost	4-26-65	to	4-26-67
Allen R. Dodge	4-26-65	to	12-23-69
C. Dale Lyon	4-26-67	to	4-26-70
William Usher	4-26-72	to	4-01-73
C. F. Heath	12-23-69	to	4-26-75
John L. Zimmerman	4-26-73	to	4-27-78
William P. Horton	4-26-70	to	4-26-76
	4-26-77	to	4-26-83
Dean Tinkler	4-26-73	to	4-26-81
Ben E. Vidrickson	4-26-71	to	4-26-77
	4-26-78	to	4-26-84
Nathan B. Butcher	4-26-76	to	4-26-81
Joe C. Cloud	4-26-78	to	4-26-85
Carl Engstrom	4-26-82	to	4-26-85
Ed Pogue	4-26-81	to	4-26-87
Robert Wilbur	4-26-84	to	4-26-87
Tom Kennedy	4-26-83	to	2-28-89
Ken Stephenson	4-26-85	to	2-28-91
Charlie Walker	4-26-85	to	2-28-91
Gary Rumsey	3-01-91	to	6-30-92
Roger Morrison	4-26-87	to	2-28-93
Charles B. Roth	4-26-87	to	2-28-93
Bob E. Ott	3-01-89	to	2-28-95
Joseph M. Ritter	3-01-93	to	2-28-96
Dorothy W. Lynch	3-01-91	to	2-28-97
Richard A. Renfro	7-01-92	to	2-28-97
Charlie Stevens	3-01-93	to	2-28-99
Frieda Mai	3-01-97	to	2-28-00
James C. Maes	3-01-95	to	2-28-01
R. Michael Beatty	3-01-96	to	2-28-02
Pat Bolen	3-01-97	to	2-28-03
John K. Vanier, II	3-01-99	to	2-28-05
Donald E. Morris	3-01-00	to	2-28-06
Robert H. Miller	3-01-01	to	2-28-07



FORMER BOARD MEMBERS (CONT.)

Steve Ryan	3-01-03	to	2-28-09
Eric Hardman	3-01-05	to	2-28-11
Troy Vancil	3-01-08	to	2-28-11
	3-01-15	to	2-28-18
Julie Sager Miller	3-01-06	to	2-28-12
Jeff Thompson	3-01-07	to	2-28-13
Dr. Randy Hassler	3-01-02	to	2-28-08
	3-01-09	to	2-28-15
Angie Coble	3-01-12	to	2-28-15
Michael L. Hoppock	3-01-13	to	2-29-16
Daran Neuschafer	3-01-11	to	2-28-17
Jeff Maes	3-01-11	to	2-28-17

FORMER BOARD CHAIRS

M. J. Kennedy	4-28-65	to	6-22-71
C. J. Wertz	6-22-71	to	6-12-73
William P. Horton	6-12-73	to	4-27-76
	5-11-82	to	5-10-83
Ben E. Vidricksen	4-27-76	to	6-28-77
Dean Tinkler	6-28-77	to	5-22-79
Joe C. Cloud	5-22-79	to	4-28-81
Nathan B. Butcher	4-28-81	to	5-11-82
Ed Pogue	5-10-83	to	5-14-86
Thomas J. Kennedy	5-14-86	to	5-11-88
Kenneth Stephenson	5-11-88	to	5-09-90
Roger Morrison	5-09-90	to	3-11-92
Charles B. Roth	3-11-92	to	3-10-93
Bob E. Ott	3-10-93	to	3-15-95
Dorothy W. Lynch	3-15-95	to	3-20-96
Richard A. Renfro	3-20-96	to	3-19-97
Charlie Stevens, Jr.	3-19-97	to	3-17-99
James C. Maes	3-17-99	to	3-22-00
R. Michael Beatty	3-22-00	to	3-14-01
Pat Bolen	3-14-01	to	3-13-02
John K. Vanier, II	3-13-02	to	3-19-03
Donald E. Morris	3-19-03	to	3-17-04
Robert H. Miller	3-17-04	to	3-23-05
Dr. Randy Hassler	3-23-05	to	3-15-06
	3-21-12	to	3-20-13
Stephen C. Ryan	3-15-06	to	3-21-07
Eric Hardman	3-21-07	to	3-18-09
Julie Sager Miller	3-18-09	to	3-17-10
Jeff Thompson	3-17-10	to	3-21-12
Daran Neuschafer	3-20-13	to	3-19-14
Jeff Maes	3-19-14	to	3-18-15
Michael L. Hoppock	3-18-15	to	2-29-16
Troy Vancil	3-18-16	to	

Timothy F. Rogers, A.A.E

Executive Director

E-mail: trogers@salair.org

As Executive Director of the Salina Airport Authority since 1985, Tim Rogers, A.A.E. manages the successful and vibrant Salina Regional Airport and Salina Airport Industrial Center. Known as America's Fuel Stop, the Salina Regional Airport is a familiar cross-country refueling location for more than 5,000 business jets each year. Tim's leadership was also instrumental in Virgin Atlantic Airways and Steve Fossett's selection of the Salina Regional Airport as mission control and the launch and landing site for the Virgin Atlantic GlobalFlyer's record setting flights.



In addition to supporting civilian aviation, the Salina Airport Authority is actively involved in military operations hosting more than 5,000 military operations annually.

In March 2010, Tim was awarded the first-ever Patriot Medal "for providing immeasurable support to the Great Plains Joint Training Center and Kansas National Guard." Tim is currently a member of the Kansas Governor's Military Affairs Council, which has been charged with optimizing the military presence in Kansas, actively fostering close, effective cooperation among the installations and private and public sectors throughout the state, and pursuing initiatives to enhance the quality of life for all military personnel- active, veteran, and retired.

The Airport Industrial Center is home to the Kansas National Guard's Great Plains Joint Training Center Headquarters. The GPJTC is affiliated with the Smoky Hill Weapons Range, Crisis City, the Kansas Regional Training Institute and the 284th Air Support Operations Squadron. Tim works closely with many military units, including nearby Ft. Riley in supporting our nation's national defense efforts.

Tim was honored to receive the American Association of Executives Distinguished Service Award in March of 2012. The Distinguished Service Award is one of AAAE's highest levels of recognition. Men and women receive this award as a reflection of outstanding accomplishments in their professional and personal lives. Respected leaders of their own communities, these men and women also contribute to other aviation organizations, serve AAAE and its chapters and participate in civic and community affairs. DSA winners exemplify the best in airport management by continually bringing credit to the profession and the aviation community. All DSA winners are Accredited Airport Executives and exemplify the standards accreditation seeks to inspire, according to the AAAE website.

As an active member of the American Association of Airport Executives (AAAE), Tim has worked to promote the growth and development of the nation's system of airports. Currently, Tim is the past chair of the American Association of Airport Executives' U.S. Contract Tower Association (USCTA) Policy Board. The USCTA represents 253 airports with VFR control towers that participate in the FAA's Contract Tower Program. The program has received positive endorsements from all parties involved,

<http://www.salinaairport.com/public-information/staff/timothy-f-rogers,-aae.aspx>

including the FAA, NTSB, DOT Inspector General (IG), airport management, Congress and, most importantly, the users of the air traffic control system.

Tim Rogers has been in airport and industrial center management for over 30 years. He obtained a bachelor's degree from the University of Kansas. Tim was designated an Accredited Airport Executive with the completion of an accreditation process administered by the American Association of Airport Executives.

The Salina Airport Industrial Center features a wide variety of manufacturing. Schwan Food Service employs more than 1,400 employees. Other major Airport Industrial Center firms include Salina Vortex, Geoprobe, GE, El Dorado National, FedEx, Universal Forest Products, United Suppliers and Ovation Cabinetry. All industrial center businesses benefit from excellent airport services, interstate highway access and foreign trade zone status. Rogers is active in facility development and real estate negotiations for existing and new businesses & industry.

The Regional Airport is home to 17 commercial aviation businesses that offer a wide array of products and services to local, national and international customers and provides more than 550,000 square feet of available hangar space adjacent to a 12,300-foot runway. Aviation and aerospace employers are supported by the Kansas State Polytechnic aviation program for workforce training & applied aviation research. He has led the effort to add UAS operations, research and development to the Salina Airport.

The Salina Airport Industrial Center is one of the nation's most progressive airport industrial parks. More than 100 businesses and organizations at the Salina Airport Industrial Center employ more than 4,200 people at an annual payroll exceeding \$142 million. As a result of Tim's direction, the Salina Airport Industrial Center has been transformed from a former military base to a modern, urban industrial center.

Tim's professional and volunteer boards include:

National

- American Association of Airport Executives Contract Tower Association Policy Board, Past Chairman
- American Association of Airport Executives Board of Examiners, Past Board Member
- American Association of Airport Executives Non-hub/General Aviation Airports Committee, Past Chairman

Regional

- South Central Chapter of American Association of Airport Executives, Past President
- South Central Chapter of the American Association of Airport Executives, Regional Examiner

State Government

- Kansas Military Affairs Council, member
- Kansas Unmanned Aerial Systems Workgroup, member

<http://www.salinaairport.com/public-information/staff/timothy-f-rogers,-aae.aspx>

- Kansas Department of Transportation's Long Range Transportation Plan, Policy Advisory Committee
- Kansas Aviation Advisory Committee Past Chairman

State Associations

- Team Kansas Board of Directors
- Kansas Association of Airport Board of Directors, Past President

Local

- Kansas State University Salina, Dean's Advisory Council
- Kansas State University Salina, Adjunct Instructor- Airport Management

Non-profit and civic leadership

- University of Kansas Memorial Corp., Board of Directors and Past President
- Salina Area United Way, Past Campaign Chairman

Michelle R. Swanson, C.M.

Director of Administration and Finance

E-mail: shellis@salair.org

As Director of Administration and Finance of the Salina Airport Authority, Michelle Swanson helps lead the vibrant and thriving Salina Regional Airport and the Salina Airport Industrial Center.

Michelle is committed to the existing businesses and organizations at the airport and serves as a resource to the entities not only in financial related matters, but also with issues related to human resources, marketing and business expansions. Michelle has experience in working with airport businesses throughout all stages of a company life cycle.

Michelle has worked in financial management for more than a decade. She obtained her B.S. in Business from Fort Hays State University in 1991 and her B.A. in Accounting from Kansas Wesleyan University in 2008. She began working for the Salina Airport Authority in 1998.

Michelle's proficiency was instrumental in the selection of the Salina Airport as Mission Control and the launch/landing site for Virgin Atlantic GlobalFlyer's international record attempt to fly around the world solo, non-stop, and non-refueled.

Michelle has participated in the following professional organizations:

- American Association of Airport Executives, Certified Member
- Kansas Association of Airports
- Kansas Aviation Advisory and Review Committee

Non-profit and civic leadership roles include:

- Salina Area Technical College Foundation Board Chair
- United Way - Past Chairman for Government Agency Fund Raising
- Salina Area Chamber of Commerce - Leadership Salina 1999 Graduate
- Current member of the NJCAA Basketball Task Force
- Catechist- St. Elizabeth Ann Seton Church
- Great Salina Community Foundation Board of Directors



Kenny Bieker

Director of Facilities and Construction

E-mail: kennyb@salair.org

As the director of facilities and construction, Kenny Bieker is responsible for managing nearly 900,000 square feet of existing manufacturing, warehouse, hangar and office space at the Salina Regional Airport and Airport Industrial Center. Management of existing facilities is overseeing the maintenance and development of the facility structures and systems necessary to insure the Authority's assets and infrastructure are well maintained and in compliance with applicable laws and regulations.

Bieker's responsibilities also include overseeing design and construction activity for airport facilities and pavement projects.

Bieker joined the Salina Airport Authority staff in 2008 after working on Salina Regional Airport projects as a construction observer and inspector for a number of years. Bieker started working on Airport Authority projects in the early 1990s as a materials tester. Bieker assisted in the design and construction of several airport projects, including runway construction, runway rehabilitation and general aviation ramp repair.

Bieker has more than 35 years of experience as an engineering technician with more than 25 years involving airports. He has served in the capacities of drafter, detailer, surveyor and observer. He served in a survey party for four years before becoming a survey party chief. He served as party chief for three years and then became involved in construction inspection. He has served in the capacity of resident observer for numerous airport projects in Kansas, Missouri, Iowa and Oklahoma. His projects have involved concrete and asphalt pavement as well as concrete box structures and large earthwork fills.

Professional Memberships and Registrations:

- ACI Concrete Field Testing Technician - Grade I
- KDOT LPA Certified Construction Inspector, Level IIAC
- Troxler Certified



Kasey L. Windhorst

Office Manager

E-mail: kaseyw@salair.org

As office manager, Kasey Windhorst fully utilizes her exceptional customer service and organizational skills for the Salina Airport Authority. The Airport Authority's staff particularly appreciates Kasey's coordination and support skills as they work together to grow the vibrant and thriving Salina Regional Airport and Salina Airport Industrial Center.

Kasey provides high-level executive support for the Airport Authority and outstanding customer service to businesses and organizations at the airport and airport industrial center. Kasey efficiently and quickly processes information requests, prepares reports and performs bookkeeping duties including accounts payable, accounts receivable and payroll.



Kasey came to the Salina Airport Authority in 2004 and brings with her several years of experience as an administrative assistant. She obtained her Office Assistant/Administrative Assistant degree from Wichita Area Technical College in 2002. She obtained her Bachelor of Science degree in Business Management at Kansas Wesleyan University. Before joining the Airport Authority, Kasey worked as a sales administrative assistant at a local, nationally known company, and as a receptionist for a national tax preparation business.

Kasey's organizational skills have been instrumental in the growth of the Salina Regional Airport and Salina Airport Industrial Center.

Non-profit and civic leadership roles include:

- Salina Area Chamber of Commerce – Leadership Salina 2013 graduate
- Salina Human Resource Management Association (SHRMA) Member
 - Program/Professional Development Chair
 - Marketing/ Social Committee
- Salina Area United Way Internal Coordinator
- Project Salina Team leader

Certifications

- Certified AAE Airport Security Coordinator
- Licensed Internal Revenue Tax Preparer
- State of Kansas Notary of the Public

<http://www.salinaairport.com/public-information/staff/kasey-l-windhorst.aspx>

David Sorell

Manager of Operations

E-mail: davids@salair.org

As Manager of Operations, David Sorell is responsible for managing the operations, maintenance, aircraft rescue and firefighting, and security activities at the Salina Regional Airport and Salina Airport Industrial Center. He is responsible for FAR Part 139 and ensuring airport/industrial center compliance with federal, state and local regulations.

Sorell joins the Salina Airport Authority after a number of years with the State of Kansas DOFE Training Site in the maintenance department. Prior to his time with the State, Sorell had multiple years of experience in the construction industry.



The Regional Airport is home to 17 commercial aviation businesses that offer a wide array of products and services to local, national and international customers and provides more than 550,000 square feet of available hangar space adjacent to a 12,300-foot runway. Aviation and aerospace employers are supported by the Kansas State Polytechnic aviation program for workforce training & applied aviation research.

The Salina Airport Industrial Center is one of the nation's most progressive airport industrial parks. More than 100 businesses and organizations at the Salina Airport Industrial Center employ more than 3,500 people at an annual payroll exceeding \$142 million. The Salina Airport Industrial Center has been transformed from a former military base to a modern, urban industrial center.

Certifications

- AAAE Airport Security Coordinator
- AAAE Airport Safety and Operations Specialist
- Tank Management Services (TMS) Underground Storage Tank Operator
- USDA Wildlife Services - Wildlife Hazard Identification and Management
- NATA Safety 1st – Fuel Safety Supervisor and Professional Line Services
- KS Fire & Rescue Training Institute – Part 139 Airport Fire Fighter

Awards:

- Safety Services Company (SS) Safety Recognition Award
- Salina Army Aviation Support Facility Certification of Appreciation

27-315

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-315. Surplus property and public airport authority act; title. This act shall be known as the surplus property and public airport authority act.

History: L. 1965, ch. 117, § 1; April 16.

27-316

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-316. Same; purpose; creation of separate authority authorized. It is hereby declared to be the policy of the state that to promote the public interest, economy, health, safety, education and general welfare of the cities to which the provisions of this act may be applicable and of the residents and property owners therein that the people be empowered to acquire, own, maintain, operate, improve and dispose of surplus real or personal properties of the United States, the state of Kansas, any political subdivision thereof or any municipality therein, within or without the cities to which the provisions of this act may be applicable, including, but not limited to, property which may be essential, suitable or desirable for the development, improvement, operation or maintenance of a public airport. Because of the unique problems which exist relative thereto, the creation of an authority separate and distinct from such cities and the counties in which such cities are located is necessary.

History: L. 1965, ch. 117, § 2; April 16.

27-317

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-317. Same; application to certain cities. This act shall apply to any city which has or shall hereafter acquire an air base which has been or shall hereafter be declared surplus by the United States or any of its agencies.

History: L. 1965, ch. 117, § 3; L. 1972, ch. 149, § 1; L. 1978, ch. 148, § 11; April 20.

27-318

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-318. Same; definitions. As used in this act:

(a) "City" means a city to which this act applies as provided in K.S.A. 27-317, which establishes and creates an authority pursuant to this act.

(b) "Authority" means a surplus property and public airport authority created pursuant to this act.

(c) "Property" means any interest in any real or personal property within or without the city acquired by said city or available for acquisition by the authority from:

(1) The United States or any of its agencies pursuant to the federal property and administrative services act of 1949, as amended, the surplus property act of 1944, as amended, the federal airport act of 1946, as amended, and any other federal law relating to disposition of property owned or held by the United States or any of its agencies;

(2) The state of Kansas, any political subdivision thereof, or any municipality therein under the provisions of any applicable statutes of the state of Kansas or municipal ordinances; or

(3) Any other source authorized by this act.

(d) "Public airport" means a public airport as defined in the federal airport act of 1946, as amended, and shall include such property which in the determination of the administrator of the federal aviation agency is essential, suitable or desirable for the development, improvement, operation or maintenance of such public airport or reasonably necessary to fulfill the immediate and foreseeable future requirements of such public airport for the development, improvement, operation or maintenance of such public airport, including property needed to develop sources of revenue from nonaviation businesses at such public airport.

(e) "Board of directors" means the board of directors of the authority.

(f) "Director" means a member of the board of directors of the authority.

(g) "Employee" means an employee of the authority created by a city pursuant to the act of which this section is amendatory.

History: L. 1965, ch. 117, § 4; L. 1978, ch. 148, § 12; L. 1979, ch. 114, § 1; April 27.

27-319

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-319. Ordinance for creation; public corporation; rights and immunities; tax exemptions; control; board of directors, appointment, terms, vacancies; expenses; transfer of property of city to authority. (a) The governing body of any city to which this act applies is hereby authorized to establish and create, by adoption of an appropriate ordinance citing this act, an authority as herein provided to acquire, own, maintain, operate, improve, develop, lease and dispose of property in furtherance of the provisions of this act. An authority created hereunder shall have all of the powers, and only the powers, prescribed by this act. Such authority shall be a body corporate and politic constituting a public corporation and a tax-supported institution, agency and organization. Except as provided in subsection (b), such authority shall have the same immunities and exemptions from the payment of costs, damages, charges, taxes and fees as are granted to the city. Such authority shall be managed and controlled by a board of directors consisting of five directors to be appointed by the governing body of the city. The original board of directors of the authority shall be appointed at the time of the creation of the authority. One of such directors shall be appointed for a term of three years, two for a term of two years and two for a term of one year, with the term of office of each such director to commence on the date of appointment. Each of the directors shall serve until the expiration of such person's term and until a successor is appointed. The governing body of the city shall appoint successors to the original and succeeding directors as the respective term of each expires, each of whom shall serve for a term of three years and until a successor is appointed. No director shall serve as a director for more than eight consecutive years. Vacancies shall be filled for unexpired terms. Any director may be removed by a majority vote of the governing body of the city from office for reasonable cause. The directors shall not be compensated for services rendered as such directors but shall be reimbursed in carrying out their duties as such directors.

(b) (1) For all taxable years commencing after December 31, 1988, the Salina airport authority shall be exempt from the payment of ad valorem taxes levied by the state and any other political or taxing subdivision of the state on property owned by it prior to and on January 1, 1989, and which is located within the corporate limits of the city creating the authority. All property taxes, including any penalties and interest accrued thereon, imposed upon any property herein described for all taxable years commencing prior to January 1, 1989, are hereby declared to be cancelled.

(2) For all taxable years commencing after December 31, 1991, the Pratt airport authority shall be exempt from the payment of ad valorem taxes levied by the state and any other political or taxing subdivision of the state on property owned by it prior to and on January 1, 1992, and which is located

within the corporate limits of the city creating the authority. All property taxes, including any penalties and interest accrued thereon, imposed upon any property herein described for all taxable years commencing prior to January 1, 1992, are hereby declared to be cancelled.

(c) Upon the creation of an authority hereunder, the governing body of the city shall transfer all property and any funds belonging to the city or to which the city may be entitled, which are to be used for or are necessary for the operation of a public airport, to the authority created hereunder.

History: L. 1965, ch. 117, § 5; L. 1970, ch. 366, § 17; L. 1978, ch. 148, § 13; L. 1989, ch. 113, § 1; L. 1992, ch. 171, § 2; July 1.

27-320

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-320. Same; perpetual succession; powers of authority. The authority shall have perpetual succession subject to the power of the city to dissolve the same in the time and manner provided in K.S.A. 27-325, and shall have the power:

- (a) To adopt, alter and use corporate seal;
- (b) To sue and be sued, to prosecute and to defend any action in any court of competent jurisdiction;
- (c) To receive, purchase, lease, obtain option upon, acquire by contract or grant, or otherwise acquire, to own, hold, maintain, operate, improve, subdivide, lease, lease for oil and gas purposes and develop, and to sell, convey, lease, exchange, transfer, assign, grant option with respect to, mortgage or otherwise dispose of property;
- (d) To enter into contracts to carry out the purposes of the authority and to execute contracts and other instruments necessary or convenient to the exercise of any of the powers of the authority;
- (e) To acquire, hold and dispose of property without regard to the provisions of any other laws governing the acquisition, holding and disposition of public property and public funds by cities and their agencies;
- (f) To adopt, amend and repeal bylaws, rules and regulations not inconsistent with this act governing the manner in which the powers and purposes of the authority shall be carried out and effected: *Provided, however,* The same shall become effective upon ratification of the governing body of the city;
- (g) To select, appoint, employ, discharge or remove such officers, agents, counsel and employees as may be required to carry out and effect the powers and purposes of the authority and to determine their qualifications, duties and compensation;
- (h) To borrow money and pledge, mortgage or otherwise hypothecate property and revenues as security therefor;
- (i) To contract with the United States or any of its agencies, the state of Kansas, any political subdivision thereof and any municipality therein with respect to the terms on which the authority may agree to purchase or receive property, including, but not limited to, provisions for the purchase of property over a period of years, for payment of the purchase price or installments thereof in the manner and to the extent required, and for pledge of all revenues and income received from the sale or operation of said property after providing for administration, maintenance and operation costs, to payment of the principal of the purchase price and interest thereon or of any bond issued by the authority therefor;
- (j) To enter into agreements with the city or others for the furnishing of any utilities, facilities and services owned, maintained, furnished or conducted by the city on such terms and conditions and for such considerations as may be agreed upon between the city or others and the authority;
- (k) To distribute to the city any funds not necessary for the proper conduct of the affairs of the authority.

History: L. 1965, ch. 117, § 6; April 16.

27-321

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-321. Same; power of city to establish and create; boundaries of authority; annexation, effect on bonded debt; rights of city and authority. This act shall empower any city to which this act applies to establish and create an authority, and shall empower such city and such authority to exercise the powers herein granted, and no action, proceeding or election, other than the adoption of the ordinance referred to in K.S.A. 27-319, shall be required prior to the establishment and creation of such authority or to authorize the exercise of any of the powers herein granted, any provisions of the laws of the state or of any city charter or ordinances to the contrary notwithstanding. The boundaries of any such authority shall be commensurate with the boundaries of the property acquired by the authority and the property so acquired need not be in a single contiguous area. All or any part of the real estate constituting a part of the property located within the boundaries of the authority may be annexed and taken within the corporate limits of the city in the same manner and to the same extent as any other real estate which is not owned or controlled by the city and any such real estate so annexed and taken within the corporate limits of the city shall be exempt from any bond indebtedness of the city incurred prior to the date of such annexation, and the city may exempt such real estate from any city taxes which the governing body of the city shall determine. A city which establishes and creates an authority under the provisions of this act and the authority created by such city shall have the same rights, privileges and immunities with respect to property located outside the municipal limits of such city as now exist for any property located within the limits of such municipality, including the right of eminent domain: *Provided*, That the right of eminent domain shall be exercised only by the authority with the approval of the governing body of the city in order to acquire property or an interest in or through air space which is essential, suitable or desirable for the development, improvement, operation or maintenance of a public airport. Such city shall also have the right to transfer and convey to such authority, without consideration, any public airport owned by such city.

History: L. 1965, ch. 117, § 7; April 16.

27-322

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-322. Tax levies by authority; approval by city; exceptions. (a) Except as provided in subsection (b), with the consent of the governing body of the city, the authority may annually levy a tax not to exceed three mills on each dollar of the assessed tangible valuation of the property of the city for the furtherance of the purposes of the authority, to be levied and collected in like manner with other taxes, which levy the board of directors shall, on or before August 25, of each year, certify to the county clerk who is hereby authorized and required to place the same on the tax roll of said county to be collected by the treasurer of said county and paid over by him or her to the board of directors of the authority.

(b) In addition to the levy authorized in subsection (a), if the authority is required to provide matching funds in order to qualify for any federal or state grant relating to the development, improvement, operation or maintenance of the public airport, and such funds are not otherwise available from revenues of the airport facility, the authority may levy a tax not to exceed one mill upon each dollar of the assessed tangible valuation of the property of the city to be levied and collected in the same manner as provided for in subsection (a) except that such levy shall be made without the consent of the governing body of the city.

Before any levy is made pursuant to this subsection, the board of directors of the authority shall publish a notice of their intention to make such additional levy once each week for two consecutive

weeks in the official newspaper of the city. If within 30 days next following the last publication of the notice a petition signed by not less than 5% of the qualified electors of the city requesting an election on the question of levying the additional mill authorized by this subsection is filed with the city clerk, an election on the question shall be noticed, called and held in the manner prescribed under the general bond law. If a majority of the qualified electors of the city voting at such election vote "no" on the question of levying the additional mill, no levy shall be made under this subsection.

(c) The authority shall be exempt from the provisions of the budget laws of the state.

History: L. 1965, ch. 117, § 8; L. 1978, ch. 148, § 14; L. 1979, ch. 114, § 2; L. 1990, ch. 66, § 39; May 31.

27-323

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

Statute 27-323: Same; general obligation bonds; approval by city; election, when; conditions; tax levy; revenue bonds, conditions, restrictions and limitations; no-fund warrants; state or municipality not liable for obligations of authority. The authority shall have power to issue its own general obligation bonds, revenue bonds, industrial revenue bonds, and no-fund warrants as provided by this section:

(a) If the authority desires to issue its general obligation bonds, the board of directors of the authority shall adopt a resolution setting forth the principal amounts of bonds proposed to be issued and the purpose for which the bonds are to be issued, and shall forward a copy of such resolution to the mayor of the city. The mayor shall present such resolution to the governing body of the city for its approval or disapproval. If the governing body of the city, by appropriate ordinance, disapproves the resolution of the authority, no further action shall be taken by the authority on the basis of the resolution. If the governing body of the city, by appropriate ordinance, unconditionally approves the resolution of the authority, the governing body of the authority may proceed to authorize and issue the general obligation bonds of the authority in the amount and for the purpose specified in the resolution of the authority. The governing body of the city, however, upon the presentation to it of the resolution of the authority, in lieu of disapproving or unconditionally approving the resolution, may adopt a resolution giving its approval of the resolution of the authority but directing the publication once in the official city newspaper of a notice setting forth the intention of the authority to issue its general obligation bonds in the amount and for the purpose specified in the resolution of the authority, and if within 15 days after the publication of the notice there is filed with the city clerk a written protest against the issuance of the general obligation bonds of the authority signed by not less than 20% of the qualified electors of the city, the governing body of the city shall submit the proposed improvement and the proposed general obligation bond issue of the authority to the electors of the city at a special election to be called for that purpose upon at least 10 days' notice, to be held not later than 60 days after the filing of the protest, or at a regular city election or general election which will occur not sooner than 30 days nor later than 60 days after the filing of the protest. In the event that a majority of the voters voting on the proposition at the election vote in favor thereof, the improvement may be made and the general obligation bonds of the authority may be issued by the authority to pay the cost thereof. General obligation bonds of the authority shall not be issued in excess of 10% of the assessed valuation of all the taxable tangible property within the city as shown by the assessment books of the previous year. The general obligation bonds of the authority as to the term, maximum interest rate, and other details shall conform to the provisions of the general bond law. The full faith and credit of the authority shall be pledged to the payment of the general obligation bonds of the authority, including principal and interest, and the authority shall annually levy a tax on all taxable tangible property within the city, in addition to all other levies authorized by law, in an amount sufficient to pay the interest on and principal of the bonds as the same become due. The general obligation bonds of the authority shall not constitute a debt or obligation of the city which established and created the authority.

(b) The authority may issue from time to time the revenue bonds of the authority for the purpose of purchasing, constructing, or otherwise acquiring, repairing, extending, or improving any property or facility of the authority and may pledge to the payment of the revenue bonds, both principal and interest, any rental, rates, fees or charges derived or to be derived by the authority from property or facilities owned or operated by it. The revenue bonds of the authority shall mature not later than 40 years after the date of issuance. The revenue bonds shall bear interest at a rate not exceeding the maximum rate of interest prescribed by [K.S.A. 10-1009](#), and amendments thereto. The bonds shall contain recitals stating the authority under which such bonds are issued, that they are issued in conformity with the provisions, restrictions and limitations of the authority, and that the bonds and interest thereon is to be paid by the issuing authority from any rental, rates, fees or charges derived or to be derived by the authority from property or facilities owned or operated by it and not from any other fund or source. The resolution authorizing the issuance of revenue bonds of the authority may establish limitations upon the issuance of additional revenue bonds of the authority and may provide that additional revenue bonds shall stand on a parity as to the revenues of the authority and in all other respects with revenue bonds previously issued by the authority on the conditions as specified in the resolution. The resolution may include other agreements, covenants or restrictions deemed advisable by the governing body of the authority to effect the efficient operation of the property and facilities of the authority, and to safeguard the interests of the holders of the revenue bonds of the authority, and to secure the payment of the bonds and the interest thereon promptly when due. When an authority authorizes and issues its revenue bonds under the provisions of this section, an amount of the net revenues of the property and facilities of the authority sufficient for the purpose shall be pledged to the payment of the principal of and the interest on the bonds as the same become due, and it shall be the mandatory duty of any authority issuing revenue bonds under this act to fix and maintain rentals, rates, fees and charges for the use and services of the property and facilities of the authority sufficient to pay the cost of operation and maintenance of the property and facilities, pay the principal of and interest on all revenue bonds or other obligations issued by the authority and chargeable to the revenues of the authority as and when the same become due, provide an adequate depreciation and replacement fund, and create reasonable reserves therefor, and to provide funds ample to meet all valid and reasonable requirements of the resolution authorizing the revenue bonds. The bonds shall be registered in the office of the secretary or clerk of the authority.

(c) The authority may issue the industrial revenue bonds of the authority in the manner provided by [K.S.A. 12-1740](#) to 12-1749, inclusive, and amendments thereto.

(d) The authority may issue its no-fund warrants under the conditions and in the manner provided by law for the issuance of no-fund warrants by cities of the first class.

(e) The bonds, warrants, and other obligations and liabilities of the authority shall not constitute any debt or liability of the state of Kansas or of the city which established and created the authority, and neither the state nor the city shall be liable thereon.

History: L. 1965, ch. 117, § 9; L. 1970, ch. 64, § 72; L. 1978, ch. 99, § 31; L. 1983, ch. 49, § 77; L. 2007, ch. 7, § 1; July 1.

27-324

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-324. Same; public records; annual audit; copies to city. All contracts, leases, agreements, books and records of the authority shall constitute public books and records and shall be available for examination by the city and any of its officers, employees and agents during normal business hours. The authority shall cause an audit of its books and records to be conducted, at least annually, by an independent certified public accountant and the city shall be furnished copies of the report of such examination.

History: L. 1965, ch. 117, § 10; April 16.

27-325

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-325. Same; dissolution of authority, when; disposition of property. An authority created and established by a city may be dissolved at any time by such city by adoption of an appropriate ordinance effecting a dissolution thereof: *Provided, however,* That the authority established hereunder shall continue for a period of not less than ten (10) years: *Provided further, however,* That an authority established hereunder shall not be dissolved until all of its liabilities, bonds and other valid indebtedness have been paid in full or have been otherwise discharged: *Provided further, however,* That upon such dissolution the city shall acquire the property of the authority subject to any leases or agreements duly and validly made by the authority.

History: L. 1965, ch. 117, § 11; April 16.

27-326

Chapter 27.--FEDERAL JURISDICTION

Article 3.--SURPLUS PROPERTY OF FEDERAL AGENCIES

27-326. Same; invalidity of part. If any section, clause or provision of this act shall be declared unconstitutional, the decision shall affect only the section, clause or provision so declared to be unconstitutional and shall not affect any other section, clause or provision of this act.

History: L. 1965, ch. 117, § 12; April 16.

Published in Salina Journal April 28, 1965

ORDINANCE NO. 6854

AN ORDINANCE CREATING AN AUTHORITY TO BE KNOWN AS THE "SALINA AIRPORT AUTHORITY" FOR THE PURPOSE OF ACQUIRING PROPERTY FROM THE UNITED STATES OR ANY OF ITS AGENCIES, THE STATE OF KANSAS, ANY POLITICAL SUBDIVISIONS THEREOF OR ANY MUNICIPALITY THEREIN OR ANY OTHER SOURCE AUTHORIZED BY LAW, AND TO OWN, MAINTAIN, OPERATE AND IMPROVE, DEVELOP AND DISPOSE OF SUCH PROPERTY; AND TO LEVY TAXES AND TO ISSUE GENERAL OBLIGATION BONDS, REVENUE BONDS, INDUSTRIAL REVENUE BONDS AND WARANTS TO PROVIDE REVENUE FOR SUCH PURPOSES; PROVIDED FURTHER THAT SAID AUTHORITY SHALL BE VESTED WITH ALL POWERS AND SUBJECT TO ALL LIMITATIONS PROVIDED IN SENATE BILL NO. 235 AS ADOPTED BY THE 1965 SESSION OF THE KANSAS LEGISLATURE:

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SALINA, KANSAS:

Section 1: That the City of Salina, Kansas, pursuant to the authority granted by Senate Bill #235 as adopted by the 1965 Session of the Kansas Legislature does hereby establish and create authority to be known as the "Salina Airport Authority."

Section 2: That the authority hereby created shall be managed and controlled by a board of directors consisting of five directors to be appointed by the governing body of the City of Salina, Kansas

Section 3: That the authority hereby created shall have all those powers enumerated and be subject to all provisions of Senate Bill No 235 as adopted by the 1965 Session of the Kansas Legislature.

Section 4: That this ordinance shall be in full force and effect from after its adoption and publication in the official City Paper.

Passed by the Board of Commissioners this 26 day of April, 1965.

Approved:

Robert M. Stark
Mayor

Attest:

Heather
City Clerk

4/19/65

Chapter 4

AIRPORT*

- Art. I. In General, §§ 4-1—4-15
Art. II. Airport Authority, §§ 4-16—4-30
Art. III. Airport Zoning Commission, §§ 4-31—4-45
Art. IV. Airport Zoning, §§ 4-46—4-56

ARTICLE I. IN GENERAL

Sec. 4-1. Police power extended over airport.

(a) The police power of the city is hereby extended to include all territory of the municipal airport.

(b) The lands included in the municipal airport shall be deemed to be a part of the corporate limits of the city.

(c) All general ordinances of the city are hereby declared to be applicable to the airport. (Code 1966, § 5-4)

Secs. 4-2—4-15. Reserved.

ARTICLE II. AIRPORT AUTHORITY*

Sec. 4-16. Created.

The city, pursuant to the authority granted by Kansas Statutes Annotated, Ch. 27, Art. 3, does hereby establish and create an authority to be known as the "Salina Airport Authority." (Code 1966, § 5-1)

Sec. 4-17. Board of directors.

The airport authority hereby created shall be managed and controlled by a board of directors consisting of five (5) directors to be appointed by the board of commissioners. (Code 1966, § 5-2)

*Cross references—Administration, Ch. 2; boards and commissions generally, § 2-136 et seq.

State law reference—Surplus property and public airport authority act, K.S.A. 27-315 et seq.

*Cross reference—Streets, sidewalks and other public places, Ch. 35.

State law reference—Aircraft and airfields, K.S.A. Ch. 3.

Sec. 4-18. Authority subject to statutes.

The airport authority hereby created shall have all those powers enumerated and be subject to all provisions of Kansas Statutes Annotated, Ch. 27, Art. 3. (Code 1966, § 5-3)

Sec. 4-19. Rules and regulations.

(a) The airport authority is hereby authorized to adopt and amend such rules and regulations as may be necessary for the orderly operation of the Salina Municipal Airport, which rules and regulations and amendments thereof, after approval of the board of commissioners, shall be filed in the offices of the city clerk, airport manager and airport authority.

(b) Any person violating any of the rules and regulations adopted in accordance with subsection (a) shall be guilty of a misdemeanor. (Code 1966, §§ 5-5, 5-6)

Secs. 4-20—4-30. Reserved.

ARTICLE III. AIRPORT ZONING COMMISSION*

Sec. 4-31. Created.

There is hereby created a commission to be known as the Salina airport zoning commission. (Code 1966, § 5-7)

*Cross references—Administration, Ch. 2; boards and commissions generally, § 2-136 et seq.

State law reference—Authority for airport zoning commission, K.S.A. 3-705(2).

within the instrument approach zones, noninstrument approach zones, transition zones, horizontal zone and conical zone. Such areas and zones are shown on Salina Municipal Airport Zoning Map consisting of one sheet, prepared by city planning department and dated December, 1967, which is attached to this article and made a part hereof. The various zones are hereby established and defined as follows:

- (1) *Instrument approach zone.* An instrument approach zone is established at each end of the instrument runway for instrument landings and takeoffs. The instrument approach zones shall have a width of one thousand (1,000) feet at a distance of two hundred (200) feet beyond each end of the runway, widening thereafter uniformly to a width of sixteen thousand (16,000) feet at a distance of fifty thousand two hundred (50,200) feet beyond each end of the runway, its center line being the continuation of the centerline of the runway.
- (2) *Noninstrument approach zone.* A noninstrument approach zone is established at each end of all noninstrument runways for noninstrument landings and takeoffs. The noninstrument approach zone shall have a width of five hundred (500) feet at a distance of two hundred (200) feet beyond each end of the runway, widening thereafter uniformly to a width of two thousand five hundred (2,500) feet at a distance of ten thousand two hundred (10,200) feet beyond each end of the runway, its center line being the continuation of the centerline of the runway.
- (3) *VFR approach zone.* A visual flight rules (VFR) approach zone shall have a width of two hundred (200) feet at a distance of one hundred (100) feet beyond each end of the runway widening thereafter uniformly to a width of five hundred (500) feet at a distance of three thousand one hundred (3,100) feet beyond each end of the runway.
- (4) *Transition zones.* Transition zones are hereby established adjacent to each instrument and noninstrument runway and approach zone as indicated on the zoning map. Transition zones symmetrically located on either side of runways have variable widths as shown on the zoning map. Transition zones extend outward from a line two hundred fifty (250) feet on either side of the center line of the noninstrument runway, for the length of such runway plus two hundred (200) feet on each end; and five hundred (500) feet on either side of the center line of the instrument runway, for the length of such runway plus two hundred (200) feet in each end, and are parallel and level with such runway center lines. The transition zones along such runways slope upward and outward one (1) foot vertically for each seven (7) feet horizontally to the point where they intersect the surface of the horizontal zone. Further, transition zones are established adjacent to both instrument and noninstrument approach zones for the entire length of the approach zones. These transition zones have variable widths, as shown on the zoning map. Such transition zones flare symmetrically with either side of the runway approach zones from the base of such zones and slope upward and outward at the rate of one (1) foot vertically for each seven (7) feet horizontally to the points where they intersect the surfaces of the horizontal and conical zones. Additionally, transition zones are established adjacent to the instrument approach zone where it projects through and beyond the limits of the conical zone, extending a distance of five thousand (5,000) feet measured horizontally from the edge of the instrument approach zones at right angles to the continuation of the center line of the runway.
- (5) *Horizontal zone.* A horizontal zone is hereby established as the area within a circle with its center at the airport reference point and having a radius of thirteen thousand (13,000) feet. The horizontal zone does not include the instrument approach zones and the transition zones.
- (6) *Conical zone.* A conical zone is hereby established as the area that commences at the periphery of the horizontal zone and extends outward therefrom a distance of seven thousand (7,000) feet. The conical zone does not include the instrument approach zones and transition zones. (Ord. No. 7039, § 3, 1-29-68)

require the removal, lowering or other change or alteration of any structure or tree not conforming to the regulations as of February 6, 1968 as amended, or otherwise interfere with continuance of any nonconforming use, except as provided in subsection 3 of Section 3-707 of the General Statutes Supplement of 1947, or any amendments thereto; provided, however, that the city may require upon, thirty (30) days' notice in writing any person owning and maintaining any nonconforming pole or pole line upon the roads and highways immediately adjoining the airport to remove, lower, change, or alter said nonconforming pole or pole line, upon prior payment by the city to said person of the reasonable and necessary expense of removing, lowering, changing, or altering the pole or pole line; or in lieu thereof to execute a good and sufficient bond with corporate surety thereon as security for the payment of the reasonable and necessary expense of removing, lowering, changing, or altering such pole or pole lines. Reasonable and necessary expense of removing, lowering, changing or altering the pole or pole line shall include, among other items of expense, the actual cost of (1) constructing underground conduits and the construction of such wires and equipment in such conduits, and (2) rerouting wires together with the poles, cross arms and other equipment connected thereto, together with the cost of any of a new right-of-way made necessary by such rerouting.

(b) *Marking and lighting.* Notwithstanding the preceding provision of this section, the owner of any nonconforming structure or tree is hereby required to permit the installation, operation, and maintenance thereon of such markers and lights as shall be deemed necessary by the building official to indicate to the operators of aircraft in the vicinity of the airport, the presence of such airport hazards. Such markers and lights shall be installed, operated, and maintained at the expense of the city. (Ord. No. 7039, § 6, 1-29-68)

Sec. 4-52. Permits.

(a) *Future uses.* Except as specifically provided in subsections (1), (2) and (3) hereunder, no material change shall be made in the use of land and no structure or tree shall be erected, altered, planted or otherwise established in any zone hereby created unless a permit therefor shall have been

applied for and granted. Each application for a permit shall indicate the purpose for which the permit is desired, with sufficient particularity to permit it to be determined whether the resulting use, structure or tree would conform to the regulations herein prescribed. If such determination is in the affirmative, the permit shall be granted.

- (1) In the area lying within the limits of the horizontal zone and the conical zone, no permit shall be required for any tree or structure less than seventy-five (75) feet of vertical height above the ground, except when because of terrain, land contour or topographic features such tree or structure would extend above the height limits prescribed for such zone.
- (2) In the areas lying within the limits of the instrument and noninstrument approach zones but at a horizontal distance of not less than four thousand two hundred (4,200) feet from each end of the runways, no permit shall be required for any tree or structure less than seventy-five (75) feet of vertical height above the ground, except when such tree or structure would extend above the height limit prescribed for such instrument or noninstrument approach zone.
- (3) In the areas lying within the limits of the transition zones beyond the perimeter of the horizontal zone, no permit shall be required for any tree or structure less than seventy-five (75) feet of vertical height above the ground except when such tree or structure, because of terrain, land contour or topographic features would extend above the height limit prescribed for such transition zones.

Nothing contained in any of the foregoing exceptions shall be construed as permitting or intending to permit any construction, alteration or growth of any structure or tree in excess of any of the height limits established by this article except as set forth in section 4-49.

(b) *Existing uses.* No permit shall be granted that would allow the establishment or creation of an airport hazard or permit a nonconforming use, structure, or tree to be made or become higher, or become a greater hazard to air navigation, than

ficient to reverse any order, requirement, decision or determination of the building official or to decide in favor of the applicant on any matter upon which it is required to pass under this article, or to affect any variation in this article. (Ord. No. 7039, § 9, 1-29-68)

Sec. 4-55. Appeals.

(a) Any person aggrieved, or any taxpayer affected, by any decision of the building official made in his administration of this article, may appeal to the board of adjustment.

(b) All appeals hereunder must be taken within a reasonable time as provided by the rules of the board of adjustment, by filing with the building official a notice of appeal specifying the grounds thereof. The building official shall forthwith transmit to the board of adjustment all the papers constituting the record upon which the action appealed from was taken.

(c) An appeal shall stay all proceedings in furtherance of the action appealed from, unless the building official certifies to the board of adjustment, after the notice of appeal has been filed with it, that by reason of the facts stated in the

certificate a stay would, in his opinion, cause imminent peril to life or property. In such case, proceedings shall not be stayed except by order of the board of adjustment on notice to the building official and on due cause shown.

(d) The board of adjustment shall fix a reasonable time for hearing appeals, give public notice and due notice to the parties in interest, and decide the same within a reasonable time. Upon the hearing any party may appear in person or by agent or by attorney.

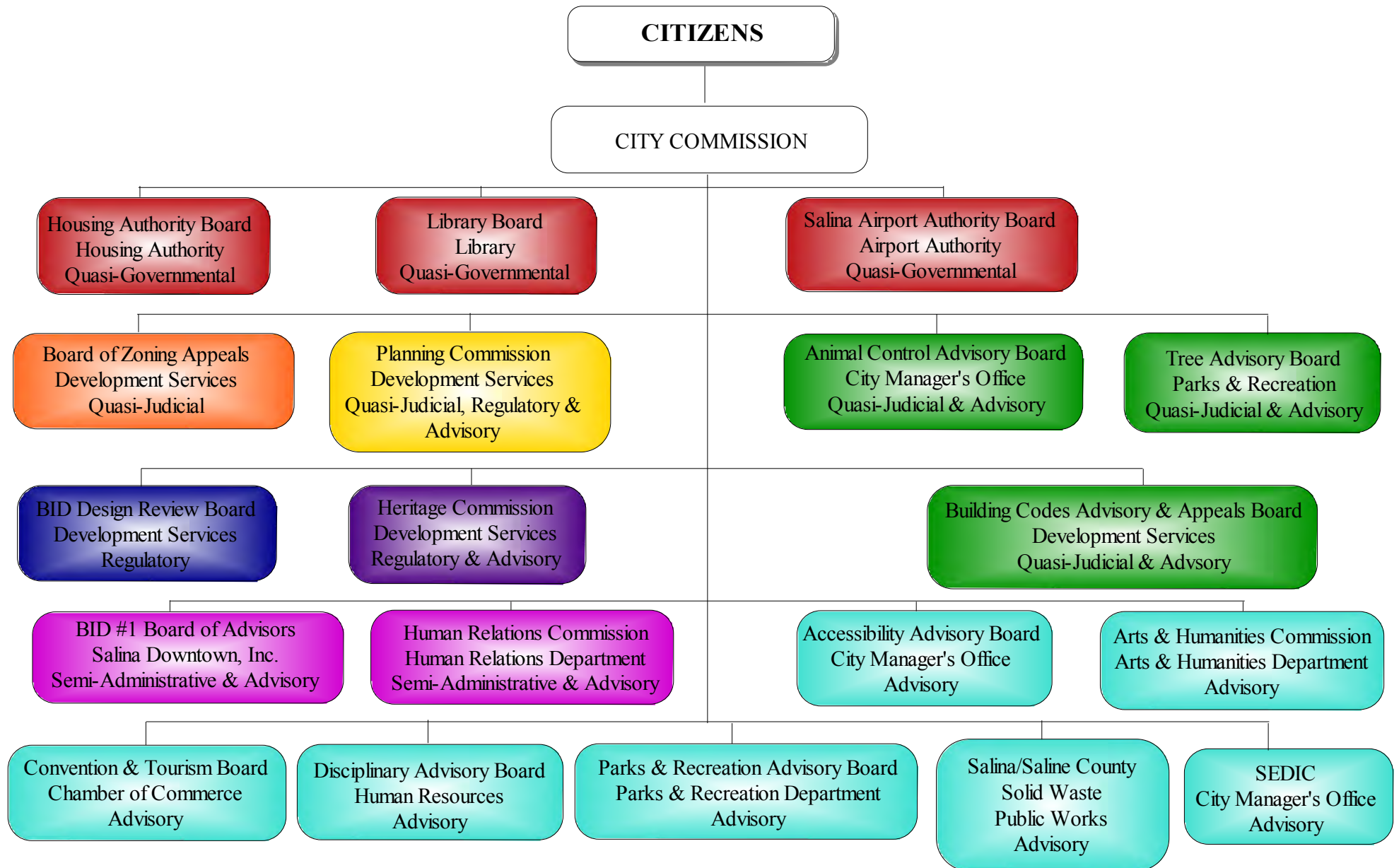
(e) The board of adjustment may, in conformity with the provisions of this article, reverse or affirm, in whole or in part, or modify the order, requirement, decision or determination appealed from and may make such order, requirement, decision or determination, as may be appropriate under the circumstances. (Ord. No. 7039, § 10, 1-29-68)

Sec. 4-56. Judicial review.

Any person aggrieved, or any taxpayer affected, by any decision of the board of adjustment, may appeal to the district court of the county as provided in KSA 3-709. (Ord. No. 7039, § 11, 1-29-68)

[The next page is 219]

Advisory Boards and Commissions



BY-LAWS

SALINA AIRPORT AUTHORITY

ARTICLE I.
THE AUTHORITY

Section 1. NAME: The official name of the authority shall be the "SALINA AIRPORT AUTHORITY" of Salina, Kansas.

Section 2. SEAL: The official seal of the authority shall be circular in form and shall bear the name of the authority.

Section 3. OFFICE: The principal office of the authority shall be at the office so designated by the board of directors and shall at all times be in Saline County, Kansas.

ARTICLE II.
BOARD OF DIRECTORS

Section 1. MEMBERSHIP: The authority shall be managed and controlled by a board of directors consisting of five (5) directors to be appointed by the governing body of the City of Salina, Kansas. Each director shall qualify for membership on the board of directors by filing an acceptance of said appointment with the City Clerk of the City of Salina, Kansas and shall hold office until his successor has been appointed and qualified.

Section 2. ANNUAL MEETING: The annual or organizational meeting of the board of directors shall be the first meeting in the month of March of each calendar year.

Section 3. REGULAR MEETINGS: The regular meetings of the board of directors shall be held at such time and place as may be designated by resolution of the board of directors. In the event the day of the regular meeting falls upon a holiday, then the meeting shall be held on the next succeeding secular day.

Section 4. SPECIAL MEETINGS: A special meeting of the board of directors may be called at any time or place by the chairman or in his absence or inability to act, the same may be called by any two members of the board.

Section 5. NOTICE: Notice of all special meetings shall be mailed to each director by the secretary at least two days previous to the time fixed for such meetings. All notices of special meetings shall state the purpose thereof and the time and place where the meeting is to be held. By unanimous consent of all directors a special meeting of the Board may be held without notice of the time or place. No notice shall be required for regular meetings of the board of directors.

Section 6. QUORUM: A quorum for transaction of business at any meeting of the directors shall consist of a majority of the members of the board, but the directors present, although less than a quorum, shall have the power to adjourn the meeting from day to day, or to some future date.

Section 7. ELECTION OF OFFICERS The directors shall elect the officers specified in Article III at each annual meeting of the Authority. Any officer may be removed at any time by a majority vote of the full board of directors.

Section 8. POWERS OF THE BOARD OF DIRECTORS: The board of directors shall have and may exercise all of the powers granted to it under Senate Bill No. 235 as adopted by the 1965 Legislature of the State of Kansas and any subsequent amendments thereto.

Section 9. EMPLOYMENT OF PERSONNEL: The board of directors may select, appoint, employ, discharge or remove such officer, agents, counsel and employees as may be required to carry out and effect the powers and purposes of the authority and to determine their qualifications, duties and compensation.

Section 10. COMPENSATION: Members of the board of directors shall serve without compensation but such directors shall be reimbursed for all reasonable expenses incurred in carrying out their duties as such directors.

ARTICLE III. ORGANIZATION

Section 1. OFFICERS: The officers of the Authority shall be Chairman, a Vice-Chairman, Secretary, Treasurer, and Assistant Secretary-Treasurer. All officers, except the Treasurer, must be members of the board of directors.

Section 2. CHAIRMAN: The chairman shall preside at all meetings of the board of directors and shall perform such other duties as are incident to this office. In case of the

absence or disability of the chairman, his duties shall be performed by the vice-chairman.

Section 3. VICE-CHAIRMAN: The vice-chairman shall have the right and power to perform all duties and exercise all authority of the chairman in the absence of the chairman and shall have all power and authority usually enjoyed by a person holding the office of vice-chairman.

Section 4. SECRETARY: The secretary shall issue notices of all directors meetings and shall attend and keep the minutes of the same; shall have charge of all corporate books, records and papers; shall be the custodian of the corporate seal; shall attest with his signature and impress with the corporate seal all written contracts of the authority; and shall perform all other duties which are incident to his office.

Section 5. TREASURER: The treasurer shall have custody of all money and securities of the authority and shall give bond in such sum and with sureties as the board of directors may specify conditioned upon the faithful performance of the duties of his office. He shall keep books of account and shall submit them, together with all of his vouchers, receipts, records and other papers to the board of directors for their examination and approval as often as they may require and shall perform such other duties as are incident to his office.

Section 6. ASSISTANT SECRETARY-TREASURER: The assistant secretary-treasurer shall have the right and power to perform all duties and exercise all authority of the secretary

and the treasurer in the absence of the secretary and/or treasurer.

ARTICLE IV. MISCELLANEOUS

Section 1. BOOKS OF ACCOUNT: Books of account will be kept on the calendar year, cash basis method and entries made therein of all receipts, disbursements and all other transactions of the authority.

Section 2. BANK ACCOUNT: All money received from all sources shall be deposited in the name of and the credit of the authority in a bank or banks to be designated by the board of directors and shall be withdrawn therefrom by checks signed by those duly authorized by the board of directors.

Section 3. TAX LEVY: The board of directors shall prepare an annual budget for their guidance and information and shall prior to July 28th of each year submit to the governing body of the City of Salina, Kansas their request for the approval of the tax levy that they desire to be levied in the next calendar year.


Section 4. AUDIT: The board of directors shall engage a certified public accountant to annually audit the books of the Authority and a copy of such audit shall be furnished to the governing body of the City of Salina, Kansas.

ARTICLE V. AMENDMENTS

Section 1. The by-laws for the government of and the conduct of the business and affairs of the Authority may be

adopted, amended or repealed by the board of directors at any regular or special meeting of said board; provided however, such amendments or revisions shall become effective only upon ratification by the governing body of the City of Salina, Kansas.

Adopted by the Board of Directors of the Salina Airport Authority on this the 9th day of May, 1990.


Roger Morrison, Chairman

CERTIFICATION OF SECRETARY


I, Bob Ott, the duly appointed, qualified, Salina Airport Authority Secretary, Salina, Kansas, do hereby certify that the foregoing Resolution was duly adopted at a meeting of the Salina Airport Authority, Salina, Kansas, held on the 9th day of May, 1990, and that said Resolution has been compared by me with the original thereof on file and of record in the office of the Airport Authority, and is a true copy of the whole of said original.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Salina Airport Authority, Salina, Kansas, this 9th day of May, 1990.


Bob Ott, Secretary

RATIFICATION BY THE SALINA CITY COMMISSION

Ratified by the Governing Body of the City of Salina, Kansas and approved by the Mayor this the 11th day of June, 1990.


Mayor

Attest: Jacqueline Shriver
City Clerk



Rules and Regulations

(January 18, 2017)

Salina Airport Authority
M.J. Kennedy Air Terminal
3237 Arnold Avenue
Salina, Kansas 67401
(785) 827-3914 phone (785) 827-2221 fax

ORDINANCE NUMBER 08-10471

AN ORDINANCE APPROVING THE 2008 SALINA MUNICIPAL AIRPORT RULES AND REGULATIONS.

WHEREAS, pursuant to Salina Code Sec. 4-19, Rules and Regulations, the airport authority is authorized to adopt and amend rules and regulations as necessary for the orderly operation of the Salina Municipal Airport and which rules and regulations, after approval of the board of commissioners, shall be filed in the offices of the city clerk, airport manager, and airport authority; and

WHEREAS, on November 13, 2008, the Salina Airport Authority Board of Directors approved and adopted the 2008 Salina Municipal Airport Rules and Regulations which are necessary for the orderly operation of the Salina Municipal Airport.

BE IT ORDAINED by the Governing Body of the City of Salina, Kansas:

Section 1. The 2008 Salina Municipal Airport Rules and Regulations adopted by the Salina Airport Authority Board of Directors on November 13, 2008 are hereby approved by the governing body of the City of Salina.

Section 2. Pursuant to Salina Code Sec. 4-19, Rules and Regulations, the 2008 Salina Municipal Airport Rules and Regulations shall be filed in the offices of the city clerk, airport manager, and the Salina Airport Authority.

Section 3. Pursuant to Salina Code Sec. 4-19, Rules and Regulations, any person violating any of the 2008 Salina Municipal Airport Rules and Regulations shall be guilty of a misdemeanor.


Section 4. This ordinance shall be in full force and effect from and after its adoption and publication once in the official city newspaper.

Introduced: November 17, 2008

Passed: November 24, 2008

[SEAL]
ATTEST:


John K. Vanier, II, Mayor


Lieu Ann Elsey, CMC, City Clerk

I hereby certify that the foregoing is a true and correct copy of the original Ordinance passed by the Governing Body on the 24th day of November, 2008.




Lieu Ann Elsey, CMC, City Clerk

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1. COMMON DEFINITIONS.

The following definitions are applicable to these Rules and Regulations, the Minimum Standards and policies adopted for or by the Salina Airport Authority, hereinafter referred to as “Authority”, for the operation of the Salina Regional Airport “Airport”. These definitions shall apply to these terms whenever used in these documents, unless expressly defined differently therein, whether or not the terms are capitalized.

1.1 **Aeronautical Activity or Activities.** Any activity or service that involves, makes possible, facilitates, is related to, assists in, or is required for the operation of aircraft or another aeronautical activity or which contributes to or is required for the safety of such operations.

The following activities, without limitation, which are commonly conducted on airports, are considered “Commercial Aeronautical Activities” within this definition: aircraft charter, pilot training, aircraft rental, sightseeing, aerial photography, aerial spraying and agricultural aviation services, aerial advertising, aerial surveying, air carrier operations (passenger and cargo), aircraft sales and service, sale of aviation fuel and oil, aircraft maintenance, sale of aircraft parts, and any other activities which, in the sole judgment of the Authority, because of their direct relationship to the operation of aircraft or the Airport, can be appropriately regarded as an aeronautical activity.

1.2 **Aircraft.** Means aeronautical devices including, but not limited to, powered aircraft, gliders, helicopters, parachutes, hang gliders, and balloons.

1.3 **Air Operations Area (AOA).** A portion of the Airport designated and used for landing, taking off, or surface maneuvering of Aircraft. There are two areas of the AOA, the movement area and the non-movement area. These areas are shown on the Airport Layout Plan (ALP).

1.4 **Aircraft Maintenance.** Means the repair, adjustment, or inspection of aircraft. “Major Repairs” means major alterations to the airframe, power plant, propeller, and accessories as defined in 14 CFR Part 43. “Minor Repairs” means normal, routine annual inspection with attendant maintenance, repair, calibration or adjustment or repair of aircraft and their accessories.

1.5 **Airframe and Powerplant Mechanic (A&P Mechanic).** A person who holds an aircraft mechanic certificate with both airframe and powerplant ratings, issued by the FAA under the provisions of 14 CFR Part 65.

1.6 **Airport.** The Salina Regional Airport, owned and operated by the Salina Airport Authority, including all portions thereof.

1.7 **Airport Manager.** Refer to 1.25 “Executive Director.”

1.8 **Airport Layout Plan (ALP).** The current FAA-approved drawings depicting the physical layout of the Airport and identifying the location and configuration of current and proposed runways, taxiways, taxilane, buildings, roadways, utilities, nav aids, apron, airport operations areas, etc.

- 1.9 **Air Terminal.** The M.J. Kennedy Air Terminal.
- 1.10 **ATC.** Air traffic control.
- 1.11 **ATCT.** Air Traffic Control Tower.
- 1.12 **ARFF.** Aircraft Rescue and Fire Fighting.
- 1.13 **Apron.** Those paved areas of the Airport within the AOA designated for the loading or unloading of passengers or cargo, servicing, or parking of aircraft.
- 1.14 **Authority.** The Salina Airport Authority created by the City of Salina pursuant to K.S.A. 27-315 and ordinance No. 6854 to own, develop and operate the Salina Regional Airport.
- 1.15 **Based Aircraft.** Any aircraft utilizing the Airport as a base of operation (other than occasional transient purposes) with an assigned tie down or hangar space on the Airport, or on adjoining property which has direct taxiway access to the Airport.
- 1.16 **Board.** The Airport Authority Board of Directors appointed by the Salina City Commission pursuant to Salina Code section 4-17.
- 1.17 **Building.** The main portion of each structure, all projections or extensions there-from and any additions or changes thereto, and shall include hangars, garages, outside platforms and docks, carports, canopies eaves and porches. Paving, ground cover, fences, signs and landscaping shall not be included in this definition.
- 1.18 **City.** The City of Salina, Kansas.
- 1.19 **CFR.** Code of Federal Regulations.
- 1.20 **Commercial.** That which involves or makes possible earnings, income, compensation (including exchange of service), and/or profit, whether or not such objectives are accomplished.
- 1.21 **Courtesy Vehicle.** Any vehicle used in commercial activity, other than a taxicab, to transport persons, baggage, goods, or any combination thereof, between the Airport and off-Airport businesses such as hotels, motels, or other attractions and the business establishment owning or operating such vehicle, the operation of which is generally performed as a service without direct costs to the passenger.
- 1.22 **COW.** Certificate of Waiver for sUAS operations that deviate from certain provisions and limitations of 14 CFR part 107.
- 1.23 **DHS.** Department of Homeland Security of the United States government.
- 1.24 **Equipment.** All machinery, supplies, tools, trade fixtures and apparatus necessary to the proper conduct of the activity being performed.

1.25 **Environmental Laws.** Any and all laws, rules, regulations, regulatory agency guidance and policies, ordinances, applicable court decisions, and airport guidance documents, directives, policies (whether enacted by any local, state or federal governmental authority, or by the Airport) now in effect or hereafter enacted that deal with the regulation or protection of the environment (including the ambient air, ground water, surface water and land, including subsurface land and soil), or with the generation, handling, storage, disposal or use of chemicals or substances that could be detrimental to human health, the workplace, the public welfare, or the environment.

1.26 **Executive Director.** That person or his/her designated representative that is responsible for the administration and management of Airport property, operations, material assets, financial assets and employees. The term "Executive Director" is interchangeable with the term "Airport Manager", and shall have the same meaning and authority for purposes of federal, state, and local law.

1.27 **Extremely Hazardous Substances.** Any substance or material designated by the United States Environmental Protection Agency as an "extremely hazardous substance" under either Section 302 (a)(2) of the Emergency Planning and Community Right-to-Know Act ("EPCRTKA") (42 U.S.C. § 11002(a)(2)) or any other Environmental Law.

1.28 **FAA.** Federal Aviation Administration of the United States government.

1.29 **FAR Part 135 Aircraft Charter.** An operator who undertakes directly by lease, or other arrangement, to engage in on-demand air transportation for hire or compensation on an unscheduled basis operation in accordance with or exceeding the requirements of FAR Part 135.

1.30 **Fixed Base Operator (FBO).** Means an operator that maintains facilities at the Airport for the purpose of engaging in the retail sale of aviation fuels (AVGAS and Jet Fuel), Aircraft airframe and engine repair, and such other services as are required by Minimum Standards, or may be authorized under a lease or license.

1.31 **Fire Code.** The version of the Fire Code adopted by the City of Salina from time to time. Upon the effective date of these Rules, that was the Uniform Fire Code, 2003 Edition.

1.32 **Flying Club.** A non-profit operator organized for the primary purpose of providing its members with one or more aircraft for the members' personal use and enjoyment only.

1.33 **Fuel Handling.** The transporting, delivering, fueling, or draining of fuel or fuel waste products.

1.34 **Hazardous Materials.** Means any hazardous or toxic substance, material or waste, which is or becomes regulated by any local government authority, the State of Kansas or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance that is: (1) defined as a "hazardous substance" under appropriate state law provisions; (2) petroleum; (3) asbestos (4) designated as "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 USC Section 1321); (5) defined as "hazardous

waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act (42 USC Section 9601); or (7) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks) (42 USC Section 6991).

1.35 **Improvements.** All buildings, structures and facilities, including, but not limited to, pavement, fencing, signs and landscaping constructed, installed or placed on, under or above any leased area by or with the concurrence of a lessee. Plans and specifications for all improvements must be approved by the City for conformity with its building and construction standards.

1.36 **Landing.** All flights landed at the Airport for revenue and non-revenue purposes, including, but not limited to, commercial, training, private, ferry and charter flights, except that there shall be excluded flights which return to the Airport after take-off due to an emergency.

1.37 **Large Aircraft.** An aircraft in excess of 12,500 pounds Maximum Certificated Takeoff Weight (MTOW).

1.38 **Lease.** A contractual agreement between the Authority and a person, granting the use of a defined ground area on the Airport for a term of years, and establishing conditions for its use.

1.39 **License.** A contractual agreement between the Authority and a person, granting a concession or otherwise authorizing the conduct of a commercial activity on the Airport, which is in writing and enforceable by law. A license may be a stand-alone document, or may be combined with a lease into one document.

1.40 **Master Plan.** An assembly of appropriate documents and drawings covering the development of the Airport from a physical, economic, social, and political jurisdictional perspective and adopted by the Authority, a copy of which is on file and available for inspection in the Airport office, and any amendments, modifications, revisions, or substitutions thereof. The ALP is a part of the Master Plan.

1.41 **Movement Area.** Runways, runway safety areas, taxiways, taxilane, taxiway safety area and other areas of the Airport that aircraft use for taxiing/hover taxiing, air taxiing, takeoff and landing, exclusive of loading ramps and parking areas as shown on the ALP.

1.42 **National Fire Protection Association (NFPA).** All codes, standards, rules, and regulations contained in the Standards of the National Fire Protection Association, as may be amended from time to time, and are incorporated herein by reference.

1.43 **Non-Commercial.** Not for the purpose of securing earnings, income, compensation (including exchange of service), and/or profit.

1.44 **Non-Movement Area.** Taxilanes, aprons and other areas not defined as movement areas as shown on the ALP.

1.45 **Operator.** Means any person based on the Airport and providing one or more commercial aeronautical services at the Airport. All Fixed Based Operators (FBOs), Retail Self Service Fueling Operators (RSFOs), and Specialized Aviation Service Operators (SASOs), are defined as operators, per se.

1.46 **Person.** Any individual, firm, sole proprietorship, corporation, company, limited liability entity, association, joint stock association, partnership, co-partnership, trust, estate, political body or other form of entity, and includes any trustees, receiver, assignee, or similar representative thereof.

1.47 **Police.** Means the Salina Police Department and the Saline County Sheriff's Office and other State and Federal agencies that have law enforcement jurisdiction over the Airport.

1.48 **Principals.** For corporations, the directors, officers and stockholders holding more than 10% of the company stock. For partnerships, all general and limited partners. For limited liability entities, all managers and members holding more than a 10% interest. For other entities, all those having authority to act for the entity, or being a 10% or greater beneficiary or interest holder.

1.49 **Ramp.** A paved area suitable for aircraft parking.

1.50 **Repair Facility.** A facility utilized for the maintenance, repair and overhaul of Aircraft to include airframe, power plant, propellers, radios, instruments and accessories. Such facility will be operated in accordance with pertinent FAA regulations.

1.51 **Refueling Vehicle.** Any vehicle used for fuel handling, including without limitation fuel servicing hydrant vehicle and hydrant carts.

1.52 **Regulatory Measures.** Federal, state, county, local, airport laws, codes, statutes, ordinances, orders, policies, rules, and regulations, including, without limitation, those of the United States Department of Transportation (USDOT), United States Department of Homeland Security, FAA, TSA, NFPA, Aircraft Rescue and Fire - fighting Standard Operating Guidelines, the Airport Certification Manual and Airport Security Plan, and these Rules; all as may be in existence, hereafter enacted, and amended from time to time.

1.53 **Release.** Any releasing, disposing, discharging, injecting, spilling, leaking, leaching, pumping, dumping, emitting, escaping, emptying, seeping, dispersal, migration, transporting, placing, and actions of similar nature, including without limitation, the moving of any material through, into or upon any land, soil, surface water, ground water, or air, or otherwise entering into the environment.

1.54 **Restricted Area.** Areas of the Airport posted to prohibit or limit entry or access by the general public. All areas other than public areas.

1.55 **Retail Self Service Fueling Operator or RSFO.** An operator that maintains facilities at the Airport for the purpose of engaging in the retail sale of self-service AVGAS per the requirements of the Minimum Standards.

1.56 **Run-up.** Aircraft engine operation above normal idle speed, the purpose of which is engine maintenance or testing, but excluding engines operating for purposes of preparing for and taking off.

1.57 **Salina FD.** The City of Salina Fire Department.

1.58 **Scheduled Air Carrier.** Any operator who undertakes directly, or by other arrangements, to engage in air transportation for hire under FAR Parts 135, 121 or 380, on a scheduled basis, over specific routes to provide scheduled passenger service. Conditions, requirements and standards for this type of commercial aeronautical activity shall be governed by the terms of an airport use agreement, and are not subject to the requirements of the Minimum Standards.

1.59 **Security Identification Display Area (SIDA).** An area of the Airport identified in the Airport Security Program (ASP) as requiring each person to continuously display on their outermost garment an airport-approved identification badge, unless under airport-approved escort.

1.60 **Specialized Aviation Service Operator (SASO).** Means an operator that provides any one of the services listed in Article Five of the Minimum Standards. The following are not included within this definition.

1.60.1 Employees of aircraft owners. The general criteria for employee status will be that the employer withholds income taxes, withholds and pays social security taxes and pays unemployment taxes on wages paid to the employee. Where this criterion is questioned, a Form SS-8 determination will be requested from the Internal Revenue Service.

1.60.2 Services authorized by a commercial aeronautical activity within its hangar facilities for aircraft owned or leased by its subleases. Such authorization will be provided in writing on a form provided by the Authority.

1.61 **Sterile Area.** That portion of the Airport that provides passengers access to boarding aircraft and to which access is controlled through the screening of persons and property in accordance with federally required and approved security procedures and programs.

1.62 **Sublease.** A lease granted by an Airport lessee to another entity of all or part of the property leased from the Authority, where on a sole or joint lease basis.

1.63 **Taxilane.** The portion of the Airport used for aircraft access between taxiways, hangars, and aprons as shown on the ALP.

1.64 **Taxiway.** A defined path, usually paved, over which aircraft can taxi from one part of an airport to another (excluding the runway) as shown on the ALP.

1.65 **Terminal Area.** The passenger terminal proper, aircraft ramps, baggage-handling facilities, vehicular parking spaces, including rental car areas, roadways, water, sanitary sewer, storm sewer, gas, electrical, cable TV and other areas and facilities the primary function of which is to serve the terminal and the operations of scheduled air carriers.

1.66 **Tie-Down.** The area, paved or unpaved, suitable for parking and mooring of aircraft wherein suitable tie-down points have been located.

1.67 **Through the Fence or Off-Airport Access.** Operations that are conducted off the actual Airport property that have aeronautical access to any portion of the Airport's runway or taxiway system through a written agreement or permit with the Authority.

1.68 **Toxic Chemicals.** Any substance or material subject to Section 313 of EPCRTKA (42 U.S.C. §11002(a)(2)) or the Toxic Substances Control Act, 15 U.S.C. §2601 et seq., or any comparable Environmental Law.

1.69 **Transient Aircraft.** Any aircraft utilizing the Airport for occasional transient purposes and which is not based at the Airport.

1.70 **TSA.** Transportation Security Administration.

1.71 **UAS.** An unmanned aircraft system (also referred to as a drone) that is operated without a human pilot onboard. Instead, the UAS is controlled by an operator on the ground.

1.72 **sUAS.** Small unmanned aircraft systems weighing less than 55 pounds.

1.73 **Vehicle Service Road or Perimeter Roadway.** A designated roadway for vehicles in a non-movement area as shown on the ALP.

2. INTRODUCTION.

2.1 **Purpose.** These Rules and Regulations, and any amendments thereto (the "Rules"), are adopted under authority of K.S.A. 27-315 et. al. and Salina Code Section 4-19. They are designed to protect the public health, safety, interest, and general welfare at the Salina Regional Airport (the "Airport") and to restrict or prevent any activity, which would interfere with the safe, orderly and efficient use of the Airport by passengers, operators, tenants, and other users.

These Rules shall not excuse any entity from performing any obligation it may have under any lease, license or permit with the Authority, whether in existence on the date of the adoption of these Rules or entered into at any time thereafter.

2.2 **Applicability, Compliance and Conditional Use of the Airport.** Any permission granted directly or indirectly, expressly or by implication, to any entity or individual to enter upon or use the Airport (including aircraft operators; vehicle operators; aircraft crewmembers and passengers; the general public; spectators and sightseers; occupants of private and commercial vehicles; officers, employees, customers, vendors, and suppliers of operators and lessees; entities doing business with the Airport, their contractors, subcontractors, and licensees; and all other entities) is conditioned upon assumption of responsibility to fully and completely comply with these Rules, as well as applicable provisions of the Airport Minimum Standards, Airport Certification Manual (ACM), Airport Security Plan (ASP), Airport Emergency Plan (AEP), and all applicable

regulatory measures that may be promulgated by any governing body or agency having jurisdiction at the Airport.

2.3 Enforcement.

2.3.1 The executive director may remove or evict from the Airport any person who violates any rule prescribed herein, or any applicable statute, rule or regulation of the federal government or the State of Kansas, or ordinance of the City of Salina, and may deny use of the Airport and its facilities to any such person if it is determined by the executive director that such denial is in the public interest.

2.3.2 Pursuant to Salina Code Section 4-19, it shall be unlawful for any person to violate these Rules. Any person violating any of the rules and regulations shall be guilty of a misdemeanor and subject to prosecution and fine for violation of City ordinances, which contain provisions for enforcing these rules and regulations.

2.4 Variance or Waiver. The executive director may vary from the provisions of these Rules at any time when circumstances may require in the interests of public safety. Any variance shall be in writing and shall not constitute a waiver or modification of any of the provisions herein for any purpose except as to the particular operator/user and the particular provision, which is the subject of the variance and only for so long as the circumstances warranting the variance exist.

2.5 Administrative Review and Court Proceedings.

2.5.1. Any person who is adversely affected by any determination made by the Authority, or on behalf of the Authority by the executive director, to deny, suspend, terminate or revoke any license or permit to operate or conduct any commercial activity on the Airport, may petition the Board in writing for a hearing concerning such determination no later than thirty (30) days after having received written notification of the determination. Compliance with the provisions of this section shall be a jurisdictional prerequisite to any civil action brought by such person under the provisions of this section, and failure of compliance shall forever bar any such action.

2.5.2. The Board may hold a hearing on the petition themselves or, in their sole discretion, may designate a hearing officer with Authority to hold such hearing or hearings.

2.5.3 Any such petition shall be in writing, filed with the Board, and the facts alleged shall be submitted under oath or affirmation. Unless the determination was made on the basis of public safety, the effectiveness of determination shall be stayed pending a final determination under paragraph 2.5.5 below.

2.5.4 Additional facts may be submitted under oath or affirmation at a hearing scheduled by the Board or the designated hearing officer. Notice of the proceedings shall be in accordance with rules and regulations issued by the

Board. The petitioner shall bear the burden of proof, and the standard of proof shall conform with that in civil, non-jury cases in state district court.

2.5.5 After hearing, or consideration of such additional submittals as they may permit or require, the Board or the hearing officer shall make a final determination. Such final determination shall be considered a final order of the Board and subject to judicial review pursuant to the Act for Judicial Review and Civil Enforcement of Agency Actions, K.S.A. 77-601 et seq. (KJRA).

3. GENERAL RULES AND REGULATIONS.

3.1 Abandoned, Derelict or Lost Property. Property including, without limitation, Aircraft, vehicles, equipment, machinery, baggage, or personal property shall not be abandoned on the Airport. Abandoned, derelict, or lost property found in public areas at the Airport shall be reported to the executive director. Property unclaimed by its proper owner or items for which ownership cannot be established will be handled in accordance with applicable law. Nothing in this section shall be construed to deny the right of operators and other lessees to maintain "lost and found" service for property of their customers and/or employees.

3.2 Accidents or Incidents. In addition to other appropriate notifications and actions, accidents resulting in damage to property, injury requiring medical treatment, or interference with normal Airport operations shall be promptly reported to the executive director, in addition to other appropriate notifications.

3.3 Airport Liability. The Airport Authority and the City of Salina, Kansas, and their agents or employees shall not be liable for loss, damage or injury to persons or property arising out of any accident, incident or mishap of any nature whatsoever and/or from any cause whatsoever and/or from any cause whatsoever to any individual, aircraft, or property occurring on the Airport, or in the use of any of the Airport Authority facilities.

3.4 Airport Operations. The executive director, or his designee, may delay, restrict, or prohibit, in whole or in part, any operations at the Airport for any justifiable reason.

3.5 Animals. Domestic pets and animals, except certified service animals or law enforcement dogs, are not permitted on the AOA of the Airport or in the Airport passenger terminal building, unless being transferred or shipped, and then only if controlled and restrained by a leash, harness, restraining strap, portable kennel, or other appropriate shipping container. Leashes, harnesses and straps shall not exceed six (6) feet. It shall be the responsibility of the owner or handler to exercise control over the animal at all times. Owners or handlers are responsible for the immediate removal and disposal of animal waste. No person, except those authorized in writing by the executive director shall intentionally hunt, pursue, trap, catch, injure, or kill any bird or animal on the Airport. Feeding or otherwise encouraging the congregation of birds or animals on the Airport is prohibited.

3.6 Buildings and Remodeling. It shall be unlawful for any person, other than the Authority, to construct, reconstruct or remodel any building or other

improvement on the Airport without first obtaining written permission from the Authority and applicable permits from the City of Salina. Any changes, alterations, or repairs made without proper approval, and any damage resulting therefrom shall be paid for by the person responsible and in accordance with the direction of the Authority.

3.7 Commercial Activities. Commercial activity of any kind on the Airport requires the express written permission of the Authority through a specifically authorized lease, sublease, license, permit or written temporary permission, and upon such terms and conditions as they may prescribe, and the payment of any required fees. Unless otherwise provided in such document, any permission may not be assigned or transferred and shall be limited solely to the approved activity.

3.8 Compliance with Regulatory Measures. All persons occupying or using, engaging in an aeronautical activity on, or developing Airport land or improvements shall comply, at the person's or entity's sole expense, with all applicable regulatory measures including, without limitation, the Salina Regional Airport Commercial Minimum Standards, these Rules, and those of the federal, state, and local government and any other agency having jurisdiction over the Airport.

3.9 Damage to Airport Property. Any and all Airport property, real or personal, and/or facilities destroyed, broken, or damaged by accident or otherwise shall be paid for by the person responsible for the damage. Aircraft equipped with tail or landing skids or other devices, which will damage pavement or sod areas shall not be operated on the Airport.

3.10 Fire/Open Flames. Open flames of any kind are prohibited except (a) as provided in a burn permit; or (b) for open flames utilized by operators/lessees in the performance of approved aircraft maintenance. Burn permits may be issued in the discretion of the Salina Fire Department and only in compliance with applicable building and/or fire codes. Smoking and the use of any open-flame device is prohibited on any apron, or within fifty (50) feet of any aircraft, fuel truck, fueling facility, or other flammable storage facility. Any fires (regardless of the size of the fire or whether or not the fire has been extinguished) shall be reported immediately to 911. No welding/cutting activities shall be conducted on the Airport without an approved fire extinguisher and a person trained in its proper usage present for the duration of any welding/cutting activities.

3.11 General Conduct. No person shall use or otherwise conduct himself upon any portion of the Airport in any manner contrary to any posted or otherwise visually indicated directions applicable to that area. Overnight camping or lodging on the Airport is prohibited. Except for the Airport fire station, use of any facility on, or area of, the Airport for sleeping or other purposes in lieu of a hotel, motel, residence or other public accommodation is prohibited. No person shall use, keep, or permit to be used or kept, any foul or noxious gas or substance at the Airport, or permit the Airport to be occupied or used in a manner offensive or objectionable to other users for any reason. Spitting on, marking, or defacing the floors, walls, or other surface of the Airport is prohibited.

3.12 Hazardous Materials. No person shall cause or permit any hazardous material to be used, generated, manufactured, produced, stored, brought upon, or

released, on, under or about any premises, or transported to and from the Airport, by itself, its agents, employees, contractors, invitees, sub lessees or any third party in violation of any environmental law, provided that, in no circumstances shall any person or entity cause or permit any extremely hazardous substance or toxic chemical to be used, generated, manufactured, produced, stored, brought upon, or released, on, under or about the Airport, or transported to and from any premises. All persons or entities shall promptly notify the Airport of any action or condition that is contrary to any prohibition in the previous sentence. Approved hazardous material must be stored in suitable containers that are properly secured. Material Safety Data Sheets (MSDS) for all hazardous materials shall be maintained on site so as to be readily available to emergency responders in the event of an emergency and for review by the Salina Fire Department. No fuels, oils, dopes, paints, solvents, acids, or any other hazardous material shall be released in storm water conveyances, drains, catch basins, ditches, the AOA or elsewhere on the Airport. Tenants and operators who generate and dispose of "Special Waste" shall comply with the requirements of 40 CFR Sections 266 & 273. Special waste includes widely generated wastes such as batteries, agricultural pesticides, mercury containing devices, hazardous mercury-containing lamps, and used oil. Used engine oil shall be disposed of only at approved waste oil stations or disposal points. Secondary containment is required for the storage of gasoline, oils, solvents, or other hazardous waste in drums or receptacles. Aviation fuels or automotive gasoline in quantities greater than five (5) gallons shall not be stored at the Airport without the prior written permission of the executive director. Any fuels must be stored in accordance with any applicable codes, regulations, and requirements for the storage of volatile fuels. No hazardous substance or pollutant shall be disposed of on the Airport or into the air at the Airport during aircraft preflight inspection.

3.13 Hazardous Material Spills. Any person who experiences overflowing or spilling of oil, grease, fuel, alcohol, glycol or any other hazardous material anywhere on the Airport shall immediately call 911. Persons involved in hazardous material incidents shall take action to prevent/minimize danger to personnel, property and the environment while awaiting arrival of the Salina Fire Department personnel. At the discretion of the Salina Fire Department, the entity responsible for the spill may be required to clean and properly dispose of the material/substance which shall be performed in compliance with all applicable federal, state, and local regulations and guidelines. In addition, the entity may be required to provide the Salina Fire Department with required documentation of proper disposal. Any costs incurred by the Authority or Salina Fire Department in such instances shall be reimbursable to the Authority and/or the Salina Fire Department by the person responsible for the spill.

3.14 Licenses, Permits, Certifications and Ratings. Operators shall obtain and comply with all necessary licenses, permits, certifications, or ratings required for the conduct of operator's activities at the Airport as required by the executive director or any other duly authorized agency prior to engaging in any activity at the Airport. Upon request, operators shall provide copies of such licenses, permits, certifications, or ratings to the Airport within 5 business days. Operators shall keep in effect and post in a prominent place all necessary or required licenses, permits, certifications, or ratings.

3.15 Painting. Doping processes, painting, or paint stripping shall be performed only in those facilities approved for such activities by the executive director and in compliance with air quality regulations, the Fire Code, and the Authority's Storm Water Pollution Prevention Plan (SWPPP), and 14 CFR Part 43.

3.16 Preservation of Property. No person shall destroy or cause to be destroyed, injure damage, deface, or disturb, in any way, property of any nature located on the Airport. Any person causing or responsible for such injury, destruction, damage or disturbance to Airport-owned property shall report such damage to the executive director and shall reimburse the Airport the full amount of repair and replacement of property. No Person shall take or use any aircraft, aircraft parts, instruments, tools owned, controlled, or operated by any person while on the Airport or within its hangars, except with the consent of the owner or operator thereof. No person shall prevent the lawful use and enjoyment of the Airport by others. Any activity which results in littering, environmental pollution or vandalism on the Airport is not permitted and violators are subject to arrest.

3.17 Signage/Advertisements. Written advertisements, signs, notices, circulars, and/or handbills may be posted or distributed only with the prior written permission of the executive director. The Airport has the right to remove any such sign, placard, picture, advertisement, name or notice in any such manner as the Airport may designate. No signage may be installed on the Airport without the prior written approval of the executive director.

3.18 Solicitation, Picketing, and/or Demonstrations. Airport users shall comply with any Airport policy regarding solicitation, demonstration, or the distribution of literature on the Airport.

3.19 Sound Amplifying Devices. Sound amplifying devices such as megaphones, public address systems, or any other device designed to amplify and broadcast the human voice over a distance, are prohibited on the Airport unless written approval from the Executive Director is given prior to their installation and use.

3.20 Special Events. Special events on the Airport require written coordination, regulation and authorization of the executive director prior to the public disclosure or advertisement of the event. Certain events may require an executed lease, operating agreement or permit with the executive director.

3.21 Through-the-Fence Activities. All "Through-the-Fence" activities may be conducted only in accordance with written agreement with the Airport Authority. No such "Through the Fence" activity shall be authorized except in strict accordance with the Authority's Minimum Standards.

3.22 Trash and Other Waste Containers. No person shall dispose of garbage, paper, refuse or other materials on the Airport except in receptacles provided for that purpose. The executive director shall designate areas to be used for garbage receptacles and no other areas shall be utilized. Tenants, operators and other users of the Airport shall not move or otherwise re-locate Airport-placed trash and waste containers. Garbage, empty boxes, crates, rubbish, trash, papers, refuse, or litter of any kind shall not be placed, discharged, or deposited on the Airport, except in the receptacles provided specifically for that purpose. The burning of garbage, empty boxes, crates, rubbish, trash, papers, refuse, or litter of any kind on the Airport is prohibited. Trash and other waste containers at the Airport shall only be used for trash generated on Airport property. Trash and other waste container areas shall be kept clean and sanitary at all times. Tenants and operators shall ensure that their trash and

waste containers are emptied with sufficient frequency to prevent overflowing, shall be cleaned with sufficient frequency to prevent the development of offensive odors, and are equipped with securely fastened lids which shall be closed and fastened at all times other than while the receptacles are being loaded or unloaded.

3.23 Use of Roadways and Walkways. No person shall travel on the Airport other than on the roadways, walkways, or other areas provided for the particular class of traffic, or occupy roadways or walkways in such a manner as to hinder or obstruct their proper use. No person shall operate any type of vehicle on the roads or walks except as designated by the executive director.

3.24 Wildlife Hazard Reduction. The executive director, and his designee, are authorized to use FAA approved wildlife hazard reduction techniques including, but not limited to, discharge of firearms on Airport property. Use of lethal reduction techniques will comply with FAA guidelines, Kansas Department of Wildlife and Parks and Federal permit and tag requirements, and will be accomplished by personnel who are trained in the use of firearms and who have an excellent knowledge of wildlife identification. The proper gun and ammunition will be used for the situation. The location in which wildlife reduction techniques will be used should be examined for safety purposes. Firearms should be discharged in a safe manner away from people and property to avoid injury.

4. SECURITY AND SAFETY.

Scheduled air carrier and public charter air carrier aircraft operators using the Airport are subject to the Airport Security Program, as may be amended from time to time. Persons in violation of TSA, FAA and/or Airport security rules, including those set forth herein and elsewhere, may be denied access to the Airport, may have access or driving privileges revoked, and/or may be fined or otherwise penalized in accordance with applicable regulatory measures. Operators who are required to provide controlled access to their facilities and/or aircraft for security reasons are responsible for ensuring that all personnel are trained on the appropriate procedures for authorizing non-employees and passengers access to their respective facilities and/or aircraft.

4.1 Restricted or Secure Areas. Restricted or secure areas on the Airport are those areas that are identified in the ASP as areas where no person is allowed access unless issued Airport identification that is recognized in the ASP.

4.1.1 No person shall enter any restricted or secure area except those persons directly engaging in work or an aviation activity that must be accomplished therein; and

4.1.1.1 Having prior authorization of the Authority or under appropriate supervision or escort; or

4.1.1.2 Employed by or representing the FAA, TSA, DHS, or recognized in the ASP as being authorized to access to certain secured areas of the Airport.

4.1.2 No person shall cause any object to be located within eight (8) feet of the Airport perimeter fence, which may assist an unauthorized individual in accessing a secure area.

4.1.3 Any gate or fence condition that would allow unauthorized access to restricted or secure areas of the Airport must be reported immediately to the executive director. Any attempts by any persons to gain unauthorized access to any such area, and any conditions that would adversely affect the safety or security of aircraft operations shall be reported immediately to the Salina Police Department and the executive director.

4.1.4 Any person who violates security related regulatory measures may be denied future entry into a restricted or secure area.

4.1.5 All persons shall wear and visibly display their approved Airport identification recognized in the ASP on their outermost garment, waist or higher, while inside a secure area.

4.1.6 Airport identification holders must notify the executive director of any entry or attempted entry to a secure area by any unauthorized person, or by any unauthorized means.

4.1.7 Any person with proper Airport identification as required by the ASP may bring a person without proper Airport identification into a secure area if the person has a valid reason for being inside the secure area and if the person is provided continuous escort by a person with proper Airport identification. A continuous escort requires that the escorted person remains in close proximity to the Airport identification holder at all times while inside the secure area. The Airport identification holder shall bear full responsibility for the actions of the person being escorted.

4.2 Sterile Area. Any persons desiring to enter a sterile area are subject to security screening.

4.3 Security Access.

4.3.1 Security gates (pedestrian or vehicular) that provide access to the AOA shall be kept closed and locked at all times, except when actually in use. All access gates to the AOA through a tenant's leased premises are Operator's/lessee's responsibility and shall be monitored and secured in a manner that will prevent unauthorized access.

4.3.2 Vehicle operators shall stop their vehicle and allow the gate to fully close before proceeding, and shall also ensure that no other vehicles or persons gain access to the Airport while the gate is in the process of closing or not fully closed. If the vehicle operator cannot prevent such access, the vehicle operator shall immediately notify the executive director and the Salina Police Department.

4.3.3 Tampering with, interfering with, or disabling the lock, or closing mechanism or breaching any other securing device at the Airport is prohibited.

4.3.4 Persons who have been provided either a code or a device for the purpose of obtaining access to the AOA shall not divulge, duplicate, release, or otherwise distribute the same to any other person.

4.3.5 Persons with authorized access to the AOA may escort an unauthorized vehicle directly to and from the immediate area around the aircraft hangar for the purpose of loading and unloading. The person with authorized access is responsible for insuring compliance with the Rules and Regulations.

5. AIRCRAFT RULES AND REGULATIONS.

5.1 Accidents or Incidents.

5.1.1 Aircraft operators involved in an incident or accident on the Airport resulting in injury or death to person or damage to property shall complete any necessary reports and forms, and comply with all applicable provisions of National Transportation Safety Board (NTSB) Regulations Part 830. The aircraft operator is responsible for all damages to property, including, but not limited to, damage to a runway, taxiway, taxilane, apron, signage, navigational aid, light or fixture.

5.1.2 An aircraft involved in an accident on the Airport may not be removed from the scene of the accident until authorized by the executive director. Once authorization to remove the Aircraft has been issued, the aircraft operator shall be responsible for the safe and prompt removal of disabled aircraft and parts within a movement area to a non-movement area.

5.1.3 Subject to the requirements of 5.1.2 above, disabled aircraft shall be removed within 30 minutes from any runway or taxiway.

5.1.4 If immediate arrangements are not made (so that the Airport can return to full operational status without unreasonable delay), the Airport may have any disabled aircraft removed, at the aircraft operator's sole risk and expense, without liability for damage arising from or out of such removal.

5.2 Aircraft Assembly. Aircraft assembly constitutes maintenance and is permitted only in areas designated for that use, or in hangars approved for that activity by the executive director.

5.3 Aircraft Cleaning. Aircraft cleaning shall be performed only in areas designated for such use and in compliance with the Airport's Storm Water Pollution Prevention Plan (SWPPP), a copy of which is on file with the executive director and is available for inspection upon request. All drainage must flow to an oil/water separator, or a collection system approved pursuant to the Airport's SWPPP.

5.3.1 All aircraft cleaning shall be done with biodegradable soap, and without the use of solvents or degreasers.

5.3.2 Cleaning practices using flammable or combustible materials are prohibited within any building or within fifty (50) feet of any building, aircraft, vehicle, fuel storage facility or fueling operation.

5.4 Aircraft Maintenance and Repair. Aircraft maintenance and repair is permitted only in areas designated by the executive director.

5.4.1 With exception of preventative maintenance (as defined in 14 CFR Part 43), maintenance and repair of general aviation aircraft shall be confined to designated areas within an FBO's or SASOs' leased premises.

5.4.2 Preventive maintenance may be performed on aircraft located on tie downs and in individual hangars, only by the owners of such aircraft.

5.4.3 Minor maintenance of air carrier aircraft (as defined by 14 CFR Part 43) may be performed at the gate positions in the passenger terminal area. For all other work, the aircraft must be moved to an area designated by the executive director.

5.4.4 Aircraft painting shall be performed only in hangars approved for that activity by the executive director.

5.5 Aircraft Operations.

5.5.1 Operating an aircraft in a careless, negligent, or reckless manner; in disregard of the rights and safety of others; without due caution and care; or at a speed or in a manner which endangers, or is likely to endanger persons or property of any entity, is prohibited.

5.5.2 Aircraft operators shall obey all pavement markings, signage, and lighted signals unless instructed otherwise by the executive director.

5.5.3 Operating an aircraft constructed, modified, equipped, or loaded as to endanger, or be likely to endanger persons or the property of any person, is prohibited.

5.5.4 Experimental flights or ground demonstrations shall not be conducted on the Airport without the prior written permission of the executive director.

5.5.5 The starting, positioning, or taxiing of any aircraft shall be done in such a manner so as to avoid generating or directing any propeller slipstream or engine thrust or rotor wash that may endanger or result in injury to persons or damage to property.

5.5.6 Airborne radar equipment shall not be operated or ground-tested in an area where the directional beam of such radar, if high intensity (50 KW or greater output), is within three-hundred (300) feet or, if low intensity (less than 50 KW output), is within one-hundred (100) feet of another aircraft, an aircraft refueling operation, an aircraft refueling vehicle, or a fuel storage facility. No person shall operate radar equipment installed in an aircraft when such aircraft is

in a hangar or parked in such a position and location so as to endanger personnel.

5.5.7 Aircraft engines shall not be started within, and aircraft shall not be taxied into, out of, or within, any structure on the Airport except for structures designed for engine run-ups, such as a hush house or a test stand.

5.5.8 Aircraft shall only be taxied or towed on hard-surfaced runways, taxiways, taxilanes, and aprons.

5.5.9 Aircraft operators shall not taxi an aircraft at the Airport at a speed greater than is reasonable and prudent under the conditions with regard for actual and potential hazards and other aircraft so as not to endanger persons or property. Taxiing aircraft shall yield the right-of-way to any emergency vehicle.

5.5.10 The runway aircraft weight limitations for the Airport (FAA Gross Weight evaluation) set forth in the FAA Facility Directory shall not be exceeded without the prior approval of the executive director. Aircraft operators shall not land, take off, taxi, or park an aircraft on any area that has been restricted to a maximum weight bearing capacity of less than the weight of the aircraft. It shall be the aircraft operator's responsibility to bear the expense of repair for any damage to the Airport's runways, taxiways, or aprons caused by excessive aircraft weight loading.

5.6 Aircraft Parking and Storage.

5.6.1 No FBO or SASO authorized to provide aircraft storage to the public shall require procurement of fuel or other supplies or services from a specific source as a condition of aircraft storage.

5.6.2 Aircraft shall be parked only in those areas designated for such purpose and shall not be positioned in such a manner so as to block a runway, taxiway, taxilane or fire hydrant, or obstruct access to hangars, parked aircraft, or parked vehicles.

5.6.3 Aircraft operators shall ensure parked and stored aircraft are properly secured as set forth in FAA AC 20-35C. Parked or stored helicopters shall have braking devices or rotor mooring blocks applied to the rotor blades. Moored lighter-than-air aircraft shall have at least one person monitoring the safety of the mooring at all times.

5.6.4 All air carrier aircraft loading and unloading at the passenger terminal must be parked at designated gate positions. General aviation aircraft are not permitted to enter in the SIDA, or the air terminal parking apron, except by special permission granted by the executive director.

5.6.5 Upon request of the executive director, the operator of any aircraft parked or stored at the Airport shall move the aircraft to the location and/or position on the Airport identified by the executive director. In the event the aircraft operator refuses, is unable or unavailable, the executive director may

move the aircraft to the area at the risk and expense of the aircraft operator without liability for damage that may arise from or out of such movement.

5.7 Tie-Down Rules and Regulations.

5.7.1 The Authority reserves the right to modify the conditions of aircraft tie-down procedures at any time.

5.7.2 The Airport Authority may charge for airplane tie-down according to the Airport's rates and charges schedule.

5.7.3 The Authority or the City will not be responsible for property loss, or damage, due to any condition, or injuries sustained by reason of customers use of tie-downs and Airport facilities.

5.7.4 The FBO or owner operator will provide tie-down ropes, chains, cables, rings, blocks, and space; however, it shall be the responsibility of the customer to insure that the aircraft is properly secured and all unattended aircraft shall be properly secured and tied down to prevent damage to property.

5.8 **Airworthiness.** No aircraft shall remain on the Airport in excess of 90 days unless such aircraft is registered by FAA, certificated and in airworthy condition.

5.9 **Engine Run-Ups.** Aircraft shall not commence run-ups so that the engine blast is directed at persons, other aircraft, hangars, shops or other vehicles. Extended run-ups shall only be performed in designated areas so as to minimize impact to persons, other aircraft, and businesses.

5.10 **Preferred Calm Wind Runway.** Operators of aircraft based at the Airport shall become familiar with and, consistent with safe operating procedures for the aircraft, shall adhere to the Noise Abatement Plan developed for the Airport, copies of which are available at the Authority administrative offices. The preferred calm wind (5 knots or less) runway is Runway 35.

5.11 **Landing and Take-Off Operations for Fixed Wing Aircraft.** Fixed wing aircraft taking off or landing at the Airport shall do so only from designated runways. Landing aircraft shall clear the runway as soon as practicable, taxiing ahead to the nearest turn off.

5.12 **Passengers and Cargo.** Passengers and cargo shall be enplaned/deplaned only in areas designated for such activities.

5.13 Helicopter Operations.

5.13.1 All helicopters at the Airport shall take-off, land or taxi only from established and recognized parking pads, designated ramps or airport taxiways and runways. Helicopters shall park only in the areas designated for such operations.

5.13.2 Helicopters shall not be operated within two hundred (200) feet of any area where light aircraft are parked or operating, and are prohibited from

landing, taking off, or air taxiing between structures less than one-hundred and twenty (120) feet apart, unless such area is specifically established for helicopter operations.

5.13.3 Helicopters shall not be taxied, towed, or otherwise moved with rotors turning unless there is a clear area of at least forty (40) feet in all directions from the outer tips of the rotors.

5.13.4 Trailers or dollies shall be utilized to tow helicopters to parking pads for flights. Helicopter tow vehicles and trailers shall not be left at Airport public-use parking pads, and shall be stored at a location designated by the executive director.

5.14 Specialized Aeronautical Activities.

5.14.1 Ultralight aircraft operations are prohibited at the Airport without prior written approval from the executive director in accordance with paragraph 2.4 if the person proposing such activity demonstrates to the executive director that ultralight aircraft operations may be conducted on the Airport in a safe manner without interference with other aeronautical activities.

5.14.2 Hot air balloon operations, parachute drops, banner or glider towing, use of motorless aircraft, and the aeronautical transport of radioactive or hazardous materials are prohibited on the Airport without the prior written approval from the executive director. Approval may be granted by the executive director if the person proposing such activity demonstrates to the executive director that such activities may be conducted on the Airport in a safe manner without interference with other aeronautical activities.

5.14.3 Private, non-commercial UAS operations are prohibited at the Airport. Commercial UAS operations are permitted at the Airport with the prior written approval from the executive director in accordance with paragraph 3.7 and 3.8 if the person proposing such activity demonstrates to the executive director that UAS operations may be conducted on the Airport in a safe manner without interference with other aeronautical activities.

6. MOTOR VEHICLE RULES AND REGULATIONS.

6.1 Air Operations Area (AOA).

6.1.1 As determined by the executive director all vehicles operating on the AOA must carry an Authority issued gate card and/or AOA vehicle permit; shall always yield the right of way to Aircraft, emergency vehicles or equipment, and pedestrians; and shall not be operated in such a manner or within such proximity of an aircraft as to create a hazard or interfere with the safe operation of aircraft.

6.1.2 Prior to operating vehicles on the AOA, all vehicle operators shall complete the Airport Ground Vehicles/Runway Incursion Prevention Driving Program.

6.1.3 The executive director may restrict vehicles to certain portions or segments of the AOA. Such restrictions shall prohibit vehicle operations outside designated areas.

6.1.4 The recreational use of all-terrain vehicles, three-wheelers, scooters, motorcycles, mini-bikes, go-carts, roller skates/blades, skate boarding, Heelys, or other wheeled shoes, and the recreational use of bicycles is not permitted.

6.1.5 Unless otherwise posted, vehicles, except emergency vehicles responding to an emergency, shall not be operated on the AOA at speeds in excess of fifteen (15) miles per hour.

6.1.6 Tugs and baggage carts shall be returned to designated storage areas immediately following unloading.

6.2 Movement Area.

6.2.1 No vehicles except Airport vehicles, FAA vehicles, or emergency vehicles are permitted within the movement area without the prior written approval of the executive director.

6.2.2 Unless escorted, all vehicles operating in the movement area shall be equipped with a functioning two-way radio capable of communicating on the proper aeronautical frequencies (ranging from 118.00 to 136.9 MHz). A vehicle without a two-way radio capable of communicating on such frequencies may enter the movement area provided that such vehicle is escorted at all times in the movement area by an authorized escort having radio contact with SLNATCT. In the event a vehicle in the movement area experiences radio failure, it must use, light gun communications procedures with SLN ATCT.

6.2.3 FBO's granted a non-exclusive use license and permitted by written lease agreement to park and service aircraft within a general aviation Apron area, as that area is defined by the written lease agreement, are prohibited from traveling outside the general aviation apron area with follow-me vehicles. Operation of follow-me vehicles beyond a general aviation apron area, as defined by the lease agreement, will result in a suspension of the non-exclusive license for a minimum of seven (7) days.

6.3 Operator Licensing and Permit. Vehicle operators must have a valid state vehicle operator's license of the class needed for the vehicle being operated and evidence of insurance (as required by State law and the Airport) to operate a vehicle on the Airport. Evidence of valid title or current rental/lease agreement for the vehicle shall be kept in the vehicle and available for inspection.

6.4 Parking and Standing.

6.4.1 Vehicles shall be parked only in those areas designated for such purpose. Vehicles shall not be parked or stopped:

6.4.1.1 In such a manner so as to obstruct a parking lot lane, driveway, roadway, walkway, crosswalk, fire lane, runway, taxiway, taxilane, or obstruct access to hangars, parked aircraft, or parked vehicles;

6.4.1.2 In any space marked for parking in such a manner that the vehicle occupies more than one marked space;

6.4.1.3 Within a bus stop, taxicab, or commercial vehicle zone (except for vehicles authorized by the Airport to use such areas);

6.4.1.4 On the side of a roadway;

6.4.1.5 On the roadway side of any stopped or parked vehicle (double parking);

6.4.1.6 Within fifteen (15) feet of a fire hydrant or within a fire lane or restricting the access to or from the fire lane;

6.4.1.7 Within eight (8) feet of either side of a security fence;

6.4.1.8 Other than in accordance with restrictions posted on authorized signs;

6.4.1.9 Tank trucks containing aviation fuel shall not be parked less than 50-feet from all buildings. Trucks containing aviation fuel are not permitted in any hangar at any time.

6.4.2 Service vehicles (including utility company, government owned, delivery, etc.) shall park in specially reserved and marked areas or areas designated for such purpose.

6.4.3 Automobiles, motorcycles, boats, jet skis, snowmobiles, dune buggies, race cars, recreational vehicles, trailers and other vehicles may not be parked or stored on Airport property for longer than 72 hours, unless (a) parked in the passenger terminal parking lot, with payment, if applicable, had been made in advance, or (b) written permission of the executive director has been first obtained. Trailers and semi-trailers shall be disengaged from towing vehicle.

6.5 Vehicle Licensing and Equipment.

6.5.1 Except for vehicles that are exclusively used on the AOA, all vehicles shall meet proper state licensing and registration requirements.

6.5.2 Vehicles shall not be operated on the Airport unless the vehicle is in sound mechanical order; has adequate lights, horn, and brakes; and permits clear visibility from the driver's position.

6.5.3 Vehicles operating or parking inside the security fence shall be registered with the Airport and display a current vehicle permit issued by the executive director. Applications for permits shall provide the name of the owner

of the vehicle, a description of the vehicle, and evidence of insurance in the amounts established by the executive director. The permit shall be displayed on the back of the rear view mirror.

6.6 Vehicle Maintenance. Except for minor repairs that are necessary to remove such vehicle(s) from the Airport, and except as expressly provided otherwise in an agreement with the executive director, private vehicles shall not be cleaned or maintained anywhere on the Airport. Vehicles operated by commercial operators/lessees shall be cleaned or maintained only in areas designated by the executive director.

6.7 Vehicle Operations. The following shall apply to all vehicle operations on the Airport:

6.7.1 No vehicle shall be operated in a careless, negligent, unsafe, or reckless manner; in disregard of the rights and safety of others; without due caution and care; or at a speed or in a manner which endangers or is likely to endanger persons or property.

6.7.2 No vehicles shall be constructed, equipped, loaded, or maintained (or any having attached thereto any object or equipment which drags, swings, or projects) so as to endanger or be likely to endanger, persons or property.

6.7.3 Vehicles shall not be operated in any hangar unless (1) the vehicle exhaust is protected by screens or baffles to prevent the escape of sparks or the propagation of flame and (2) a vent system exists to prevent exhaust fumes from building up in the hangar.

6.7.4 Vehicle operators shall obey all posted speed limits. Vehicles shall not be operated at a speed greater than is reasonable and prudent under the conditions and having regard for actual and potential hazards, traffic, use of the street or roadway, or so as not to endanger persons or property.

6.7.5 Vehicle operators shall provide proper signals and obey all traffic lights, signs, mechanical or electrical signals, and pavement markings.

6.7.6 Vehicles that are overloaded or carrying more passengers or cargo than the amount that the vehicle is designed to carry are prohibited.

6.7.7 Vehicles used for hauling trash, dirt, or any loose material shall be operated in such a fashion as to prevent the contents of the vehicle from dropping, sifting, leaking, or otherwise escaping.

6.7.8 Except in case of emergency or operational necessity, no vehicle shall leave paved areas except in areas designated for parking by the executive director.

6.7.9 Unit hangar tenants will enter the aircraft parking ramp through the most direct access gate and depart by the same route.

6.7.10 No portion of the Airport west of the security fence that separates the Airport property from other areas of the Salina Airport Industrial Center is open to the public.

6.7.11 The following vehicles only are authorized to drive onto the Airport terminal building ramp, or other area used for parking of aircraft, to pick up or discharge personnel arriving or departing by aircraft:

6.7.11.1 Airport vehicles;

6.7.11.2 Airline vehicles;

6.7.11.3 FAA or other Federal agency vehicles;

6.7.11.4 FBO vehicles;

6.7.11.5 Military staff cars dispatched to meet military aircraft;

6.7.11.6 Emergency response vehicles in official service;

6.7.11.7 Law enforcement vehicles in official service;

6.7.11.8 Vehicles with prior written approval by the executive director;

6.7.12 Authorized vehicles on the south and north aircraft ramps will be driven along the marked and designated driving lanes.

6.8 Agricultural Vehicles. Agricultural lessees will be assigned access routes to their leased areas by the executive director. Agricultural lessees will observe the following additional restrictions and procedures:

6.8.1 No farm vehicle, truck or other equipment will be operated in the abandoned edges of runways or be used when the runway or taxiway is not in use unless prior approval has been obtained from ATC.

6.8.2 Farm equipment operators shall be alert to aircraft movements on runways and taxiways adjacent to their area of activity and shall be familiar with the light signals used by the ATCT for vehicular control and shall be equipped with functioning VHF Radio.

6.8.3 No land will be farmed, nor will farming operations be conducted, within the runway or taxiway areas as defined by FAA regulations and advisory circulars.

6.8.4 Farm equipment operators will not move cement markers for buried communications and electrical cable, or survey markers. If accidentally disturbed, these markers will be replaced at their

original location as accurately as possible.

6.8.5 No vehicles with lugs will be operated on Airport pavement.

7. TENANT RULES AND REGULATIONS. The following shall apply to all persons occupying property on the Airport, under a lease, sublease or otherwise:

7.1 Compressed Gases.

7.1.1 Oxygen or any compressed gas in a cylinder or portable tank must be secured to a fixed location or secured to a portable cart designed and approved specifically for the cylinders or tanks being secured.

7.1.2 Compressed gas cylinders or tanks must have approved and fully operational pressure relief devices installed, and shall be maintained in compliance with all applicable rules and regulations.

7.1.3 Cylinders or tanks not in use shall have an approved transportation safety cap installed.

7.2 Fire Prevention.

7.2.1 Tenants shall be responsible for ensuring that good fire prevention practices/procedures are followed at all times.

7.2.2 Tenant shall provide proper, adequate, inspected, certified and readily accessible fire extinguishers (that are approved by fire underwriters) for the particular hazard involved or associated with the activity being conducted. Fire extinguishers shall be maintained in accordance with the Fire Code.

7.2.3 Logs showing the date of last inspection shall be attached to each unit or records acceptable by fire underwriters shall be kept showing the status of such equipment.

7.2.4 When either the executive director, or his designee, or the Fire Inspector of the Salina Fire Department has notified in writing any lessee, tenant, or other person on the Airport, to correct or eliminate any fire hazard for which such lessee, tenant, or other person is responsible, the person notified shall correct or eliminate such hazard in the manner and within the time prescribed in the written notification or request.

7.3 Lubricating Oils. Quantities of lubricating oils in hangars shall not exceed amounts necessary for maintenance purposes and operation of equipment. Storage of combustible liquids in hangars in excess of five (5) gallons requires prior approval from the Salina Fire Department.

7.4 Storage of Materials and Equipment. Tenants shall store, stack, box, or bag material (or equipment) in such manner as to preclude creating any hazard, obstructing any operation, or littering. Storage of materials or equipment is prohibited outside of hangars or other buildings, without approval of the executive director.

7.5 Telecommunications. No person shall operate any communications equipment (wired or wireless) on the Airport in a manner that will cause interference to operations of the Airport. Upon any notification from the Authority, the FAA or the police or fire departments of any interference caused by operator's or lessee's operation, the person notified shall cease such communications operations, transmissions and uses on the Airport. Such person shall not resume communications operations until the executive director has provided notice in writing.

7.6 FAA Airport Activity Survey. Tenants shall annually complete and submit a USDOT – Federal Aviation Administration Airport Activity Survey (FAA Form 1800-31) that documents air taxi/commercial passenger enplanements for each calendar year. Tenants shall provide a courtesy copy of the completed and submitted FAA Form 1800-31 to the Executive Director.

7.7 Annual Service Report. Tenants shall annually report on certificated air carrier aircraft that it services. The report shall detail the aircraft manufacturer, make and model and aircraft owner. This information will be used by the Authority to determine the Authority's eligibility for federal airport improvement program grants and will only be shared with the FAA.

7.8 Based Aircraft Report. Tenants shall annually report on all aircraft based at the Airport. The report shall detail the aircraft manufacturer, make, model, registration number, insurance information, and aircraft owner.

8. AIRCRAFT FUEL STORAGE, HANDLING AND DISPENSING.

8.1 Permit. Fuels in quantities greater than five (5) gallons shall only be stored and dispensed on the Airport by persons having a permit with the executive director authorizing the fueling operation and approving the fuel storage facilities, refueling vehicles, and related equipment. This includes any third-party, public use, self-serve fueling facilities.

8.2 Best Practices.

8.2.1 Operators shall conform to the standards set forth in FAA Advisory Circular 150/5230-4A, "Aircraft Fuel Storage, Handling and Dispensing on Airports," the "Fuel Handling Safety Guidance" issued the FAA; NFPA 407; and the Fire Code, as they may be amended from time to time.

8.2.2 Operators owning and operating fuel tanks, refueling vehicles, and/or portable oil containers shall comply with the requirements of the Oil Pollution Prevention regulations (40 CFR 112) including provision of secondary containment for loading/unloading areas and refueling vehicle parking areas. Each operator shall comply with all provisions of the Airport Stormwater Pollution Prevention Plan (SWPPP). Operators who wish to provide their own SWPPP shall submit such plans to the Authority for review to verify that such plans are in conformance with the existing plans for the Airport.

8.2.3 Operators must provide their own Spill Prevention Contingency and Control Plan (SPCC), and file a copy with the executive director.

8.2.4 Operators shall comply with all provisions of the Airport Certification Manual (ACM).

8.3 Equipment.

8.3.1 Refueling vehicles, fueling pumps, meters, hoses, nozzles, funnels, fire extinguishers, and bonding devices used during fueling operations shall be maintained in a safe operating condition and in good working order and repair at all times.

8.3.2 Operators shall have on hand at all times sufficient spill control equipment including containment booms, socks, pillows, pads, etc. to control spills and Releases occurring on their leasehold. Cleanup of non-fuel spills and Releases is the responsibility of the operator. Operators shall store contaminated spill control equipment in containers in accordance with applicable sections of 40 CFR 262 and 49 CFR 172-173 until proper disposal can be effected. At a minimum;

8.3.2.1 Each refueling vehicle shall have a "first responder" spill kit; and

8.3.2.2 Each fuel storage facility shall maintain a spill kit with an appropriate supply of, but not limited to, spill socks, pillows, pads, wipes, disposable bags with ties, and USDOT approved containers. All spill control items shall be rated for hydrocarbon use.

8.3.3 Operators may not install self-service fueling islands or similar facilities without the prior written approval of the executive director.

8.4 Fuel Flowage Fees.

8.4.1 A fuel flowage fee is payable to the Authority, as set forth in the Airport rates and charges schedule as amended from time to time, for all aviation fuel (including mogas) delivered to operators at the Airport, and to all Through-The-Fence permittees (collectively, for purposes of this paragraph 8.4 alone, "Operators.").

8.4.2 Each operator shall pay the fuel flowage fee for all fuel per terms of its written agreement with the Authority.

8.4.3 Operators shall keep and maintain adequate books and records to establish and verify the accuracy of the fuel volumes reported to the Authority. The Authority's authorized representative shall have the right, to examine, cause to be examined, inspect or audit an operator's books and records for the purpose of verifying the accuracy of the fuel volumes reported by an operator.

8.5 Fuel Storage Facilities.

8.5.1 Plans for fuel storage and installation shall be submitted to the executive director for written approval prior to any installation. All facilities,

equipment, and installation shall be in conformance with all local, state, and federal requirements.

8.5.2 The maintenance and operation of fuel storage facilities shall meet NFPA 30, NFPA 407, UL 2085 and FAA regulations and advisory circulars, and shall be approved by all agencies that regulate the maintenance and operation of fuel storage facilities. The installation of all tanks or facilities shall meet the requirements of the Fire Code.

8.5.3 Operator shall have a written Spill Prevention Control and Countermeasures Plan that meets regulatory measures for their fuel storage facilities. A copy of the Spill Prevention Control and Countermeasures Plan shall be filed with the executive director.

8.5.4 All security gates leading into fuel storage areas shall be kept closed and locked at all times except when actually in use.

8.6 Fueling Operations.

8.6.1 All fuel handled on the Airport shall be treated with due caution and care with regard to the rights and safety of others so as not to endanger or likely to endanger, persons or property.

8.6.2 Persons engaged in the fueling, defueling, and oil servicing of aircraft or vehicles, the filling of refueling vehicles or dispensing equipment, or the dumping or pumping or loading of aviation fuels or oils into or from fuel or oil storage facilities shall exercise care and extreme caution to prevent overflow of fuel or oils and/or spills.

8.6.2.1 In the event that a spill should occur of any magnitude, associated activities shall cease immediately. The responsible party of such spill shall take appropriate action to properly contain and clean up the spill, and applicable provisions of Section 3.13 of these Rules shall be followed.

8.6.3 A properly trained operator shall be present at all times while fuel delivery vehicles transfer fuel into or out of any fuel storage facility. All fueling shall be performed by qualified operators.

8.6.3.1 The operator shall remain within the immediate vicinity, in close proximity to, and in direct view of all operating controls and equipment; and

8.6.3.2 The operator shall not leave the discharge end of any hose or hoses unattended at any time while the transfer of fuel is in progress; and

8.6.3.3 The operator shall not block open, disengage, bypass, and/or deactivate the deadman control or mechanism at any time while fueling or transferring fuel. Hold-down devices are prohibited.

8.6.4 No fueling activity shall take place unless adequate fire extinguishing equipment and personnel trained in the use of such equipment are present.

8.6.5 Aircraft shall not be refueled or defueled with one or more of its engines operating or while the aircraft is located inside any structure.

8.6.6 Pouring or gravity transfer of fuel from containers is prohibited. Approved pumps, either hand or power operated, shall be used when aircraft are fueled from containers greater than five (5) gallons.

8.6.7 Refueling vehicles shall be positioned so that the vehicle has clear egress at all times.

8.6.8 Not more than one refueling vehicle shall be positioned to refuel each wing of an aircraft and not more than two refueling vehicles shall be positioned to service the same aircraft.

8.6.9 Aircraft or vehicles shall not be fueled or defueled if an electrical storm is in progress or within close proximity of the Airport.

8.6.10 When aircraft are being fueled or defueled, the refueling vehicle shall be bonded to the aircraft to equalize the electrical potential between the refueling vehicle and the aircraft.

8.6.11 All hoses, nozzles, spouts, funnels, and appurtenances used in fueling and defueling operations shall comply with NFPA 407 and shall be equipped with a bonding device to prevent ignition of volatile liquids.

8.6.12 Aircraft shall not be fueled or defueled while passengers are on board unless a passenger-loading ramp is in place at the aircraft cabin door, the door is in the open position, and an attendant is present at or near the door.

8.6.13 Only essential personnel engaged in fueling or defueling shall be permitted within 50-feet of fuel tanks or aircraft during such operations.

8.6.14 If an incapacitated medical patient is on board the aircraft during fueling operations, the Airport ARFF or Salina Fire Department personnel and equipment must be available at the scene.

8.6.15 For single point fueling, deadman controls or mechanism shall be utilized and shall remain in good working order at all times.

8.6.16 Refueling vehicles (including fuel tankers) shall use only the entrance, exit, and route designated by the executive director during the transportation and delivery of fuel.

8.6.17 Refueling vehicles (including fuel tankers) are not permitted on runways, taxiways, and taxilanes without specific approval from the executive director.

8.6.18 Truck to truck fuel transfers are prohibited with the exception of certain maintenance operations and remote fueling operations approved by the executive director.

8.6.19 18-wheeler tractor-trailers delivering fuel on the Airport may only deliver into approved storage tanks.

8.7 Location of Fueling Operations Relative to Other Activities, Equipment and Structures.

8.7.1 Aircraft fuel handling shall be conducted outdoors and with the refueling vehicle and aircraft being at least fifty (50) feet from any hangar, building, and any combustion and ventilation air-intake to any boiler, heater, or similar facility or as approved by the Salina Fire Department.

8.7.2 Unless a secondary containment is being used, aircraft fuel handling shall take place on an impervious surface and at least fifty (50) feet from any storm water conveyances, drains, catch basins, ditches.

8.7.3 No person shall operate any radio transmitter or receiver (or switch electrical appliances on or off in an aircraft) within fifty (50) feet of and for the duration of fueling or defueling activity unless said radio transmitter or receiver is designed for such environment.

8.7.4 During fueling operations, no person shall use any material or equipment that is likely to cause a spark or ignition within fifty (50) feet of such aircraft or vehicle.

8.7.5 Use of matches, lighters, or any other igniting or incendiary devices is prohibited on the AOA and within fifty (50) feet of any aircraft, refueling vehicle, fuel storage facility, or any aircraft being fueled or defueled.

8.8 Off-Premises Fueling. Fueling activities shall be limited to an operator's leased premises unless the operator's lease agreement or fueling permit expressly permits off-premises fueling, and operator's levels of insurance are sufficient to cover the increased liability associated with off-premises fueling. Off-premises fueling is permitted only in designated areas.

8.9 Storage of Refueling Vehicles/Use of Fuel Containers. Refueling vehicles shall be stored outside and not less than fifty (50) feet from a building or other structure, storm water conveyances, drains, catch basins, or ditches. Refueling vehicles shall be parked in a manner that provides a minimum of ten (10) feet of separation between vehicles and any other vehicle or aircraft and a minimum of twenty (20) feet from a storm water inlet. Unless otherwise authorized by the Salina Fire Department, no more than five (5) gallons of fuel may be stored in UL approved fuel containers and all fuel containers shall be UL approved.

8.10 Maintenance of Refueling Vehicles. Maintenance and servicing of refueling vehicles shall be performed outdoors or in a building that is approved by the executive director and the Salina Fire Department specifically for this purpose.

Operators shall document and maintain vehicle maintenance and agency inspection records, which shall be made available to the executive director upon request.

8.11 **Training.** All personnel engaged in fueling operations shall be trained in procedures for fueling and defueling, quality control, safety, fire prevention, use of fire extinguishers, responding to fuel and oil spills, handling flammable materials, and actions to be taken in an emergency caused by a fire or fuel spill (including environmental protection). All such personnel shall receive proper training or instruction immediately upon employment and not less than annually thereafter, and records of training and qualifications of each person engaged in fueling operations shall be maintained. Training shall be performed in accordance with 14 CFR Part 139 and the Airport Certification Manual. Training records shall be made available for review and/or inspection by the executive director, the Salina Fire Department, and/or the FAA at any reasonable time.

8.12 **Transient Fueling Operations.** Transient fueling operations (such as seasonal firefighting and military operations) shall be subject to the inspection and approval of the executive director; pay applicable fuel flowage fees; fuel only in designated areas; and operate according to best management practices and procedures.



Minimum Standards for Commercial Aeronautical Activity at the Salina Regional Airport

January 18,2017

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PURPOSE

The purposes of these minimum standards are to:

- 1 Promote health, safety, and welfare
- 2 Encourage the provision of high quality products, services, and facilities to Airport users
- 3 Encourage the development of quality improvements at the Airport
- 4 Promote the economic health of Airport businesses
- 5 Promote the orderly development of Airport property
- 6 Promote the economic self-sufficiency of the Airport

These minimum standards specify the standards and requirements that must be met by any entity desiring to engage in one or more commercial aeronautical services or activities at the Airport.

INTRODUCTION

The Salina Airport Authority (the “Authority”) owns and operates the Salina Regional Airport (the “Airport”). To encourage growth and development of the Airport by ensuring adequate aeronautical services and facilities for the Airport users, the Authority has established these standards and requirements (the “Minimum Standards”) for provision of certain commercial aeronautical services at the Airport.

The following articles set forth Minimum Standards for an “Operator,” which is defined as any person or persons, partnership, company, trust, corporation, or other entity based on the Airport and providing one or more commercial aeronautical services at the Airport. The Minimum Standards shall be applied to adjacent properties that access the Airport through a valid Access Agreement; such requirements would be defined in the Access Agreement. The Minimum Standards do not apply to the Authority itself. These Minimum Standards are not intended to be all-inclusive. Thus the Operator of a commercial venture based on the Airport will also be subject to applicable federal, state, and local laws, codes, ordinances, and/or regulations, including Airport Rules and Regulations pertaining to all such services and to the terms of its Lease or License to do business at the Airport as discussed below.

Commercial activity of any kind on the Airport requires the express written permission of the Authority through a specifically authorized lease, sublease, license, permit or written temporary permission, and upon such terms and conditions as they may prescribe, and the payment of any required fees. Unless otherwise provided in such document, any permission may not be assigned or transferred and shall be limited solely to the approved activity. Permission shall be in the form of a Commercial Use License (“License”) and/or a written Lease establishing a tenancy on the Airport.

The provisions of the License must be compatible with the Minimum Standards in effect at the time of issuance or as later amended and will not change or modify the Minimum Standards themselves. These Minimum Standards are deemed to be included as part of all Licenses. If the specific commercial service provided is not contemplated or covered by these Minimum Standards, the Operator should approach the Authority to negotiate the terms of the required License.

The Authority's obligation to make the Airport available for the use and benefit of the public does not extend to providing access from adjacent property. However, if the Authority determines that such off-airport access to the Airport is of benefit to the general public and can be done in a manner that is consistent with Federal, State, local laws, and FAA requirements then an Access Agreement may be permitted as provided for herein in Article Seven: Off-Airport Access.

Licenses and Leases containing authority to conduct commercial aeronautical activities which are in effect on the date of adoption of these Minimum Standards will remain in effect for their prescribed terms and shall be subject to these Minimum Standards only if so provided therein. Upon renewal or expiration of any Lease or License, or upon any change in the nature or scope of any Operator's business conducted thereunder, the Operator or Lessee shall be required to come in compliance with these Minimum Standards. No existing Operator shall engage in new or expanded activities after the adoption of these Minimum Standards without meeting all the requirements appropriate for the activities contemplated.

These Minimum Standards may be amended by the Authority at its discretion from time-to-time as determined to be necessary by the Authority. Before these Minimum Standards and any amendments thereto are adapted and effective, the minimum standards shall be ratified by the Salina Airport Board.

GENERAL DEFINITIONS

The general definitions contained in Article 1 of the Rules and Regulations of the Salina Regional Airport, as they now exist or as they may hereafter be amended, are hereby incorporated by reference in these Minimum Standards.

The following terms as used in this document shall have the following meanings:

Aeronautical Activity or Activities- Any activity or service that involves, makes possible, facilitates, is related to, assists in, or is required for the operation of aircraft or another aeronautical activity or which contributes to or is required for the safety of such operations.

The following activities, without limitation, which are commonly conducted on airports, are considered “Commercial Aeronautical Activities” within this definition: aircraft charter, pilot training, aircraft rental, sightseeing, aerial photography, aerial spraying and agricultural aviation services, aerial advertising, aerial surveying, air carrier operations (passenger and cargo), aircraft sales and service, sale of aviation fuel and oil, aircraft maintenance, sale of aircraft parts, and any other activities which, in the sole judgment of the Authority, because of their direct relationship to the operation of aircraft or the Airport, can be appropriately regarded as an aeronautical activity.

AC- Advisory Circular

Access Agreement- Any document approved by the Authority, granting aeronautical access to the Airport by an Off-Airport User, subject to the provisions of this Article. Such Agreement will specify the particular terms, conditions and limits of Airport access, and shall describe the Access Area.

Access Area- The entire portion of an Off-Airport Parcel, described in an Access Agreement, which is used by the Off-Airport User for aeronautical purposes, including buildings, hangars, driveways, parking areas, aircraft aprons, taxiways/taxilanes, landscaping or other uses.

Access Taxiway- An aircraft taxiway or taxilane, located on or off the Airport, that connects into a taxiway or taxilane on the Airport and that is constructed for the purpose of allowing aircraft to taxi between the Airport and Off-Airport Parcel(s).

Agency- Any governmental (local, state, or federal) entity, agency, organization, unit, or authority.

Agreement- An enforceable by law, written contract between two or more parties.

Air Charter or Taxi- The providing of air transportations for persons or property as an air taxi operator or charter basis for hire.

Air Operations Area (AOA)- A portion of the Airport designated and used for landing, taking off, or surface maneuvering of Aircraft. There are two areas of the AOA, the movement area and the non-movement area. These areas are shown on the Airport Layout Plan (ALP).

Air Terminal- The M.J. Kennedy Air Terminal

Aircraft- Means aeronautical devices including, but not limited to, powered aircraft, gliders, helicopters, parachutes, hang gliders, and balloons.

Aircraft Maintenance- Means the repair, adjustment, or inspection of aircraft. “Major Repairs” means major alterations to the airframe, power plant, propeller, and accessories as defined in 14 CFR Part 43. “Minor Repairs” means normal, routine annual inspection with attendant maintenance, repair, calibration or adjustment or repair of aircraft and their accessories.

Airframe and Powerplant Mechanic (A&P Mechanic)- A person who holds an aircraft mechanic certificate with both airframe and powerplant ratings, issued by the FAA under the provisions of 14 CFR Part 65.

Airport- The Salina Regional Airport, owned and operated by the Salina Airport Authority, including all portions thereof.

Airport Layout Plan (ALP)- The current FAA-approved drawings depicting the physical layout of the Airport and identifying the location and configuration of current and proposed runways, taxiways, taxilane, buildings, roadways, utilities, nav aids, apron, airport operations areas, etc.

Airport Security Plan- Required TSA document regarding the applicable security regulations that require airport compliance.

Apron- Those paved areas of the Airport within the AOA designated for the loading or unloading of passengers or cargo, servicing, or parking of aircraft.

ARFF- Aircraft Rescue and Fire Fighting.

Assurance- Voluntary compliance a recipient of Federal airport development assistance to abide by a provision contained in a Federal grant agreement.

ATCT- Air Traffic Control Tower

Authority- The Salina Airport Authority created by the City of Salina pursuant to K.S.A. 27-315 and ordinance No. 6854 to own, develop and operate the Salina Regional Airport.

Board- The Airport Authority Board of Directors appointed by the Salina City Commission pursuant to Salina Code section 4-17.

Building- The main portion of each structure, all projections or extensions there-from and any additions or changes thereto, and shall include hangars, garages, outside platforms and docks, carports, canopies eaves and porches. Paving, ground cover, fences, signs and landscaping shall not be included in this definition.

CFR- Code of Federal Regulations

City- The City of Salina, Kansas

Commercial- That which involves or makes possible earnings, income, compensation (including exchange of service), and/or profit, whether or not such objectives are accomplished.

Commercial Aeronautical Activity- Any activity in which the purpose is to collect income, profit, compensation, or earnings (regardless of whether or not said purposes are accomplished) which utilized the operations in any part of an aircraft(s).

Equipment- All machinery, supplies, tools, trade fixtures and apparatus necessary to the proper conduct of the activity being performed.

Executive Director- That person or his/her designated representative that is responsible for the administration and management of Airport property, operations, material assets, financial assets and employees. The term “Executive Director” is interchangeable with the term “Airport Manager”, and shall have the same meaning and authority for purposes of federal, state, and local law.

FAA- Federal Aviation Administration of the United States government.

FAR- Federal Aviation Regulations

Fire Code- The version of the Fire Code adopted by the City of Salina from time to time. Upon the effective date of these Rules, that was the Uniform Fire Code, 2003 Edition.

Flight Training- The dual, solo, ground, and proficiency instruction of pilots in either a fixed or rotor wing aircraft to complete various FAA licenses and/or ratings.

Fuel Handling- The transporting, delivering, fueling, or draining of fuel or fuel waste products.

General Aviation- All aviation activities except government and cargo and/or passenger air carriers.

Grant Agreement- Any agreement between the FAA and the SLN Airport to obtain federal funding or a conveyance of land to be used for airport purposes.

Hazardous Materials- Means any hazardous or toxic substance, material or waste, which is or becomes regulated by any local government authority, the State of Kansas or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance that is: (1) defined as a "hazardous substance" under appropriate state law provisions; (2) petroleum; (3) asbestos (4) designated as "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 USC Section 1321); (5) defined as "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act (42 USC Section 9601); or (7) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks) (42 USC Section 6991).

Improvements- All buildings, structures and facilities, including, but not limited to, pavement, fencing, signs and landscaping constructed, installed or placed on, under or above any leased area by or with the concurrence of a lessee. Plans and specifications for all improvements must be approved by the City for conformity with its building and construction standards.

KDOT- Kansas Department of Transportation

Lease- A contractual agreement between the Authority and a person, granting the use of a defined ground area on the Airport for a term of years, and establishing conditions for its use.

Leased Premises- Land, property, buildings and other improvements leased by an operator for performance of their approved activities.

License- A contractual agreement between the Authority and a person, granting a concession or otherwise authorizing the conduct of a commercial activity on the Airport, which is in writing and enforceable by law. A license may be a stand-alone document, or may be combined with a lease into one document.

Master Plan- An assembly of appropriate documents and drawings covering the development of the Airport from a physical, economic, social, and political jurisdictional perspective and adopted by the Authority, a copy of which is on file and available for inspection in the Airport office, and any amendments, modifications, revisions, or substitutions thereof. The ALP is a part of the Master Plan.

Minimum Standards- Standards set by the Salina Airport Authority that must be met by any entity wanting to conduct commercial aeronautical activity on the Salina Regional Airport.

Movement Area- Runways, runway safety areas, taxiways, taxilane, taxiway safety area and other areas of the Airport that aircraft use for taxiing/hover taxiing, air taxiing, takeoff and landing, exclusive of loading ramps and parking areas as shown on the ALP.

National Fire Protection Association (NFPA)- All codes, standards, rules, and regulations contained in the Standards of the National Fire Protection Association, as may be amended from time to time, and are incorporated herein by reference.

Non-Commercial- Not for the purpose of securing earnings, income, compensation (including exchange of service), and/or profit.

Off-Airport User- An owner or user or an Off-Airport Parcel who desires to operate aircraft directly between its Off-Airport Parcel and the Airport.

Off-Airport Parcel- Any tract of land, or portion thereof, not located on the Airport that abuts or will abut an Access Taxiway or Taxilane as such may exist from time to time.

Operator- Means any person based on the Airport and providing one or more commercial aeronautical services at the Airport. All Fixed Based Operators (FBOs), Retail Self Service Fueling Operators (RSFOs), and Specialized Aviation Service Operators (SASOs), are defined as operators, per se.

Person- Any individual, firm, sole proprietorship, corporation, company, limited liability entity, association, joint stock association, partnership, co-partnership, trust, estate, political body or other form of entity, and includes any trustees, receiver, assignee, or similar representative thereof.

Principals- For corporations, the directors, officers and stockholders holding more than 10% of the company stock. For partnerships, all general and limited partners. For limited liability entities, all managers and members holding more than a 10% interest. For other entities, all those having authority to act for the entity, or being a 10% or greater beneficiary or interest holder.

Property- Pertains to anything owned by an entity.

Ramp- A paved area suitable for aircraft parking.

Refueling Vehicle- Any vehicle used for fuel handling, including without limitation fuel servicing hydrant vehicle and hydrant carts.

Regulatory Measures- Federal, state, county, local, airport laws, codes, statutes, ordinances, orders, policies, rules, and regulations, including, without limitation, those of the United States Department of Transportation (USDOT), United States Department of Homeland Security, FAA, TSA, NFPA, Aircraft Rescue and Fire - fighting Standard Operating Guidelines, the Airport Certification Manual and Airport

Security Plan, and these Rules; all as may be in existence, hereafter enacted, and amended from time to time.

Release- Any releasing, disposing, discharging, injecting, spilling, leaking, leaching, pumping, dumping, emitting, escaping, emptying, seeping, dispersal, migration, transporting, placing, and actions of similar nature, including without limitation, the moving of any material through, into or upon any land, soil, surface water, ground water, or air, or otherwise entering into the environment.

Repair Facility- A facility utilized for the maintenance, repair and overhaul of Aircraft to include airframe, power plant, propellers, radios, instruments and accessories. Such facility will be operated in accordance with pertinent FAA regulations.

Repair Station- An Aircraft Maintenance facility certificated under 14 CFR Part 145 and the FAA to perform specific maintenance functions.

Scheduled Air Carrier- Any operator who undertakes directly, or by other arrangements, to engage in air transportation for hire under FAR Parts 135, 121 or 380, on a scheduled basis, over specific routes to provide scheduled passenger service. Conditions, requirements and standards for this type of commercial aeronautical activity shall be governed by the terms of an airport use agreement, and are not subject to the requirements of the Minimum Standards.

Self-Fueling- The owner, or owner's employees by means of the owner's equipment, of an aircraft fueling that aircraft.

Sterile Area- That portion of the Airport that provides passengers access to boarding aircraft and to which access is controlled through the screening of persons and property in accordance with federally required and approved security procedures and programs.

Sublease- A lease granted by an Airport lessee to another entity of all or part of the property leased from the Authority, where on a sole or joint lease basis.

Taxilane- The portion of the Airport used for aircraft access between taxiways, hangars, and aprons as shown on the ALP.

Taxiway- A defined path, usually paved, over which aircraft can taxi from one part of an airport to another (excluding the runway) as shown on the ALP.

Through the Fence or Off-Airport Access- Operations that are conducted off the actual Airport property that have aeronautical access to any portion of the Airport's runway or taxiway system through a written agreement or permit with the Authority.

Tie-Down- The area, paved or unpaved, suitable for parking and mooring of aircraft wherein suitable tie-down points have been located.

Transient Aircraft- Any aircraft utilizing the Airport for occasional transient purposes and which is not based at the Airport.

TSA- Transportation Security Administration

UAS- An unmanned aircraft system (also referred to as a drone) that is operated without a human pilot onboard. Instead, the UAS is controlled by an operator on the ground.

sUAS- Small unmanned aircraft systems weighing less than 55 pounds.

Vehicle- Any apparatus with the ability of moving itself from place to place on wheels that does not need human muscular power (excludes objects designed primarily to move through the air.

ARTICLE ONE:

POLICY AND GENERAL

STANDARDS

1.1 Statement of Policy

The Authority's goal in establishing these Minimum Standards is to assure an adequate minimum level of service to aviation users, foster competition at the Airport, put all FBOs and SASOs on an equal footing in qualifying and competing for available Airport facilities and the furnishing of selected commercial aeronautical activities, and avoid unjust or prohibited discrimination between FBOs and SASOs.

Where the words "standards" or "requirements" appear, it shall be understood that they are modified by the word "minimum." All Operators will be encouraged to exceed the "minimum." No Operator will be allowed to operate under conditions that do not meet the "minimum."

Contingent upon the Operator's qualification, meeting these Minimum Standards, execution of a Lease or License by the Authority, and the payment of rentals, fees and privilege for providing the service(s) selected on the Airport as specified in the Lease or License the Operator may engage in approved commercial aeronautical activity. However, the granting of such right and privilege shall not be construed in any manner as affording the Operator any exclusive right to perform such activities or services on the Airport. The Authority reserves and retains the right to adopt and enforce any and all resolutions, ordinances, rules, codes, minimum standards, and other regulatory measures pertaining to any Commercial Aeronautic Activity at the Airport. The Authority further reserves the right to designate the specific Airport areas, in accordance with the existing Airport Layout Plan ("ALP"), in which specific aeronautical services may be conducted. Such designation shall give consideration to the nature and extent of the operation and the land and improvements available for such purpose consistent with the orderly and safe operation of the Airport.

1.2 Requirements Applicable to all FBOs, RSFOs and SASOs

The following standards apply to all FBOs, AvFuel FBOs, RSFOs and SASOs. Additional standards specific to each type of operation can be found in Articles Three, Four, Five, and Six of these Minimum Standards. For purposes of these Minimum Standards, "leased premises" ("Premise") may include, as appropriate, any area leased, subleased or otherwise controlled by an FBO, AvFuel FBO, RSFO or SASO and must be on the Airport.

1.2.1 Requirement of a Lease or License

1.2.1.1 Before beginning operations, the prospective Operator must enter into a License or Lease with the Authority reciting the terms and conditions under which it will do business on the Airport, including but not limited to, the term of agreement, the rentals, fees and charges, the rights, privileges and obligations of the respective parties, and other relevant covenants. However, such provisions of the Lease or License will neither change nor modify the Minimum Standards, nor be construed in a way to make the Lease or License less demanding than these Standards.

1.2.1.2 Such a Lease or License shall contain all provisions required by the Federal Aviation Administration (FAA) as a condition of any Federal Grant to the Authority for the Airport. The basic terms and conditions of such Lease or License are included in Required Lease and General License Clauses attached to this document as Attachment 1.

1.2.1.3 While the language reflects the currently applicable federal requirements, Lease and Licenses shall include all provisions required by then-current federal law and regulations. The provisions contained in Attachment 1 are not all-inclusive and may be amended from time to time by the Authority without amending these Minimum Standards.

1.2.2 Site Development Standards - Physical Facilities

1.2.2.1 The minimum space requirements as provided in Articles Three, Four and Five, Six, and Seven of these Minimum Standards shall be satisfied as applicable.

1.2.2.2 All paving and building shall comply with the then-current City of Salina development and construction standards for the Airport and all applicable local building codes and requirements. The location of facilities on the Airport must comply with the current, FAA-approved ALP for the Airport.

1.2.2.3 If construction on leased premises or alteration of existing or future structures on leased premises is planned, the Operator shall comply with the notification and review requirements of Federal Aviation Regulation Part 77 and other government entities as may be required. The Operator must submit FAA Forms 7460-1 and 7480-1 (if applicable) to the FAA no less than 30 days prior to the commencement of such construction.

1.2.3 Personnel

During all operating hours, except for after-hours fueling by RSFOs, the Operator shall employ and have on duty trained personnel in such numbers and with such certificates and ratings as are required to provide services established by the Minimum Standards in an efficient manner for each aeronautical service being performed. Moreover, the Operator shall provide a responsible person authorized to act on its behalf to supervise its operations. A list of contacts shall be supplied to the Executive Director including after hours' phone numbers. This list shall be updated when any change occurs.

1.2.4 Financial Surety

The Operator shall post a letter of credit in a form acceptable to the Authority in the amount equal to at least 10% of the annual rental established and agreed upon. The Authority may waive this letter of credit if the Operator can demonstrate adequate financial means.

1.2.5 Insurance

Insurance shall be provided and paid for by the Operator in the amounts specified in Minimum Insurance Requirements (Attachment 2), and the Authority may amend it from time to time. Should there be any doubt about the currency of such minimum insurance requirements, the most current insurance requirements are on file with the Executive Director. A certificate of insurance or a copy of the insurance policies involved shall be furnished to the Executive Director by the Operator. Ten (10) days advance written notice of any change to any policy shall be given to the Executive Director. Coverage may be provided through primary or excess policies. The insurance company, or companies, writing the requested policy, or policies, shall be licensed to do business in the State of Kansas.

Where more than one aeronautical service is proposed, the minimum limits will vary (depending upon the nature of individual services in such combination) but will not necessarily be cumulative in all instances. For example, if three (3) types of services are to be provided, it will not be necessary for the Operator to carry insurance policies providing the aggregate or combined total of the minimum limits for each type of operation. However, if one of the selected services requires passenger liability coverage or hangar keeper's liability not required in either of the other two (2) categories, the Operator would be required to provide insurance on the applicable exposures. As a further example, the minimum limit for property damage on a combination of services would be the highest minimum limit stated in the grouping chosen. Because of these variables, the applicable minimum insurance coverage on combinations of services will be discussed with the prospective Operator at the time of its License application.

All insurance that the Operator is required by the Airport Authority to carry and keep in force shall include the Airport Authority and all Airport Authority personnel, officers, and agents as additional insured. The Operator shall furnish evidence of its compliance with this requirement to the Executive Director with proper certification that such insurance is in force. Upon any change resulting in a reduction or increase, the Operator shall furnish additional certification as evidence of changes in insurance not less than ten (10) days prior to any such change. In the event of cancellation of coverage, the Operator and underwriter shall give the Authority ten (10) days prior notice of cancellation and all operations of the Operator on the Airport shall cease.

The applicable insurance coverage shall be in force during the period of any construction of the Operator's facilities, if any, and/or prior to its entry upon the Airport for the conduct of its business.

The Operator shall also furnish evidence of its compliance regarding Kansas Statutes with respect to Worker's Compensation and Unemployment Insurance (where applicable). Lapses in insurance coverage may result in denial of access to the Airport and termination of the License.

1.2.6 Airport Access and Security

Airport access and security shall be maintained by the Operator at all times in accordance with standards established and required by the Executive Director, FAA, Transportation Security Administration (TSA) or other governmental entity. The Operator is also responsible for its employees,' invitees,' licensees,' vendors,' and agents' compliance with the Airport Security Program, as it may be established and amended from time to time.

1.2.7 Environmental Compliance

In its operations at the Airport, Operators shall strictly comply with all applicable environmental laws, the Airport environmental policies and procedures (including, without limitation, the Storm Water Pollution Prevention Plan ["SWPPP"] and Spill Response Plan), and generally accepted industry environmental best management practices and standards. Without limiting the generality of the foregoing provision, the Operator shall not use or store Hazardous Materials on or at the Airport except as reasonably necessary in the ordinary course of the Operator's permitted activities at the Airport, and then only if such Hazardous Materials are properly labeled and contained. Material Safety Data Sheets (MSDS) for all hazardous materials shall be maintained on site so as to be readily available to emergency responders in the event of an emergency and for review by the Salina Fire Department. The Operator shall not discharge, release, or dispose of any Hazardous Materials on the Airport or surrounding air, land, or water.

The Operator shall promptly notify the Airport Authority of any Hazardous Material spills, releases, or other discharges by the Operator at the Airport and promptly abate, remediate, and remove it. The Operator shall provide the Airport Authority with copies of all reports, complaints, claims, citations, demands, inquiries, or notices relating to the environmental condition of the Airport or any alleged material noncompliance with Environmental Laws by the Operator at the Airport within ten (10) days after such documents are generated by or received by the Operator. If the Operator uses, handles, treats, or stores Hazardous Materials at the Airport, the Operator shall have a contract in place with an approved waste transport or disposal company and shall identify and retain spill response contractors to assist with spill response and facilitate waste characterization, transport, and disposal. Complete records of all disposal manifests, receipts and other documentation shall be retained by the Operator and made available to Airport Authority for review upon request.

The Airport Authority shall have the right at any time to enter the Premises to inspect, take samples for testing, and otherwise investigate the Premises for the presence of Hazardous Materials. Such inspections shall be coordinated with the Operator and scheduled during regular business hours if reasonably practical.

The Operator's Hazardous Materials shall be the responsibility of the Operator. Tenants and operators who generate and dispose of "Special Waste" shall comply with the requirements of 40 CFR Sections 266 & 273. Special waste includes widely generated wastes such as batteries, agricultural pesticides, mercury containing devices, hazardous mercury-containing lamps, and used oil. The Operator shall be liable for and responsible for the following:

- To pay all Environmental Claims that arise out of, or are caused in whole or in part, from the Operator's use, handling, treatment, storage, disposal, discharge, or transportation of Hazardous Materials on or at the Airport
- The violation of any Environmental Law by the Operator
- The failure of the Operator to comply with the terms, conditions and covenants of this section.

If the Airport Authority incurs any costs or expenses (including attorney, consultant, and expert witness fees) arising from the Operator's use, handling, treatment, storage, discharge, disposal, or transportation of Hazardous Materials on the Airport, the Operator shall promptly reimburse the Airport Authority for such costs upon demand. All reporting requirements under Environmental Laws with respect to spills, releases, or discharges of Hazardous Materials by the Operator at the Airport are the responsibility of the Operator.

1.2.8 Motor Vehicles on Airport

No vehicles except Airport vehicles, FAA vehicles, or emergency vehicles are permitted within the movement area without the prior written approval of the executive director. Unless escorted, all vehicles operating in the movement area shall be equipped with a functioning two-way radio capable of communicating on the proper aeronautical frequencies (ranging from 118.00 to 136.9 MHz). A vehicle without a two-way radio capable of communicating on such frequencies may enter the movement area provided that such vehicle is escorted at all times in the movement area by an authorized escort having radio contact with SLNATCT. In the event a vehicle in the movement area experiences radio failure it must use light gun communications procedures with SLN ATCT. FBO's granted a non-exclusive use license and permitted by written lease agreement to park and service aircraft within a defined general aviation Apron area are prohibited from traveling outside the general aviation apron area with follow-me vehicles. Operation of follow-me vehicles beyond a lease-defined general aviation apron area will result in a suspension of the non-exclusive license for a minimum of seven (7) days. The Operator shall control the on-Airport transportation of pilots and passengers of transient general aviation aircraft using the Operator's facilities and services. The Operator performing this service with motor vehicles driven on the Airport shall do so only in strict accordance with Airport Rules and Regulations, applicable federal, state, and municipal laws, ordinances, codes, or other similar regulatory measures now in existence or as may be hereafter modified or amended. Prior to operating vehicles on the AOA, all vehicle operators shall complete the Airport Ground Vehicles/Runway Incursion Prevention Driving Program. Vehicle operators must have a valid state vehicle operator's license of the class needed for the vehicle being operated and evidence of insurance (as required by State law and the Airport) to operate a vehicle on the Airport. The Operator takes responsibility and assumes all liability for the actions of any party, supplier, member, agent, or individual that the Operator allows upon the Airport's aircraft movement areas. The Airport Authority reserves the right to deny access to any party or business if the party fails to act responsibly while in control of machinery or motor vehicles operating on the Airport.

1.2.9 Other FAA Requirements

In addition to these Minimum Standards, where applicable Federal certification standards exist for a given commercial aeronautical activity, each FBO, AvFuel FBO, RSFO and SASO offering such activity shall provide sufficient equipment, supplies and availability of parts as required for certification by the Federal Aviation Administration.

1.3 Combined Operations and Subleases

- 1.3.1** The Airport Authority will consider reduction in minimum square footage for combined operations.
- 1.3.2** If an FBO, AvFuel FBO, RSFO or SASO, whether located on or off the Airport, desires to sublease space to another person to provide one or more Commercial Aeronautical Activities, the following conditions will apply.
- 1.3.2.1** The subleasing party must obtain a License from the Airport Authority to operate at the Airport.
 - 1.3.2.2** The FBO, AvFuel FBO, RSFO, or SASO must obtain written approval from the Airport Authority to sublease the space and function.
 - 1.3.2.3** The FBO, AvFuel FBO, RSFO or SASO must ensure payment to the Airport Authority of fees applicable to the class of services provided by the sub-lessee at the levels set forth by the Airport Authority.
 - 1.3.2.4** FBO, AvFuel FBO, RSFO or SASO must either carry public liability insurance in accordance with Section 1.7.5 above and the Minimum Insurance Requirements (Attachment 2) for its lessee or provide a certificate of insurance that shows the lessee and the Airport Authority as additional insured in which the amounts commensurate with the services provided by the sub-lessee.

1.4 Miscellaneous Aeronautical Activities

Miscellaneous Commercial Aeronautical Activities not herein provided for may be permitted on the Airport on a case-by-case basis, by making formal application to the Airport Authority for approval of such activity. The Operator must show in the formal application that such activities may be safely conducted at the Airport without undue interference concerning other permitted aeronautical activities. Reasonable terms and conditions for the privilege of engaging in these other services will be commensurate in nature and scope with the activities proposed. The Airport Authority reserves the right to deny or restrict any aeronautical activities at the Airport that may interfere with or create a safety hazard for other Aircraft operating at or near the Airport.

1.5 Violations

The Executive Director may remove or evict from the Airport any person who violates any rule prescribed herein, or any applicable statute, rule or regulation of the Federal Government or the State of Kansas, or ordinance of the City of Salina, and may deny use of the Airport and its facilities to any such person if it is determined by the Executive Director that such denial is in the public interest. Any Operator that violates any of the provisions in these Minimum Standards will be notified of the violation and given 30 days in which to correct said violation. Should such violation not be corrected within 30 days, the Airport Authority shall have the right to terminate the Lease or License. Nothing in this paragraph shall prevent the Airport Authority from immediately suspending a Lease or License, or taking any other immediate action when a safety related or hazardous situation exists.

1.6 Appeals

Any person who is adversely affected by a determination of the Airport Authority, or the Airport Authority acting through the Executive Director, to deny, terminate, suspend or revoke a License may appeal the determination pursuant to applicable provisions of the Airport Rules and Regulations.

ARTICLE TWO:

APPLICATION PROCESS

2.1 Prequalification Requirements

At the time of its application, the prospective Operator shall provide the Executive Director, in writing, the following information and thereafter shall provide such additional information as may be requested by the Authority

2.1.1 License Application

The prospective Operator must submit a complete Commercial Aeronautical Use Lease/License Application (Attachment 4) that provides summary information regarding the applicant and the scope of the proposed operation

2.1.2 Intended Scope of Services

In order to provide high-quality service, the prospective Operator must submit a detailed description concerning the scope of the intended operation, and the means and methods to be employed to accomplish the contemplated operation. All services contemplated must meet the requirements of these Minimum Standards.

That information at a minimum must include all of the following:

- 2.1.2.1** The name, address and telephone number of the applicant
- 2.1.2.2** If the applicant is a corporation, provide the name, address, and telephone number of the corporation's officers, directors, and owners of more than 15% of its corporate stock including the number of total shares and the number of shares owned
- 2.1.2.3** If the applicant is a partnership, provide the name, address and telephone number of all partners
- 2.1.2.4** The requested or proposed date for commencement of the service and the term of conducting the same
- 2.1.2.5** The services to be offered
- 2.1.2.6** The amount, size and location of any land to be leased which must be in compliance with the Airport's current FAA-approved ALP
- 2.1.2.7** The number and type(s) of aircraft to be provided/maintained (as applicable)
- 2.1.2.8** The number of persons to be employed (including the names and qualifications of each manager or supervisor or other key personnel)
- 2.1.2.9** The hours of proposed operation
- 2.1.2.10** FAA Certificates and Licenses held for proposed activities (include type and certificate number)
- 2.1.2.11** The types and amounts of insurance coverage to be maintained, which must meet or exceed the types and amounts as established by Attachment 2 to these Minimum Standards as it now exists or as it may be amended hereafter

2.2 Financial and Managerial Responsibility and Capability

The prospective Operator must provide a statement, satisfactory to the Authority, in evidence of its financial responsibility from a bank or trust company or from such other source that may be acceptable to the Authority and readily verified through normal banking channels. The prospective Operator must also demonstrate financial capability to initiate operations, to construct proposed improvements (if any), and to provide working capital to carry on the contemplated operations. The demonstration of financial and managerial capability shall include a cash flow and a profit and loss projection for the first five years of the proposed operation. In order to avoid potential competitors' possible anti-competitive effects of financial control, prospective Operators shall also disclose their sources and terms of financing.

Any information furnished under this section which is prominently marked on each page as "confidential" by the applicant, shall be considered proprietary and shall be kept confidential by the Authority to the extent permitted under the provisions of K.S.A. 45-215 et. seq., the Kansas Open Records Act.

2.3 Experience of Operator and Key Employees

The prospective Operator shall furnish the Authority with a statement of past experience describing the Operator and its managers, supervisors and other key employees in providing the proposed aviation services, together with a statement that the Operator or its principals have the managerial ability to perform the selected services.

ARTICLE THREE:
FIXED BASE OPERATOR (FBO)

3.1 Statement of Concept

A Fixed Base Operator engages in providing essential and specialized aircraft services to the general public. The minimum levels of essential services are purposely set to ensure that all of the basic needs for aircraft owners, pilots and passengers are provided for at the Airport.

3.2 Services Provided

A Fixed Base Operator (FBO) shall provide or enter into an agreement to provide all of the following essential services to the public at the Airport at reasonable rates and charges and without unjust discrimination:

3.2.1 Aircraft Line Services:

3.2.1.1 Fueling, lubricating and miscellaneous services

3.2.1.2 Ramp parking and tie-down

3.2.1.3 Separate crew lounge and passenger lobby facilities

3.2.1.4 Public restrooms and telephone

3.2.1.5 Loading, unloading and towing

3.2.1.6 Hangar storage

3.2.1.7 De-icing service and engine preheating

3.2.1.8 Oxygen

3.2.1.9 Aircraft starting

3.2.1.10 Strut and Tire inflation (with both air and nitrogen)

3.2.1.11 Attendants to direct aircraft to loading and parking areas, to tie down aircraft, to fuel aircraft, to clean windshields, to remove snow from parked aircraft, and generally to provide prompt and courteous service

3.2.1.12 Lavatory cart service

3.2.2 Aircraft Airframe and Engine Repair and Maintenance

3.2.3 Flight Training

3.2.4 Aircraft Rental

3.2.5 Other related services such as the sale of sectional or World Aeronautical Charts (WAC) covering the territory within three hundred miles of the Airport, flashlights, batteries, plotters and computers generally used by pilots for flight planning, current aeronautical weather information, and the sale of food and beverages to General Aviation (vending machines and access to catering service).

3.2.6 The FBO shall provide no other commercial aeronautical services or activities except as provided in its Lease and License.

A Fixed Base Operator may either provide the required Aircraft Airframe & Engine Repair and Maintenance, Flight Training and Aircraft Rental, Oxygen Service, Strut Inflation and Tire Inflation with Air and Nitrogen, Food Service, and Catering Service directly or by provision of an agreement with an Authority-approved SASO on the Airport to provide such services. It will remain the ultimate responsibility of the FBO to ensure such services will be available.

Article Six of these Minimum Standards includes a detailed description of the minimum aircraft airframe and engine repair and maintenance, flight training, and aircraft rental services that an FBO, or any SASO engaging in such activities, must provide. FBOs may also engage in other Commercial Aeronautical Activities as identified in its Lease and License.

3.3 Operational Minimums

An FBO shall meet the following Minimum Standards specifically applicable to management, fueling operations, line service, and aircraft maintenance as well as general standards applicable to all FBOs and SASOs (set out in Article 1) and additional standards (set out in Article 6) for any additional SASO activities provided.

3.3.1 In connection with aircraft fueling and line services:

3.3.1.1 Contracts for Delivery of Fuel

The FBO shall demonstrate to the Salina Airport Authority's satisfaction that a reputable aviation fuel and lubricant distributor will provide the FBO with an enforceable agreement to purchase fuel and oil in quantities necessary to meet the requirements set forth herein. The FBO shall maintain an adequate inventory of at least one brand and two generally accepted grades: Aviation Gasoline (AVGAS, 100 Low Lead) and Jet Fuel (Jet-A) of aviation fuel, engine oil and lubricants. The FBO shall also negotiate in good faith with air carriers serving the Airport to permit storage of air carrier fuel in FBO tanks subject to reasonable terms and conditions including the charging of an into-aircraft service charge. Agreements at other airports in Kansas may be used as precedent to determine if terms and conditions are reasonable.

3.3.1.2 Calculation of Fuel Flowage

Aviation fuels and oils delivered to the Operator by a vendor will be considered by the Salina Airport Authority to be fuels and oils dispensed for the purpose of calculating rates or charges under its Lease and License.

3.3.1.3 Hours of Operation for Fuel Sales

Sales of fuel and lubricants, and into-plane delivery of aviation fuels, lubricants and other related petroleum products, shall be available at a minimum of 18 hours per day beginning no later than 6:00 a.m., seven (7) days a week. The FBO shall be available during other than its regular business hours on an "on-call" basis with a maximum response time of two hours. If contracted to do so, the FBO will meet all scheduled Air Carrier Aircraft requiring such fuels and lubricating oils, assuring the Aircraft is enabled to meet all turnaround times and schedules.

3.3.1.4 Minimum Equipment

The FBO shall provide mobile fuel dispensing equipment which displays approved FAA markings and signage capable of servicing, in an efficient and safe manner, all types of commercial and general aviation aircraft that use the Airport. The FBO shall have two (2) metered, filter equipped refueling vehicles for dispensing jet fuel with a capacity of at least 1,500 gallons each and one (1) metered, filter equipped refueling vehicle for dispensing AVGAS with a capacity of at least 750 gallons. The FBO shall have

storage tanks with a minimum capacity of 10,000 gallons of AVGAS and 20,000 gallons of jet fuel. A separate dispensing pump for each grade of fuel is required.

3.3.1.5 Individual in Charge

The individual managing the operations of the FBO shall have at least five (5) years experience in the period of eight (8) years immediately preceding such application, having been engaged in the business of a Fixed Base Operator on an Airport at least equal in size, facilities, and activity as the Salina Regional Airport.

3.3.1.6 Safety of Fueling Operation

In conducting fueling operations, the FBO shall install and use adequate electrical grounding facilities at fueling locations to eliminate the hazards of static electricity and shall provide approved types of fire extinguishers or other equipment commensurate with the hazard involved with fueling, defueling, and servicing aircraft. All such safety and operational requirements for the storage, handling and dispensing of aviation-grade fuels shall be governed by the applicable National Fire Protection Association (NFPA), including NFPA Manual 407, "Aircraft Fuel Servicing," and any additional fire code adopted by the City of Salina. Fire suppression systems for fuel storage defined as discretionary by NFPA and UFC regulations shall consist of Fire Rated tanks. All FBO fueling services and systems shall be subject to inspection for fire and other hazards by the Executive Director or other representative of the Airport Authority, by the State Oil Inspector, and by the appropriate State and local fire agency. The FBO shall be responsible to perform all fuel system equipment maintenance (both periodic and on-demand) and inspection in a manner that meets NFPA, National Air Transport Association (NATA), FAA, and all applicable State and local standards. Further, the FBO shall be in full compliance with fire codes and federal, state, and local laws, ordinances, rules, and regulations pertaining to fire safety. The FBO shall have spill kits immediately available and shall maintain a spill prevention and control plan in accordance with applicable federal, state, and local laws, rules, and regulations.

3.3.1.7 Fuel Quality

The FBO shall take all precautions necessary to ensure that only non-contaminated fuel is delivered into the aircraft serviced. Fuel delivered shall be clean, bright, pure and free of microscopic organisms, water or other contaminants. Quality control of the fuel is the responsibility of the FBO. The FBO shall maintain current fuel reports on file and shall make available, upon written notice, to the Executive Director those records during normal business hours. Fueling service by the FBO shall be in full compliance with federal, state, and local laws and regulations including American Petroleum Institute quality control standards, and Air Transport Association Specification 103 ("ATA 103"). Compliance shall also include the proper fire protection and electrical grounding of aircraft during fueling operations, and operate in compliance with safety requirements as set forth and as amended from time to time in the Airport Rules and Regulations.

3.3.1.8 Additional line services

Servicing of aircraft shall include generally expected services such as cleaning of the interior and exterior of aircraft and catering. The FBO shall provide proper equipment for repairing and inflating aircraft tires, servicing struts, servicing oxygen systems, washing aircraft and aircraft windows, and recharging or energizing discharged aircraft batteries and starters.

3.3.1.9 Waste disposal

The FBO shall provide for adequate and sanitary handling and disposal, away from the Airport, of all trash, waste, and other materials, including but not limited to used oil, solvents, lavatory cart contents and other waste. The piling or storage of crates, boxes, barrels and other containers or other items is not permitted outside of buildings located on the leased Premises.

3.3.1.10 Disabled Accident Removal

The FBO shall be prepared to remove disabled aircraft from the movement areas of the AOA. It shall have personnel that are trained and have access to equipment, or the ability to arrange for the equipment and/or services, required to remove damaged aircraft from the AOA movement areas. The FBO shall have personnel on call and able to respond to a damaged aircraft within one (1) hour of notification.

3.3.1.11 Ramp Parking, Tie-Down, Aircraft Storage and FBO Ramp Assistance within the FBO's leased premises

The FBO shall have at least one (1) tug capable of towing up to a 50,000 pound aircraft, or the largest aircraft that regularly uses FBO services on a monthly basis, whichever is greater. The FBO shall have at least one (1) ground power unit, one (1) de-icing unit, one (1) lavatory cart, one (1) water cart, and adequate ground transportation vehicles capable of transporting passengers between the FBO and the aircraft ramp. The FBO shall have tow bars suitable for towing the General Aviation Aircraft normally frequenting the Airport. All equipment shall be maintained and operated in accordance with OSHA, local, and State industrial codes.

3.3.1.12 Rates and Charges

The FBO's rates or charges to General Aviation users for aircraft parking, tie-down and storage shall be determined by the FBO. Such rates or charges shall be fair and reasonable and shall be equally and fairly applied to all users of the services without discrimination. All rates and charges for such services and products shall be filed, upon request, with the Executive Director.

3.3.1.13 Aircraft Tie-downs

The FBO shall provide adequate tie-down facilities and equipment including ropes, chains, other types of restraining devices, and wheel chocks for the typical number and type of aircraft simultaneously using the FBO during a peak period.

3.3.1.14 Employee Training

The FBO shall provide properly trained personnel to perform all activities that the FBO is required to perform under these Minimum Standards and its License. While on duty, personnel shall be clean, neat in appearance, courteous, and at all times properly uniformed. Personnel uniforms shall identify the name of the FBO and shall be clean, professional, and properly maintained at all times. Management and administrative personnel shall not be required to wear uniforms.

3.3.1.15 Hangar Storage

The FBO shall provide suitable hangar storage facilities constructed in accordance with the City of Salina building and construction standards.

3.3.2 In connection with aircraft airframe and engine repair and maintenance, the FBO shall comply with all requirements for provision of aircraft airframe and engine repair and maintenance services as set out in Article Six of these Minimum Standards.

3.3.3 In connection with flight training and aircraft rental, the FBO shall comply with all requirements for provision of flight instruction and aircraft rental services as set out in Article Six of these Minimum Standards.

3.4 Facility Requirements

Minimum land and improvements required for FBOs shall be as follows:

- 3.4.1** The minimum land to be leased for a FBO shall be at least two (2) acres including no less than five (5) acres of paved ramp space capable of regularly supporting the largest general aviation aircraft generally using the Airport, but not less than 12,500 pounds.
- 3.4.2** Building improvements shall be permanent in nature, shall contain at least 8,100 square feet for total FBO operations (including office, lounge and hangar space) and may be contained in one or more buildings. Crew and passenger lounge facilities, clean, sanitary, heated and free public restrooms must also be included in the building area. At least one working telephone shall be provided for public use. Each FBO shall occupy at least one or more heated clear span hangar(s) containing 40,000 square feet. This hangar shall be required to have a door opening of at least ninety four (94) feet in width and twenty six (26) feet in height and the hangar must be at least one hundred (100) feet deep.
- 3.4.3** On-site automobile parking spaces of an asphalt or concrete paved surface shall be provided in compliance with parking standards and requirements of the City of Salina building and zoning codes as amended from time to time. Proper signage shall also be installed.
- 3.4.4** All paving and buildings shall comply with the then current City of Salina building, development and construction standards and shall be approved in writing by the Airport Authority before construction begins.
- 3.4.5** Upon completion of construction, the FBO shall provide to Airport management three sets of as-built drawings with at least one of them electronically in AutoCAD and other acceptable format.

ARTICLE FOUR:

FULL SERVICE AVIATION FUEL

SALES (AVFUEL FBO)

4.1 Statement of Concept

A Full Service Aviation Fuel Sales FBO (AvFuel FBO) engages in providing full service Jet A fuel sales to the general public. The minimum levels of essential services are purposely set to ensure that all of the basic needs for aircraft owners, pilots and passengers are provided for at the Airport.

4.2 Services Provided

A Full Service Aviation Fuel Sales FBO (AvFuel FBO) shall provide or enter into an agreement to provide all of the following essential services to the public at the Airport at reasonable rates and charges and without unjust discrimination:

4.2.1 Aircraft Line Services:

4.2.1.1 Fueling, lubricating and miscellaneous services

4.2.1.2 Ramp parking and tie-down

4.2.1.3 Separate crew lounge and passenger lobby facilities

4.2.1.4 Public restrooms and telephone

4.2.1.5 Loading, unloading and towing

4.2.1.6 Hangar storage

4.2.1.7 De-icing service, engine preheating

4.2.1.8 Oxygen

4.2.1.9 Aircraft starting

4.2.1.10 Strut and tire inflation (with both air and nitrogen)

4.2.1.11 Attendants to direct aircraft to loading and parking areas, to tie down aircraft, to fuel aircraft, to clean windshields, to remove snow from parked aircraft, and generally to provide prompt and courteous service

4.2.1.12 Lavatory cart service

4.2.2 Related Other Services such as the sale of sectional or World Aeronautical Charts (WAC) covering the territory within three hundred miles of the Airport, flashlights, batteries, plotters and computers generally used by pilots for flight planning, current aeronautical weather information, and the sale of food and beverages to General Aviation (vending machines and access to catering service).

4.2.3 The AvFuel FBO shall provide no other commercial aeronautical services or activities except as provided in its Lease or License.

An AvFuel FBO may either provide the requested Aircraft Airframe & Engine Repair and Maintenance, Flight Training and Aircraft Rental, Oxygen Service, Strut Inflation and Tire Inflation with Air and Nitrogen, Food Service, and Catering Service directly or by provision of an agreement with an Authority-

approved SASO on the Airport to provide such services. It will remain the ultimate responsibility of the AvFuel FBO to determine if such services will be available.

Article Six of these Minimum Standards includes a detailed description of the minimum aircraft airframe and engine repair and maintenance, flight training, and aircraft rental services that an FBO, or any SASO engaging in such activities, must provide. FBOs may also engage in other Commercial Aeronautical Activities as identified in its Lease or License.

4.3 Operational Minimums

An AvFuel FBO shall meet the following Minimum Standards specifically applicable to management, fueling operations and line service as well as general standards applicable to all FBOs and SASOs (set out in Article 1) and additional standards (set out in Article 6) for any additional SASO activities provided:

4.3.1 In connection with aircraft fueling and line services:

4.3.1.1 Contracts for Delivery of Fuel

The AvFuel FBO shall demonstrate to the Salina Airport Authority's satisfaction that a reputable aviation fuel and lubricant distributor will provide the AvFuel FBO with an enforceable agreement to purchase fuel and oil in quantities necessary to meet the requirements set forth herein. The FBO shall maintain an adequate inventory of at least one brand and two generally accepted grades: Aviation Gasoline (AVGAS, 100 Low Lead) and Jet Fuel (Jet-A) of aviation fuel, engine oil and lubricants. The Av-Fuel FBO shall also negotiate in good faith with air carriers serving the Airport, to permit storage of air carrier fuel in FBO tanks subject to reasonable terms and conditions including the charging of an into-aircraft service charge. Agreements at other airports in Kansas may be used as precedent to determine if terms and conditions are reasonable.

4.3.1.2 Calculation of Fuel Flowage

Aviation fuels and oils delivered to the Operator by a vendor will be considered by the Airport Authority to be fuels and oils dispensed for the purpose of calculating rates or charges under its Lease and License.

4.3.1.3 Hours of Operation for Fuel Sales

Sales of fuel and lubricants and into-plane delivery of aviation fuels, lubricants, and other related petroleum products shall be available at a minimum of eighteen (18) hours per day beginning no later than 6:00 a.m., seven (7) days a week. The AvFuel FBO shall be available during other than its regular business hours on an "on-call" basis with a maximum response time of two (2) hours. If contracted to do so, the AvFuel FBO will meet all scheduled Air Carrier Aircraft requiring such fuels and lubricating oils, assuring the Aircraft is enabled to meet all turnaround times and schedules.

4.3.1.4 Minimum Equipment

The AvFuel FBO shall provide mobile fuel dispensing equipment which displays approved FAA markings and signage capable of servicing, in an efficient and safe manner, all types of commercial and general aviation aircraft that use the Airport. The AvFuel FBO shall have two (2) metered, filter equipped refueling vehicles for dispensing jet fuel with a capacity of at least 1,500 gallons each and one (1) metered, filter equipped refueling vehicle for dispensing AVGAS with a capacity of at least 750 gallons. The AvFuel FBO shall have storage tanks with a minimum capacity of 10,000 gallons of AVGAS and 20,000 gallons of jet fuel. A separate dispensing pump for each grade of fuel is required.

4.3.1.5 Individual in Charge

The individual managing the operations of the AvFuel FBO shall have at least five (5) years experience in the period of eight (8) years immediately preceding such application, having been engaged in the business

of a Fixed Base Operator on an Airport at least equal in size, facilities, and activity as the Salina Regional Airport.

4.3.1.6 Safety of Fueling Operation

In conducting fueling operations, the AvFuel FBO shall install and use adequate electrical grounding facilities at fueling locations to eliminate the hazards of static electricity and shall provide approved types of fire extinguishers or other equipment commensurate with the hazard involved with fueling, defueling and servicing aircraft. All such safety and operational requirements for the storage, handling and dispensing of aviation-grade fuels shall be governed by the applicable National Fire Protection Association (NFPA), including NFPA Manual 407, "Aircraft Fuel Servicing," and any additional fire code adopted by the City of Salina. Fire suppression systems for fuel storage defined as discretionary by NFPA and UFC regulations shall consist of Fire Rated tanks. All AvFuel FBO fueling services and systems shall be subject to inspection for fire and other hazards by the Executive Director or other representative of the Airport Authority, by the State Oil Inspector, and by the appropriate State and local fire agency. The AvFuel FBO shall be responsible to perform all fuel system equipment maintenance (both periodic and on-demand) and inspection in a manner that meets NFPA, National Air Transport Association (NATA), FAA, and all applicable State and local standards. Further, the AvFuel FBO shall be in full compliance with fire codes and federal, state and local laws, ordinances, rules and regulations pertaining to fire safety. The AvFuel FBO shall have spill kits immediately available and shall maintain a spill prevention and control plan in accordance with applicable federal, state, and local laws, rules and regulations.

4.3.1.7 Fuel Quality

The AvFuel FBO shall take all precautions necessary to ensure that only non-contaminated fuel is delivered into the aircraft serviced. Fuel delivered shall be clean, bright, pure and free of microscopic organisms, water or other contaminants. Quality control of the fuel is the responsibility of the AvFuel FBO. The AvFuel FBO shall maintain current fuel reports on file and shall make available, upon written notice, to the Executive Director those records during normal business hours. Fueling service by the AvFuel FBO shall be in full compliance with federal, state, and local laws and regulations including American Petroleum Institute quality control standards, and Air Transport Association Specification 103 ("ATA 103"). Compliance shall also include the proper fire protection and electrical grounding of aircraft during fueling operations, and operate in compliance with safety requirements as set forth and as amended from time to time in the Airport Rules and Regulations.

4.3.1.8 Additional line services

Servicing of aircraft shall include generally expected services such as cleaning of the interior and exterior of aircraft and catering. The AvFuel FBO shall provide proper equipment for repairing and inflating aircraft tires, servicing struts, servicing oxygen systems, washing aircraft and aircraft windows, and recharging or energizing discharged aircraft batteries and starters.

4.3.1.9 Waste disposal

The AvFuel FBO shall provide for adequate and sanitary handling and disposal, away from the Airport, of all trash, waste, and other materials, including but not limited to used oil, solvents, lavatory cart contents and other waste. The piling or storage of crates, boxes, barrels and other containers or other items is not permitted outside of buildings located on the leased Premises.

4.3.1.10 Disabled Accident Removal

The AvFuel FBO shall be prepared to remove disabled aircraft from the movement areas of the AOA. It shall have personnel that are trained and have access to equipment, or be able to arrange for the equipment and/or services required, to remove damaged aircraft from the AOA movement areas. The

AvFuel FBO shall have personnel on call and able to respond to a damaged aircraft within one (1) hour of notification.

4.3.1.11 Ramp Parking, Tie-Down, Aircraft Storage and AvFuel FBO Ramp Assistance within the AvFuel FBO's leased premises

The AvFuel FBO shall have at least one (1) tug capable of towing up to a 50,000 pound aircraft, or the largest aircraft that regularly uses the AvFuel FBO's services on a monthly basis, whichever is greater. The AvFuel FBO shall have at least one (1) ground power unit, one (1) de-icing unit, one (1) lavatory cart, one (1) water cart, and adequate ground transportation vehicles capable of transporting passengers between the AvFuel FBO and the aircraft ramp. The AvFuel FBO shall have tow bars suitable for towing the General Aviation Aircraft normally frequenting the Airport. All equipment shall be maintained and operated in accordance with OSHA, local, and State industrial codes.

4.3.1.12 Rates and Charges

The AvFuel FBO's rates or charges to General Aviation users for aircraft parking, tie-down and storage shall be determined by the AvFuel FBO. Such rates or charges shall be fair, reasonable, and shall be equally and fairly applied to all users of the services without discrimination. All rates and charges for such services and products shall be filed, upon request, with the Executive Director.

4.3.1.13 Aircraft Tie-downs

The AvFuel FBO shall provide adequate tie-down facilities and equipment including ropes, chains, other types of restraining devices, and wheel chocks for the typical number and type of aircraft simultaneously using the AvFuel FBO during a peak period.

4.3.1.14 Employee Training

The AvFuel FBO shall provide properly trained personnel to perform all activities that the AvFuel FBO is required to perform under these Minimum Standards and its License. While on duty, personnel shall be clean, neat in appearance, courteous, and at all times properly uniformed. Personnel uniforms shall identify the name of the AvFuel FBO and shall be clean, professional, and properly maintained at all times. Management and administrative personnel shall not be required to wear uniforms.

4.3.1.15 Hangar Storage

The AvFuel FBO shall provide suitable hangar storage facilities constructed in accordance with the City of Salina building and construction standards.

4.3.2 In connection with aircraft airframe and engine repair and maintenance, the AvFuel FBO shall comply with all requirements for provision of aircraft airframe and engine repair and maintenance services as set out in Article Six of these Minimum Standards.

4.3.3 In connection with flight training and aircraft rental, the AvFuel FBO shall comply with all requirements for provision of flight instruction and aircraft rental services as set out in Article Six of these Minimum Standards.

4.4 Facility Requirements

Minimum land and improvements required for AvFuel FBO's shall be as follows:

4.4.1 The minimum land to be leased for an AvFuel FBO shall be two (2) acres including no less than five (5) acres of paved ramp space capable of regularly supporting the largest general aviation aircraft generally using the Airport, but not less than 12,500 pounds.

- 4.4.2** Building improvements shall be permanent in nature, shall contain at least 5,000 square feet for total AvFuel FBO operations (including office, lounge and hangar space) and may be contained in one or more buildings. The building area shall contain crew and passenger lounge facilities with clean, sanitary, heated and free public restrooms. At least one working telephone shall be provided for public use. In addition, each Av-Fuel FBO shall occupy at least one heated clear span hangar containing 28,500 square feet. This hangar shall be required to have a door opening of at least ninety four (94) feet in width and twenty six (26) feet in height and the hangar must be at least one hundred (100) feet deep.
- 4.4.3** On-site automobile parking space of an asphalt or concrete paved surface shall be provided in compliance with parking standards and requirements of the City of Salina building and zoning codes as amended from time to time. Proper signage shall also be installed.
- 4.4.4** All paving and buildings shall comply with the then current City of Salina building, development and construction standards and shall be approved in writing by the Airport Authority before construction begins.
- 4.4.5** Upon completion of construction, the AvFuel FBO shall provide to Airport management three sets of as-built drawings with at least one of them electronically in AutoCAD or other acceptable format.

ARTICLE FIVE:

RETAIL SELF SERVICE FUELING

OPERATOR (RSFO)

5.1 Statement of Concept

A Retail Self Service Fueling Operator engages in providing essential and specialized aircraft services to aircraft owners, pilots and passengers. The minimum levels of essential services are purposely set at a lower level than the minimum requirements for a Fixed Base Operator. The purpose of the RSFO is to service the needs of a smaller segment of the aviation market by providing Aviation Gasoline (AVGAS) with a fixed hydrant delivery system designed to allow individual aircraft Operators to self-fuel their own aircraft. The RSFO is not permitted to sell Jet Fuel. If the RSFO desires to sell both grades of aviation fuel, then the RSFO must meet the requirements set forth in Article Three: Fixed Base Operator (FBO).

5.2 Services Provided

A Retail Self Service Fueling Operator (RSFO) shall provide or enter into an agreement to provide all of the following essential services to the public at fair and reasonable rates and charges and without unjust discrimination:

5.2.1 Provide Aviation Gasoline (AVGAS) with a fixed hydrant delivery system designed to allow the individual aircraft Operator to self fuel their own aircraft.

5.2.2 Aircraft Line Services:

5.2.2.1 Ramp parking

5.2.3 A Retail Self Service Fueling Operator may either provide the two (2) required SASO services directly or by provision of an agreement with an Airport Authority-approved SASO on the Airport to provide such services. It will remain the ultimate responsibility of the RSFO to ensure such services will be available.

5.2.4 Article Six of these Minimum Standards includes a detailed description of the minimum requirements for the two (2) selected SASO services that all RSFOs are obligated to provide. RSFOs may also engage in other Commercial Aeronautical Activities as identified in its License.

5.3 Operational Minimums

A Retail Self Service Fueling Operator (RSFO) shall meet the following Minimum Standards specifically applicable to management, fueling operations, and line service as well as general standards (set out in Article One) and any further standards (set out in Article Six) for the required additional SASO services provided:

5.3.1 In connection with aircraft fueling and line services:

5.3.1.1 Contracts for Delivery of Fuel

The RSFO shall demonstrate, to the Airport Authority's satisfaction that a reputable aviation gasoline distributor will provide the RSFO with an enforceable agreement to purchase fuel in quantities necessary to meet the requirements set forth herein. The RSFO shall maintain an adequate inventory of Aviation Gasoline (Avgas, 100 Low Lead) to meet the public demand.

5.3.1.2 Calculation of Fuel Flowage

Aviation fuels delivered to the Operator by a vendor will be considered by the Airport Authority to be fuels dispensed for the purpose of calculating rates or charges under its Lease and License.

5.3.1.3 Hours of Operation for Fuel Sales

Sales of fuel and into plane delivery of aviation fuel shall be available 24 hours per day, seven (7) days a week. A 24-hour response telephone number shall be clearly posted and respond within two (2) hours.

5.3.1.4 Minimum Equipment

The RSFO shall provide fixed hydrant fuel dispensing equipment that is properly marked and lit and capable of servicing one (1) general aviation aircraft in an efficient and safe manner. Dispensing units are to be individually metered and filter equipped. The RSFO shall have on-site fuel storage tanks having a minimum capacity of 1,000 gallons of AVGAS.

5.3.1.5 Customer and System User Instructions

The RSFO shall post adequate operating and safety instruction for all customers and system users consistent with all applicable guidelines from the National Fire Protection Association (NFPA) and the FAA regarding the handling and dispensing of AVGAS.

5.3.1.6 Safety of Fueling Operation

In conducting fueling operations, the RSFO shall install and use adequate electrical grounding facilities at fueling locations to eliminate the hazards of static electricity. It shall provide, and have readily available, approved types of fire extinguishers or other equipment commensurate with the hazard involved with fueling of aircraft. All such safety and operational requirements for the storage, handling and dispensing of aviation-grade fuel shall be governed by the applicable National Fire Protection Association (NFPA), Uniform Fire Code (UFC) regulations, and national and local fire codes. Fire suppression systems for fuel storage defined as discretionary by NFPA and UFC regulations shall consist of Fire Rated tanks. All RSFO fueling services and systems shall be subject to inspection for fire and other hazards by the Executive Director or other representative of the Salina Airport Authority, the State Oil Inspector, and the appropriate state and local fire agency. The RSFO shall be responsible to perform all fuel system equipment maintenance (both periodic and on-demand) and inspection in a manner that meets NFPA, National Air Transport Association (NATA), FAA, and all applicable State and local standards. Further, the RSFO shall be in full compliance with fire codes and federal, state, and local laws, ordinances, rules and regulations pertaining to fire safety. The RSFO shall have spill kits immediately available and shall maintain a spill prevention and control plan in accordance with applicable federal, state, and local laws, rules and regulations.

5.3.1.7 Fuel Quality

The RSFO shall take all precautions necessary to ensure that only non-contaminated fuel is delivered into the aircraft serviced. Fuel delivered shall be clean, bright, pure, and free of microscopic organisms, water, or other contaminants. Quality control of the fuel is the responsibility of the RSFO. The RSFO shall maintain current fuel reports on file and available for auditing at anytime by the Airport Executive Director. Fueling service by the RSFO shall be in full compliance with federal, state, and local laws and regulations including Air Transport Association Specification 103 (ATA 103).

5.3.1.8 Waste disposal

The RSFO shall provide for adequate and sanitary handling and disposal, away from the Airport, of all trash, waste, and other materials. The piling or storage of crates, boxes, barrels, other containers, or other items is not permitted outside buildings located on leased premises.

5.3.1.9 Ramp Parking, Tie-Down, Aircraft Storage

The RSFO shall provide ramp parking for at least two (2) transient aircraft.

5.3.1.10 Rates and Charges

The RSFO's rates or charges to General Aviation users shall be determined by the RSFO. Such rates or charges shall be fair and reasonable, and equally and fairly applied to all users of the services without discrimination. All rates and charges for such services and products shall be files, upon request, with the Executive Director.

5.3.1.11 Employee Training

The RSFO shall provide properly trained personnel. Both initial and recurrent training shall be provided to each on duty employee. Personnel shall be clean, neat in appearance, courteous, and at all times properly uniformed. Personnel uniforms shall identify the name of the RSFO and shall be clean, professional, and properly maintained at all times. Management and administrative personnel, if applicable, shall not be required to wear uniforms.

- 5.3.2** In connection with the required additional Specialized Aviation Service Operator (SASO) services, The RSFO shall comply with all requirements for provision of the two (2) required additional SASO services as set forth in Article Six of these Minimum Standards.

5.4 Facility Requirements

Minimum land and improvements required shall be as follows:

- 5.4.1** The minimum land to be leased for a Retail Self Service Fueling Operation shall be one acre (43,560 square feet), including not less than 22,500 square feet of paved ramp space.
- 5.4.2** Building improvements shall be permanent in nature, contain at least 12,500 square feet for total RSFO operations (including office, lounge and hangar space), and may be contained in one or more buildings. At a minimum, 2,500 square feet of building area shall contain crew and passenger lounge facilities with clean, sanitary, heated and free public restrooms. At least one working telephone shall be provided for public use. Other facility and building requirements shall be dictated by the minimum space requirements determined for each of the two (2) additional SASO services to be provided by the RSFO. If an existing facility suitable for the required additional SASO services is not available, the RSFO shall finance and build its own facility.
- 5.4.3** All paving and building shall comply with the then current City of Salina building, development and construction standards and shall be approved in writing by the City before construction begins.
- 5.4.4** Upon completion of construction, the RSFO shall provide to the Executive Director three sets of as-built drawings with at least one of them electronically in AutoCAD or other acceptable format.

ARTICLE SIX:

SPECIALIZED AVIATION
SERVICES OPERATOR (SASO)

6.1 Aviation Repair Services SASO (Avionics, Painting, Upholstery, Propellers, Instruments, Aircraft Modification, Accessories, etc.)

6.1.1 Statement of Concept

This category of SASO provides for specialized commercial aircraft repair services capable of providing an FAA certified shop, or a combination of shops, for the repair and installation of aircraft radios, propellers, instruments, and accessories for general aviation aircraft. This SASO may furnish one, or if desired, any combination of these services. This category includes the sale of new and/or used aircraft radios, propellers, instruments and accessories.

6.1.2 Minimum Standards

- 6.1.2.1** This SASO shall lease or sublease an area, existing or adequate to erect a building, providing a minimum of 4,900 square feet of floor space to hangar at least one (1) aircraft, house all equipment, and additional floor space for an office, shop, restrooms, customer lounge and telephone facilities for customer use. If painting operations are contemplated, the SASO shall provide a separate paint shop that meets all applicable safety requirements. The Airport Authority will provide paved automobile parking or other acceptable all weather surface and a paved aircraft apron, all within the leased area, and sufficient to accommodate this SASO's services unless otherwise stated in a lease or license agreement.
- 6.1.2.2** This SASO shall maintain, as necessary, the repair station certificates as required by the FAA which are applicable to the operation or operations contemplated. The avionics portion of the services offered must maintain current qualifications of Class I and Class II FAA designated repair station or facility.
- 6.1.2.3** This SASO shall have its services available (defined as on the Airport or available via telephone or cellular phone) eight (8) hours per day, five (5) days per week. Hours of operation shall be posted.
- 6.1.2.4** This SASO shall have in its employ, and on duty during the required operating hours, trained personnel currently certified in the services to be performed (such as FAA radio, instrument or propeller repairmen) in such numbers as are required to provide services in an efficient manner.

6.2 Specialized Commercial Flying Services SASO

6.2.1 Statement of Concept

This category of SASO engages in specialized commercial flying services for hire for the purpose of providing the use of aircraft, manned or unmanned (i.e. UAS and sUAS), for any of the services listed below:

- 6.2.1.1** Crop dusting, seeding, or spraying
- 6.2.1.2** Aerial photography or survey
- 6.2.1.3** Power line, underground cable or pipeline patrol
- 6.2.1.4** Construction
- 6.2.1.5** Emergency Management
- 6.2.1.6** Public Safety

6.2.1.7 Any operations, other than sightseeing, specifically excluded from Part 135 of the Federal Aviation Regulations

6.2.2 Minimum Standards

6.2.2.1 In the case of crop dusting, aerial application, or other commercial use of chemicals, this SASO shall provide a centrally drained, paved area adequate for all aircraft loading, unloading, washing and servicing. This area must be built and operated in full compliance with all applicable federal, state, and local laws and regulations, specifically including, but not limited to, the USEPA, Kansas Department of Public Health and Environment, and the City of Salina's regulations governing such activities. This SASO shall also provide for the safe storage and containment of all chemical materials. Such facilities will be in a location designated by the Airport Authority on the Airport which will provide the greatest safeguard to the public. Material Safety Data Sheets (MSDS) are required to be onsite and two copies shall be provided to the Airport Executive Director. This SASO shall provide tank trucks for the handling of liquid spray and mixing liquids. Moreover, this SASO shall provide aircraft suitably equipped for agricultural operations and shall take all safeguards against spillage on runways, taxiways, or dispersal by wind to any area of the Airport.

6.2.2.2 This SASO shall provide and have based on its leasehold, either owned or under written lease to the SASO, not less than one (1) airworthy aircraft suitably equipped for, and meeting all the requirements of, the FAA with respect to the type of operation to be performed.

6.2.3 This SASO must provide, by means of an on or off-Airport office or a telephone, a point of contact for the public desiring to utilize this SASO's services.

6.2.4 This SASO shall have, in its employ, trained personnel in such numbers as may be required to meet the minimum standards herein set forth in an efficient manner.

6.2.5 In the case of UAS and sUAS operations, this SASO shall have, in its employ, trained personnel in accordance with FAR Part 107 and applicable local, state, federal regulations in such numbers as may be required to meet the minimum standards herein set forth in an efficient manner.

6.2.6 In the case of UAS and sUAS operations, this SASO shall comply with all 14 CFR Part 107 operating limitations.

6.2.7 In the case of UAS and sUAS operations, this SASO shall obtain a signed Letter of Agreement with the Airport and SLN ATCT to operate to and from on Airport property.

6.2.8 In the case of UAS and sUAS operations, a FAA approved Certificate of Waiver shall be obtained for any UAS and sUAS operations that deviates from 14 CFR Part 107 operations limitations.

6.3 Flight Training SASO

6.3.1 Statement of Concept

This category of SASO engages in commercial flight training, instructing pilots in dual and solo flight operations, in fixed and/or rotary wing aircraft, in land or sea aircraft, and in providing such related ground school instruction as is necessary to prepare persons for taking a written examination and flight check for the category or categories of pilots' licenses and rating involved.

6.3.2 Minimum Standards

- 6.3.2.1** The SASO must lease at least one aircraft tie-down or own/lease hangar space. The SASO may sub-lease these facilities from an approved Airport tenant. In addition, they must provide at least 150 square feet of properly lighted and heated floor space for a classroom/briefing room, office space and restrooms. This space may be subleased and/or shared with other approved Airport SASOs.
- 6.3.2.2** If this SASO prefers to build a hangar for aircraft storage the SASO shall lease or sublease an area, adequate to erect a building or buildings, containing a minimum of 4,900 square feet to provide for aircraft storage, space for office, classroom, briefing room, pilot lounge, restrooms and telephone facilities for customer use. The Airport Authority will provide paved automobile parking or other acceptable all weather surface and a paved aircraft apron, all within the leased area and sufficient to accommodate the SASO's services and operations unless otherwise stated in a lease or license agreement.
- 6.3.2.3** This SASO shall have available for use in flight training, either owned or under written lease to the SASO, a sufficient number of aircraft properly certificated to handle the proposed scope of its student operation, but not less than one (1) properly certificated aircraft.
- 6.3.2.4** The SASO shall have its services available (defined as on the Airport or available via telephone or cellular phone) eight (8) hours per day, seven (7) days per week.
- 6.3.2.5** This SASO shall have available, on a full-time basis, at least one (1) ground and flight instructor who has been currently certificated by the FAA to provide the type of ground training offered.

6.4 Aircraft Sales SASO (New and/or Used)

6.4.1 Statement of Concept

This category of SASO engages in commercial aircraft sales of new and/or used aircraft through franchises, licensed dealership, or distributorship (either on a retail or wholesale basis) of an aircraft manufacturer or otherwise. This SASO also engages in providing such repair, services, and parts as necessary to meet any guarantee or warranty on new and/or used aircraft sold.

6.4.2 Minimum Standards

- 6.4.2.1** This SASO shall provide at least 150-square feet of properly lighted and heated floor space for office space and restrooms. This space may be subleased and or shared with other approved Airport Operators. The Airport Authority will provide paved automobile parking or other acceptable all weather surface and a paved aircraft apron, all within the leased area and sufficient to accommodate the SASO's services and operations unless otherwise stated in a lease or license agreement.
- 6.4.2.2** This SASO shall provide necessary and satisfactory arrangements for the repair and servicing of aircraft, but only for the duration of any sales guarantee or warranty period. Servicing facilities may be provided through written agreement with a repair shop operation at the Airport. This SASO shall provide an adequate inventory or availability of spare parts, within 24 hours or less, particular the type of new aircraft for which sales privileges are granted.
- 6.4.2.3** This SASO shall have its services available on a basis consistent with its franchise agreement.

6.5 Aircraft Airframe and Engine Repair and Maintenance SASO

6.5.1 Statement of Concept

This category of SASO engages in commercial aircraft airframe and engine repair and maintenance, providing one (or a combination of) airframe and power plant repair services with at least one (1) person currently certified by the FAA with ratings appropriate to the work being performed. This category of aeronautical services shall also include the sale of aircraft parts and accessories.

6.5.2 Minimum Standards

6.5.2.1 This SASO shall lease or sublease an area, existing or adequate to erect a building, providing at least 4,900 square feet of floor space for airframe and power plant repair services and adequate floor space for office, restrooms, customer lounge and telephone facilities for customer use. The Airport Authority will provide paved automobile parking or other acceptable all weather surface and a paved aircraft apron, all within the leased area and sufficient to accommodate the SASO's services and operations unless otherwise stated in a lease or license agreement.

6.5.2.2 This SASO shall provide sufficient equipment, supplies and availability of parts equivalent to that required for certification as a FAA approved repair station.

6.5.2.3 This SASO shall have its services available eight (8) hours per day five (5) days per week.

6.5.2.4 This SASO shall have in its employ (and on duty during the required operating hours) trained personnel in such numbers as are required to meet the minimum standards set forth in an efficient manner, but never less than one (1) person currently certified by the FAA with rating appropriate to the work being performed and who holds an airframe, power plant, or an aircraft inspector rating.

6.6 Aircraft Rental SASO

6.6.1 Statement of Concept

This category of SASO engages in the commercial rental of aircraft to the public.

6.6.2 Minimum Standards

This SASO must lease at least one (1) aircraft tie-down and/or own/lease hangar space. This SASO may sub-lease these facilities from an approved Airport tenant. In addition, this SASO shall provide at least 150-square feet of properly lighted and heated floor space for office space and restrooms. This space may be subleased and or shared with other approved Airport SASO's. The Airport Authority will provide paved automobile parking or other acceptable all weather surface and a paved aircraft apron, all within the leased area and sufficient to accommodate the SASO's services and operations unless otherwise stated in a lease or license agreement.

6.6.2.1 This SASO shall have available for rental, either owned or under written lease to Operator, a sufficient number of aircraft properly certified to handle the proposed scope of its operation.

6.6.2.2 This SASO shall have its service available eight (8) hours per day seven (7) days per week.

6.6.2.3 This SASO shall have trained personnel available in such numbers as are required to meet the minimum standards set forth in an efficient manner.

6.7 Aircraft Charter, Air Taxi Service, Sightseeing and Aircraft Management SASO

6.7.1 Statement of Concept

This category of SASO engages in any of the following:

- Aircraft charter and air taxi operations by providing air transportation (persons or property) to the public for hire, either on a charter basis or as an Air Taxi Operator, as defined in the Federal Aviation Act of 1958, or as said Act may be amended from time to time
- Nonstop sightseeing flights that begin and end at the Airport
- Management of aircraft for aircraft owners

6.7.2 Minimum Standards

6.7.2.1 This SASO shall lease or sublease an area existing or adequate to provide for aircraft storage. Such space shall include an area to erect a hangar containing not less than 4,900 square feet of floor space for aircraft storage, office, restrooms, customer lounge, and telephone facilities for customer use. The Airport Authority will provide paved automobile parking or other acceptable all weather surface and a paved aircraft apron, all within the leased area and sufficient to accommodate the SASO's services and operations unless otherwise stated in a lease or license agreement.

6.7.2.2 This SASO shall have available for hire, either owned or under written lease to SASO, at least one (1) four-place aircraft equipped for and capable of use in instrument conditions or a sufficient number of aircraft properly certificated to handle the proposed scope of its operation.

6.7.2.3 This SASO shall have its services available eight (8) hours per day, seven (7) days per week; and shall provide on-call service during hours other than the aforementioned.

6.7.2.4 This SASO shall have trained personnel in its employ and on duty during the required operating hours in such numbers as are required to meet the minimum standards set forth in this category in an efficient manner and otherwise appropriately rated to permit the flight services offered by this SASO. This SASO shall have available sufficient, qualified operating crews and a satisfactory number of personnel for checking in and ticketing passengers, handling of luggage, and for furnishing or arranging suitable ground transportation. This SASO shall provide reasonable assurance of continued availability of qualified operating crews and approved aircraft within a reasonable or maximum notice period.

6.7.2.5 Non-scheduled Air Taxi and aircraft management companies providing service to and from the Airport, but not based on the Airport, are exempt from these Minimum Standards.

6.8 Flying Club SASO

6.8.1 Statement of Concept

This category of SASO is for the purpose of fostering and promoting flying for pleasure, developing skills in aeronautics including pilotage, navigation, awareness, and appreciation of aviation requirements and techniques. All flying clubs desiring to base their aircraft and operate at the Airport must comply with

these requirements.

6.8.2 Minimum Standards

- 6.8.2.1** This SASO shall be a registered not for profit or non-profit corporation, association or other entity organized for the primary purpose of providing its members with aircraft for their personal use and enjoyment only. The property rights of the members of the club shall be equal and no part of the net earnings of the club will lead to the benefit of any member in any form (salaries, bonuses, etc.). Flying Club SASOs may not derive greater revenue from the use of its aircraft than the amount necessary for the operations, maintenance and replacement of its aircraft.
- 6.8.2.2** This SASO may not offer or conduct charter, air taxi, aircraft rentals, or any other form of commercial aeronautical activity. They may not conduct aircraft flight instruction except for regular members, and only members of the flying club may act as pilot in command of the aircraft except when receiving dual instruction.
- 6.8.2.3** Members may compensate other members for flying services; however, no service can be performed for the benefit of a non-member, except for occasional operations conducted pursuant to FAR Part 91 when the costs are shared with the member.
- 6.8.2.4** Any qualified mechanic and/or flight instructor, who is a registered member and part owner of the aircraft owned and operated by the flying club SASO, shall not be restricted from doing maintenance and/or giving instruction in aircraft owned by the club. Mechanics and instructors may be compensated by credit against payment for dues or flight time or by direct payment for services, provided however that the mechanic or instructor is not a full time employee of the club.
- 6.8.2.5** All Flying Club SASOs and their members are prohibited from leasing or selling any goods or services whatsoever to any person or firm other than a member of such club at the Airport, except that said flying club may sell or exchange its capital equipment. Nothing in this paragraph is intended to prohibit occasional events or activities intended to raise funds for the operation of the club, which if conducted on the Airport must have the prior approval of the Airport Executive Director.
- 6.8.2.6** A Flying Club SASO shall abide by and comply with all applicable federal, state and local laws, ordinances, regulations, the Rules and Regulations of the Airport, and these Minimum Standards.
- 6.8.2.7** This SASO, with its request for a License, shall furnish the Airport Authority with a copy of its by-laws, articles of incorporation/association, or other documentation supporting its existence.
- 6.8.2.8** Flying Club SASOs, upon request by the Airport Authority, shall provide satisfactory evidence of all club income, expenses, and evidence of ownership of aircraft. Such request shall be made by the Airport Authority upon reasonable cause.

6.9 Commercial Hangar Operator SASO

6.9.1 Statement of Concept

This category of SASO is for an entity that owns or leases a hangar structure(s) for the purpose of leasing or subleasing a hangar and associated office or shop space to entities engaging in commercial or non-

commercial Aeronautical Activities.

6.9.2 Minimum Standards

6.9.2.1 This SASO may use its premises for the following purposes:

- The SASO's own use, primarily for its Aircraft and/or equipment
- The leasing or subleasing of hangar and associated office and shop space, which can be used for approved commercial or non-commercial Aeronautical Activities

6.9.2.2 A SASO engaging in this activity shall have adequate land, apron, vehicle parking, and facilities to accommodate all activities of the Operator and all approved tenants. All required improvements including, but not limited to, apron/paved tie-down, vehicle parking, roadway access, landscaping, and all facilities shall be located on contiguous land or in the general vicinity of the leased area and as approved by the Executive Director which shall be described in the Lease or License. Apron/paved tie-down shall be adequate, as determined by the Executive Director, to accommodate the movement of aircraft into and out of the hangar, staging and parking areas.

6.10 Temporary Specialized Aviation Service Operator SASO

6.10.1 Statement of Concept

Aircraft operators using the Airport may require specialized assistance with the maintenance of their Aircraft and/or flight training of their pilots. When assistance is not available on the Airport through an existing approved Operator due to either the specialized nature of the maintenance and/or flight training requirements, the Executive Director may allow an Aircraft operator to solicit and utilize the services of a qualified entity to provide said services.

6.10.2 Minimum Standards

This SASO shall conduct Activity on and from the premises of the Aircraft operator in a first-class manner consistent with the degree of care and skill exercised by experienced Operators providing comparable products and services and engaging in similar activities.

6.10.2.1 The Aircraft operator must submit a request to the Executive Director on behalf of this SASO which shall then obtain a 30-day temporary License from the Executive Director prior to engaging in activity on the Airport. This SASO must meet those requirements of these Minimum Standards that the Executive Director deems reasonable under the circumstances, including insurance requirements applicable to the type of service being provided.

6.10.2.2 Aircraft operators requiring after-hour or weekend service by a Temporary SASO must notify the Executive Director prior to the Temporary SASO engaging in activities on the Airport.

6.10.2.3 Aircraft operators are responsible for assuring compliance with all Airport Rules and Regulations by the Temporary SASO while on the Airport.

The Temporary SASO shall have and provide to the Executive Director evidence of all federal, state and local licenses and certificates that are required for the services to be provided on the Airport.

ARTICLE SEVEN:
OFF-AIRPORT ACCESS

7.1. Statement of Concept

This Article shall be known and may be cited as the Salina Regional Airport Access Policy or the "Access Policy." This Access Policy shall apply to any person or entity desiring aeronautical access to the runways and taxiways of the Airport from property adjacent to the Airport, but not a part of or owned by the Airport. Access approval is conditioned upon the possession of an executed Access Agreement that stipulates terms and conditions including permitted activities and proscribed uses. The Authority is not required to allow aeronautical access to a party desiring to enter the AOA of the Airport from an off-Airport location. The Salina Airport Authority is obligated under FAA Grant Assurances to ensure that the following conditions are included, at a minimum, in any such Access Agreement:

- 7.1.1.** Any Access Agreement shall require compliance with any existing and/or future Grant Agreement between the FAA and Authority; and include the ability to cancel such Agreement for non-conformance with these Grant Assurances.
- 7.1.2.** The Authority shall seek a fair share recovery of initial and continuing costs of providing a public use landing area. The establishment of rates, fees, charges, and the like should be set at levels no lower than those for comparable on-Airport property, which do not give an unfair competitive advantage to the off-Airport party, and be in conformance with FAA Grant Assurances.
- 7.1.3.** The Authority shall not be precluded in their rights and powers nor be placed in a position that might result in a violation of exclusive rights prohibitions of FAA Grant Assurances.
- 7.1.4.** There shall not be any actual or proposed development or use of land and facilities contrary to the approved ALP.

7.2. Access Right

Airport access to Off-Airport Users is not an obligation of the Authority. Access to the Airport may be granted to Off-Airport Users subject to the terms and conditions of this Article Five and of the Access Agreement granted to each Off-Airport User. The access granted shall be for the purpose(s) as defined in the Access Agreement so that it will have access to the Airport taxiways leading to runways, for the purpose of maneuvering, taking off, and landing of Aircraft. The access right may be revoked by the Airport Authority for failure to comply with the provisions of these Articles, Airport Rules and Regulations, Storm Water Management Plan, terms of its Access Agreement, or other policies and provisions of the Airport, or as required by any federal or state oversight action including but not limited to FAA, HLS, TSA, and KDOT.

7.3. Off-Airport Parcel Uses: Access Taxiways: Permitted and Prohibited

7.3.1. Access Area

The Authority, FAA, State of Kansas Division of Aeronautics, or any other regulatory authority shall have the right to enter the Access Area to inspect or perform other regulatory requirements. All safety and operational rules and regulations applicable to the operation of the Airport shall be applicable to the Access Area.

7.3.2. Access Taxiway Construction

An Off-Airport user shall construct Access Taxiways to connect its parcel with Airport taxiways. The number, exact location and configuration of the Access Taxiways will be determined from time to time by the Off-Airport User. Plans and specifications for Access Taxiways shall be approved by the Authority and FAA prior to construction. Access Taxiways shall be built to FAA design standards and shall be designed and constructed to meet the same standards for taxiway construction as those for Airport taxiways.

7.3.3. Transfer & Maintenance of Improvements

After completion of construction, inspection, and approval by the Airport Authority, that portion of the Access Taxiway on Airport property shall be dedicated to the Airport Authority and maintained by the Airport Authority. Upon demand, Off-Airport Users shall reimburse the Airport Authority for cost of said pavement area maintenance. Those portions of Access Taxiways off the Airport property shall be maintained by the Off-Airport User in accordance with commercial aviation standards for maintenance of public taxiways.

7.3.4. Permitted Uses

An Off-Airport User shall only be permitted to conduct aviation activities from Off-Airport Parcels which are defined in the Access Agreement. Activities on Off-Airport Parcels are subject to all City of Salina and/or Saline County zoning ordinances and land use regulations as applicable.

7.3.5. Self-Fueling

Self-fueling operations on an Off-Airport Parcel are subject to written agreement with the Airport Authority.

7.3.6. Development Plan Compliance

Development and improvements on Off-Airport Parcels that access the Airport must be in compliance with the Airport Authority's Airport Master Plan and Airport Layout Plan and as they are amended. Off-Airport Users shall also submit Form 7460-1 to FAA prior to placing or constructing any building or other structure on the Off-Airport Parcel.

7.3.7. Residential Access

Access to the Airport from Off-Airport Parcels used for residential purposes shall not be permitted.

7.4. Access Agreement

7.4.1. Application; Granting of Access

Any Off-Airport User who desires access to the Airport from an Off-Airport Parcel shall apply to the Airport Authority for an Access Agreement. The Off-Airport User shall deliver to the Executive Director a survey plan of the Access Area, including a computation of the size of the Access Area in square footage on the Off-Airport Parcel. Additional information will be provided as detailed in the application, and the Off-Airport User shall clearly show how he/she intends on complying with the Airport Master Plan and ALP.

7.4.2. Conditions for Granting; Access Agreement Granted

Airport Authority's staff and the Executive Director shall review the application for compliance with the Airport Master Plan, ALP, and other requirements as set forth in this Article. If issued, the Access Agreement shall continue in accordance with the negotiated terms as defined in the Access Agreement or until it expires or is revoked or terminated by the Airport Authority for cause as described below. Said Agreement is renewable with the prior written approval of the Authority.

7.4.3. Assignment of Access Agreement

The Access Agreement may not be sold, transferred or assigned without the prior written approval of the Airport Authority.

7.4.4. Contents of Agreement; Amendment of Agreement

The Access Agreement shall specify the size of the Access Area and applicable fees and royalties to be charged pursuant to this Article. Applicable access fees may be found in the attached Airport Rates and Charges (Attachment 5) or in specific Access Agreements. An Off-Airport User shall have the right to change the Access Area on its Off-Airport Parcel from time to time only if said user notifies the Airport Authority of such change, provides a new survey of the revised Access Area, and applies for an Access Agreement for such revised Access Area. Said Agreement shall be issued if such revised access area complies with the provisions of this Article. The fee shall be adjusted appropriately due to any change in the Access Area. Any further access or change in existing access location(s) may not be allowed if it is in conflict with on-Airport future development plans. All on Airport activities will take priority over Off-Airport access.

7.4.5. Revocation; Reinstatement

The Airport Authority may revoke the Access Agreement of any Off-Airport User who does any of the following:

- Fails to pay its applicable fee or otherwise to comply with any provision of this Article, with such failure not being corrected within ten (10) days after written notice thereof is given by the Executive Director to such user
- Fails to pay prior to delinquency the lawfully assessed and levied City or County taxes on its Off-Airport Parcel
- As provided for in the Access Agreement. Any Access Agreement that has been revoked shall be reinstated upon payment of such fee, correction of any such non-compliance, or payment of such taxes plus all penalties and interest, as applicable. The Airport Authority reserves the right at their sole discretion to permanently revoke the Access Agreement, notwithstanding the provisions of this paragraph, if such revocation is due to multiple instances of non-compliance with this Article.

7.4.6. Post-revocation Hearing

In the event that an Access Agreement is revoked, the permittee may request, in writing within 15 days of such revocation, a hearing before the Executive Director to appeal the revocation of the Access Agreement.

7.4.7. Prohibition Against Un-Permitted Access; Penalty

It shall be an unlawful trespass for any person to utilize an access right, or enter the AOA of the Airport from an off-Airport location for aeronautical purposes, unless such person holds a valid Access Agreement.

7.4.8. Multiple Off-Airport Users; Single Parcels

Separate entities operating on common Off-Airport Parcels shall be treated as if operating on separate Off-Airport Parcels. Each entity shall apply for and obtain its own Access Agreement as outlined in this Article and shall be directly responsible for the associated fees. In the event that an Access Agreement has been entered into for several parcels within an adjacent property, all fees and conditions may be addressed in a single Access Agreement. In the event that any breach of the Access Agreement occurs, the Airport Authority, in their sole discretion, may deny access to the Airport for all or any of the parcels and lots within such adjacent property that have access to the Airport under such Access Agreement even if fewer than all of the owners of parcels or lots are in breach of the Agreement.

7.5. Access Agreement Fee; Time For Payment; Amount of Fee

7.5.1. Agreement Fee; Time of Payment

At the time of issuance of an Access Agreement, Off-Airport Users shall be charged a fee which shall be defined in the Access Agreement document. The fee shall be subject to late charges as established and from time to time revised by the Airport Authority if not paid within 10 days of the date due.

7.5.2. Agreement Fee; Amount

The annual fee for Airport access will be those amounts determined by the Airport Authority or as specifically defined in the Access Agreement and associated agreements. All fee amounts are subject to change.

ATTACHMENT 1:
REQUIRED GENERAL LEASE AND LICENSE CLAUSES

1. Premises to be operated for use and benefit of the public

The Operator agrees to operate any leased premises of Operator on the Airport for the use and benefit of the Public and to furnish good, prompt and efficient service, adequate to meet all demands for its service at the Airport.

2. Federal Requirements: Nondiscrimination

a. Operator agrees that in conducting its operations under the License it shall maintain and operate its facilities and services in compliance with all requirements imposed pursuant to the Airport and Airway Improvement Act of 1982, as amended, and any regulations issued there under, as well as all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said regulations may be amended.

b. Operator agrees: (1) that no person on the grounds of race, color, sex, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of any premises and facilities of Operator at the Airport, (2) that in the construction of any improvements on, over, or under such premises and facilities and the furnishing of services thereon, no person on the grounds of race, color, sex, creed or national origin shall be excluded from the participation in, denied the benefits of, or otherwise subjected to discrimination, (3) that Operator shall use any such premises and facilities in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said regulations may be amended.

c. Operator agrees that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, Nondiscrimination in Airport Aid Program, or otherwise approved by the FAA, to ensure that no person shall, on the grounds of race, creed, color, national origin, or sex, be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Operator assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this Subpart. Operator assures that it will require that its covered sub-organizations provide assurances to Operator that they similarly will undertake affirmative action programs and that they will require assurance from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

d. Operator agrees that it shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof, and shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Operator may make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

e. Operator agrees that no person shall be excluded from participation in, denied the benefits of, or otherwise discriminated against in the performance of this License on the grounds of race, color, national origin or sex, as provided in 49 CFR Part 23, Participation of Minority Business Enterprise in Department of Transportation Programs, or parallel regulations issued by the FAA.

f. Noncompliance with these nondiscrimination provisions after timely notice of noncompliance is provided to Operator by either the Cities or the U.S. Government, and Operator's failure to substantially remedy such noncompliance within a reasonable period, shall constitute a material breach of these provisions and this License. In the event of such noncompliance, the Cities shall have the right to

terminate this License and any estate created hereunder, without liability therefore, or at the election of the Cities or the United States, either or both shall have the right to judicially enforce such provisions.

3. Aircraft Service by Owner or Operator of Aircraft

No right or privilege granted herein shall serve to prevent persons operating aircraft on the Airport from performing any services on their own aircraft with their own regular employees and equipment (including, but not limited to, repair and maintenance); provided that the Airport Rules and Regulations and License provisions are followed.

4. No Exclusive Rights

Nothing herein contained shall be construed to grant or otherwise authorize the granting of an exclusive right to provide any aeronautical service to the public or to conduct any aeronautical activity on the Airport.

5. Airport Development

The Airport Authority reserves the right to further develop or improve the Airport as they see fit, without unreasonable interference or hindrance. If the physical development of the Airport requires the relocation of Operator-owned facilities during the any lease term, the Cities agree to provide a comparable location without any unreasonable interruption to the Operator's activities, and agree to relocate all Operator-owned buildings or provide similar facilities for the Operator at no cost to the Operator, except as amended by a written lease with the Operator.

6. Airport Authority Right to Maintain the Airport

The Airport Authority reserve the right (but shall not be obligated to the Operator) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport together with the right to direct and control all activities of the Operator in this regard.

7. Right of Flight

There is hereby reserved to Airport Authority, their successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of any leased premises of Operator on the Airport, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft using said airspace for landing at, taking off from or operating on the Salina Regional Airport.

8. Airport Obstructions or Other Hazards

The Operator expressly agrees for itself, its successors and assigns that it will (1) not erect nor permit the erection of any structure or object nor permit the growth of any tree on any leased premises of Operator on the Airport that violates 14 CFR Part 77 Surfaces; (2) not make use of any such leased premises in any manner which might interfere with operation or safety of the Airport or otherwise constitute a hazard; and (3) submit form 7460-1 and 7480-1 (if applicable) to the FAA at least 30 days prior to the construction of any structure or potential obstacle.

The Airport Authority reserve the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, and to prevent and abate any hazard or interference, including (1) the right to prevent the Operator from erecting, or permitting to be erected, any building or other structure on the Airport which, in the opinion of the Airport Authority, would limit the usefulness of the Airport or constitute a hazard to the aircraft, and (2) the right to enter upon leased premises and to remove the offending structure or object, abate the interference, or cut the offending tree, all of which shall be at the expense of the Operator.

9. Compliance with Laws, etc.

The Operator shall comply with the Airport Rules and Regulations, the Airport Security Plan, Airport Minimum Standards, and the Airport Operations Manual, as existing at the time the License is granted, or as amended from time to time thereafter at the Airport Authority sole discretion. The Operator shall comply with all federal, state and municipal laws, ordinances, codes and other regulatory measures (specifically including but not limited to all FAA and U.S. Environmental Protection Agency ("EPA") requirements) now in existence or, as may be hereafter modified or amended, applicable to the operation conducted. If the Operator fails to comply with this provision and the requirements referenced herein and such failure results in damage or expense to the Airport Authority, the Operator shall indemnify the Airport Authority for that damage or expense. Operator shall, at its sole cost and expense, pay all taxes, fees and other charges that may be levied, assessed or charged by any duly authorized agency.

10. Required Licenses and Certificates

The Operator shall procure and maintain during the term of the agreement all licenses, certificates, permits and other similar authorizations required for the conduct of its authorized business operations on the Airport.

11. Handling of Waste Liquids

No substances likely to impair the operation of sewage or drainage systems, or otherwise not permissibly placed in such sewage or drainage systems, shall be placed therein; nor shall oils, greases, detergents or other liquid wastes be disposed of by pouring on the ground. All rules, regulations, advisory publications or other requests issued by the United States EPA or competent governmental authority shall be complied with at all times, including but not limited to the installation of a grease and oil trap designed to catch all oils, greases, detergents, and other insoluble substances used in the maintenance and washing of the Operator's or the Operator's customers', aircraft. Installation of said trap shall conform to the recommended specifications of the USEPA, the State of Kansas, the City of Salina, any applicable special district, and the sewage operator.

12. Indemnification

a. In concert with and in addition to the insurance requirements set forth herein, Operator shall indemnify, protect, defend, and hold Airport Authority, their officers, employees, and agents, and their insurers, completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this License and/or the use or occupancy of any leased premises of Operator on the Airport, or the acts or omissions of Operator's officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death, or damage may occur, unless such injury, death or damage is caused by the sole negligence of the Airport Authority. Operator shall use counsel reasonably acceptable to the Cities in carrying out its obligations hereunder.

b. Airport Authority shall give Operator reasonable notice of any claims or actions against the Cities, which directly or indirectly affect Operator, and Operator, shall have the right to compromise and defend the same to the extent of its own interest.

c. Operator agrees that if a prohibited incursion into the Air Operations Area occurs, or the safety or security of the Air Operations Area, the Field and Runway Area, or other sterile area safety or security is breached by or due to the negligence or willful act or omission of any of Operator's employees, agents, or contractors and such incursion or breach results in a civil penalty action being brought against the Airport Authority by the U.S. Government, Operator will reimburse Airport Authority for all expenses, including attorney fees, incurred by Airport Authority in defending against the civil penalty action and for any civil penalty or settlement amount paid by Airport Authority as a result of such incursion or breach of airfield

or sterile area security. Airport Authority shall notify Operator of any allegation, investigation, or proposed or actual civil penalty sought by the U.S. Government for such incursion or breach. Civil penalties and settlement and associated expenses reimbursable under this paragraph include but are not limited to those paid or incurred as a result of violation of TSA Part 1542, Airport Security, TSA Part 1544, or FAR Part 139, Certification and Operations: Land Airports Serving Certain Air Carriers.

d. The provisions of this section shall survive the expiration or early termination of this License for matters arising before such expiration or early termination.

13. Right of Entry

a. Any official representative of the Airport Authority may enter upon any leased premises of Operator on the Airport during normal operating hours, and for any purpose incidental to, or connected with the performances of the Operator's obligations under this License or in the exercise of their function as a representative of the Airport Authority.

b. Further, any official representative of the Airport Authority may enter upon any leased premises of Operator on the Airport at any time in response to an emergency.

c. To facilitate 13.b above, the Operator shall either provide escrowed door keys, access codes, or the like to the Executive Director for any leased premises of Operator on the Airport, or accept responsibility and hold Airport Authority harmless for possible damage to such leased premises as a result of a forced entry by Airport Authority representatives in responding to an emergency.

14. Termination

Upon the expiration or other termination of a Lease or License, the Operator's rights to the premises, facilities, other rights, licensed services and privileges granted in this License shall cease, and the Operator shall, upon such expiration or termination immediately and peacefully surrender the same.

15. Assignment

All covenants, stipulations and provisions in a Lease or License shall extend to and bind the Operator's legal representatives, successors and assigns.

This Lease or License may not be assigned, without the prior written consent of the Salina Airport Authority, which shall be exercised in the Salina Airport Authority sole discretion after consideration of, among other things, the qualifications of the proposed assignee, the effect of the assignment on the Salina Airport Authority, and the effect of the assignment on competition at the Airport. Assignment shall not relieve the Operator from its obligations under the License unless expressly so stated in the Salina Airport Authority written consent.

As used herein, "assignment" means and includes, but is not limited to, (i) the grant or transfer of any right, title, possession, lien, encumbrance, security interest or other interest in, on or to any party of the stock or other ownership interest of Operator, (ii) grants or transfers to a single person or entity, including to any other person(s) and entity(ies) directly or indirectly controlled by it or which directly or indirectly control it, of any right, title, possession, lien, encumbrance, security interest or other interest in, on or to any part of the stock or other ownership interest of Operator, (iii) the grant or transfer of any right, title, lien, encumbrance, security interest or other interest in, on or to some or all of the income or profits (however they may be measured or defined, e.g., gross income, gross profit, operating profit, net profit) of Operator, and (iv) the grant or transfer of any right, title, lien, encumbrance, security interest or other interest in, on or to some or all of the cash flow (however it may be measured or defined) of Operator. If Operator shall assign or attempt to assign its interest in the whole or any part of this License in violation

of this Article, such assignment shall be void and this License shall thereupon automatically terminate. Airport Authority consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

16. Subordination

This Lease or License shall be subordinate to the provisions and requirements of any existing or future agreement between Salina Airport Authority, the State of Kansas, and the United States, relative to the development, operation or maintenance of the Airport. This License and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport, or the exclusive or nonexclusive use of the Airport by the United States, during the time of war or national emergency.

ATTACHMENT 2:
Minimum Insurance Requirements

Salina Regional Airport
For Commercial Aeronautical Activities

***Note:** In all cases, the minimum insurance requirements for each of the below-listed commercial aeronautical activities shall not be less than the maximum amount that may be recovered against the Airport Authority under the **Kansas Tort Claims Act**, (K.S.A. 75-6105, \$500,000 or as amended) whichever is greater.*

Fixed Base Operator (FBO)

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$500,000 per occurrence of combined single limit bodily injury and property damage.

Hangar Keeper's Liability - \$1,000,000 for each aircraft and 2,000,000 each loss.

Products & Completed Operations Liability - \$2,000,000 per occurrence.

Environmental Liability - \$1,000,000

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Retail Self Service Fueler (RSFO)

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$500,000 per occurrence of combined single limit bodily injury and property damage.

Hangar Keeper's Liability - \$1,000,000 for each aircraft and 2,000,000 each loss.

Products & Completed Operations Liability - \$2,000,000 per occurrence.

Environmental Liability - \$1,000,000

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Aviation Repair Services SASO (Avionics, Painting, Upholstery, Propeller, Instruments, Accessories, etc.)

Premises Liability - \$2,000,000 per occurrence of combined single limit for bodily injury and property damage.

Products & Completed Operations Liability for Repairs & Services and Parts not Installed
- \$1,000,000 per occurrence.

Hangar Keeper's Liability – \$1,000,000 for each aircraft and 2,000,000 each loss.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Specialized Commercial Flying Services SASO

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$2,000,000 per occurrence of combined single limit for bodily injury and property damage.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Flight Training SASO

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$2,000,000 per occurrence of combined single limit for bodily injury and property damage.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Aircraft Sales SASO (New and/or Used)

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$2,000,000 per occurrence of combined single limit for bodily injury and property damage.

Products & Completed Operations Liability for Sale of Aircraft - \$2,000,000 per occurrence.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Aircraft Airframe & Engine Repair & Maintenance SASO

Premises Liability (hangar operation) - \$2,000,000 per occurrence combined single limit for bodily injury and property damage.

Products & Completed Operations Liability for Repairs & Services and Parts not Installed
- \$2,000,000 per occurrence.

Hangar Keeper's Liability – \$1,000,000 for each aircraft and 2,000,000 each loss.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Aircraft Rental SASO

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$2,000,000 per occurrence of combined single limit for bodily injury and property damage.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Air Charter & Air Taxi SASO

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$2,000,000 per occurrence of combined single limit for bodily injury and property damage.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Flying Club SASO

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$2,000,000 per occurrence combined single limit for bodily injury and property damage.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

Multiple Commercial Activities

Operator shall provide certificates of insurance coverage in an amount equal to the highest individual insurance requirement stipulated for the specific commercial aeronautical services being performed as stated above.

Air Carrier

Aircraft Liability - \$1,000,000 per occurrence including passengers and coverage for owned aircraft with combined single limits of liability of not less than \$100,000 per passenger and \$1,000,000 per occurrence.

Premises Liability - \$2,000,000 per occurrence of combined single limit for bodily injury and property damage.

Hangars Keepers Liability – If applicable, while in care, custody and control \$1,000,000 for each aircraft and 2,000,000 each loss.

Motor Vehicle Liability – Comprehensive Auto Liability for owned, non-owned and hired vehicles with combined single limits of liability of \$1,000,000 per occurrence.

ATTACHMENT 3:
APPLICATION PROCESS

SLN License/Lease Process

This is a general guide to the lease process. The Salina Airport Authority may deviate from this process as needed from time to time.



Application For Business License, Airport Use Agreement and Lease Agreement Salina Regional Airport																							
1	Contact Information <div style="margin-top: 10px;"> Business Name: _____ Doing Business As: _____ Address: _____ Phone: _____ Fax: _____ </div>																						
2	Responsible Party: Business Owner/Partners (if a corporation, skip this step and proceed to 3) <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left; padding: 5px;">Owner/Partner Name</th> <th style="width: 20%; text-align: left; padding: 5px;">% Owned</th> <th style="width: 10%; text-align: left; padding: 5px;">%</th> <th style="width: 20%; text-align: left; padding: 5px;">Phone</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td><td>%</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td><td>%</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td><td>%</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td><td>%</td><td>_____</td></tr> </tbody> </table> <p style="font-size: small; color: red; margin-top: 5px;">(Use additional sheet if necessary to completely answer.)</p>			Owner/Partner Name	% Owned	%	Phone	_____	_____	%	_____	_____	_____	%	_____	_____	_____	%	_____	_____	_____	%	_____
Owner/Partner Name	% Owned	%	Phone																				
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3	Responsible Party: Corporation (include officers, directors, and owners of more than 15% corporate stock----skip to 4 if not a corporation) <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left; padding: 5px;"> <div style="margin-bottom: 5px;">Total Number of Shares:</div> Officer/Director/Owner Name </th> <th style="width: 20%; text-align: left; padding: 5px;">Shares Owned</th> <th style="width: 30%; text-align: left; padding: 5px;">Phone</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td><td>_____</td></tr> </tbody> </table> <p style="font-size: small; color: red; margin-top: 5px;">(Use additional sheet if necessary to completely answer.)</p>			<div style="margin-bottom: 5px;">Total Number of Shares:</div> Officer/Director/Owner Name	Shares Owned	Phone	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____					
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_____	_____	_____																					
4	Business License Requested (Category from Minimum Standards) <div style="margin-top: 10px;"> _____ </div>																						
5	Description of Services in Detail and Method to be Employed <div style="height: 300px; margin-top: 10px;"></div>																						

(Use additional sheet if necessary to completely answer.)

6	Description of Facility (Include Size, Type Building, Intent to Lease or Build, Location and Amount of Land to be Leased---- All must comply with Airport's current FAA-approved ALP)										
<small>(Use additional sheet if necessary to completely answer.)</small>											
7	Proposed Date of Commencement of Business Date: _____										
8	Employment Information Number of Employees/New Jobs Created: _____ Anticipated Salary Ranges of Employees: _____										
9	Names and Qualifications of Key Personnel <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%; text-align: left; padding-bottom: 5px;">Name</th> <th style="width: 60%; text-align: left; padding-bottom: 5px;">Qualifications</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table>	Name	Qualifications	_____	_____	_____	_____	_____	_____	_____	_____
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<small>(Use additional sheet if necessary to completely answer.)</small>											
10	Proposed Hours of Operation _____ _____ _____										
11	Number and Types of Aircraft to be Provided/Maintained (as applicable) <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left; padding-bottom: 5px;">Aircraft Type</th> <th style="width: 50%; text-align: left; padding-bottom: 5px;">Quantity</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table>	Aircraft Type	Quantity	_____	_____	_____	_____	_____	_____	_____	_____
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12	FAA Certificates and Licenses Held for Proposed Activities <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%; text-align: left; padding-bottom: 5px;">Certificate Type</th> <th style="width: 40%; text-align: left; padding-bottom: 5px;">Certificate Number</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table>	Certificate Type	Certificate Number	_____	_____	_____	_____	_____	_____	_____	_____
Certificate Type	Certificate Number										
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_____	_____										
_____	_____										
_____	_____										
<small>(Use additional sheet if necessary to completely answer.)</small>											

13	<b style="color: red;">Insurance (List All Insurance Coverage Applicable----- Must meet Minimum Insurance Requirements Contained in Minimum Standards)
Are the Salina Airport Authority and City of Salina named as Additional Insured? <div style="display: flex; justify-content: space-around; margin-top: 5px;"> Yes No </div>	
(Please Mark One)	
Insurance Coverage	Limits of Liability
(Use additional sheet if necessary to completely answer.)	

14 Documents that Must Be Attached

The following documents at a minimum must accompany the submittal of this Application.

Failure to attach may cause Application to be incomplete and not considered.

- 1) Corporate Financial Statements
- 2) Banking References
- 3) Personal Financial Statements for Previous Two (2) Years
(If a family owned business of no previous corporate financial history available, or at the discretion of the Authority)
- 4) Demonstration of Financial Capability to Initiate Operations, Construct Improvements, and Provide Working Capital to Carry on Operations
(Include cash flow and a profit and loss projection for the first five years of the proposed operation)
- 5) Disclosure of Sources and Terms of Financing

15 All commercial activities conducted on the Salina Regional Airport require an approved Business License, Airport Use Agreement or Lease Agreement.

Any information furnished in this application which is prominently marked on each page as "confidential" by the applicant shall be considered proprietary and shall be kept confidential by the Authority to the extent permitted under the provisions of K.S.A. 45-215 et. seq., the Kansas Open Records Act.

All questions and comments should be directed to the Executive Director.

Salina Airport Authority
3237 Arnold
Salina, Kansas 67401
Phone: (785) 827-3914

KANSAS OPEN MEETINGS ACT

K.S.A. 74-4317 – 4320b

75-4317. Open meetings declared policy of state; citation of act.

- (a) In recognition of the fact that a representative government is dependent upon an informed electorate, it is declared to be the policy of this state that meetings for the conduct of governmental affairs and the transaction of governmental business be open to the public.
- (b) It is declared hereby to be against the public policy of this state for any such meeting to be adjourned to another time or place in order to subvert the policy of open public meetings as pronounced in subsection (a).
- (c) K.S.A. 75-4317 through 75-4320a shall be known and may be cited as the open meetings act.

75-4317a. Meeting defined.

- (a) As used in this act, "meeting" means any gathering, assembly, telephone call or any other means of interactive communication by a majority of a quorum of the membership of a body or agency subject to this act for the purpose of discussing the business or affairs of the body or agency.

75-4318. Meetings of state and subdivisions open to public; exceptions; secret ballots; notice; agenda, cameras, photographic lights, recording devices.

- (a) Subject to the provisions of subsection (f), all meetings for the conduct of the affairs of, and the transaction of business by, all legislative and administrative bodies and agencies of the state and political and taxing subdivisions thereof, including boards, commissions, authorities, councils, committees, subcommittees and other subordinate groups thereof, receiving or expending and supported in whole or in part by public funds shall be open to the public and no binding action by such bodies shall be by secret ballot. Meetings of task forces, advisory committees or subcommittees of advisory committees created pursuant to a governor's executive order shall be open to the public in accordance with this act.
- (b) Notice of the date, time and place of any regular or special meeting of a public body designated hereinabove shall be furnished to any person requesting such notice, except that:
 - (1) If notice is requested by petition, the petition shall designate one person to receive notice on behalf of all persons named in the petition, and notice to such person shall constitute notice to all persons named in the petition;
 - (2) if notice is furnished to an executive officer of an employees' organization or trade association, such notice shall be deemed to have been furnished to the entire membership of such organization or association; and
 - (3) the public body may require that a request to receive notice must be submitted again to the body prior to the commencement of any subsequent fiscal year of the body during which the person wishes to continue receiving notice, but, prior to discontinuing notice to any person, the public body must notify the person that notice will be discontinued unless the person resubmits a request to receive notice.
- (c) It shall be the duty of the presiding officer or other person calling the meeting, if the meeting is not called by the presiding officer, to furnish the notice required by subsection (b).
- (d) Prior to any meeting hereinabove mentioned, any agenda relating to the business to be transacted at such meeting shall be made available to any person requesting said agenda.

- (e) The use of cameras, photographic lights and recording devices shall not be prohibited at any meeting mentioned by subsection (a), but such use shall be subject to reasonable rules designed to insure the orderly conduct of the proceedings at such meeting.
- (f) The provisions of the open meetings law shall not apply:
 - (1) To any administrative body that is authorized by law to exercise quasi-judicial functions when such body is deliberating matters relating to a decision involving such quasi-judicial functions;
 - (2) to the parole board when conducting parole hearings or parole violation hearings held at a correctional institution;
 - (3) to any impeachment inquiry or other impeachment matter referred to any committee of the house of representatives prior to the report of such committee to the full house of representatives; and
 - (4) if otherwise provided by state or federal law or by rules of the Kansas senate or house of representatives.

75-4319. Closed or executive meetings; conditions; authorized subjects for discussion; binding action prohibited.

- (a) Upon formal motion made, seconded and carried, all bodies and agencies subject to the open meetings act may recess, but not adjourn, open meetings for closed or executive meetings. Any motion to recess for a closed or executive meeting shall include a statement of (1) the justification for closing the meeting, (2) the subjects to be discussed during the closed or executive meeting and (3) the time and place at which the open meeting shall resume. Such motion, including the required statement, shall be recorded in the minutes of the meeting and shall be maintained as a part of the permanent records of the body or agency. Discussion during the closed or executive meeting shall be limited to those subjects stated in the motion.
- (b) No subjects shall be discussed at any closed or executive meeting, except the following:
 - (1) Personnel matters of nonelected personnel;
 - (2) consultation with an attorney for the body or agency which would be deemed privileged in the attorney-client relationship;
 - (3) matters relating to employer-employee negotiations whether or not in consultation with the representative or representatives of the body or agency;
 - (4) confidential data relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships;
 - (5) matters relating to actions adversely or favorably affecting a person as a student, patient or resident of a public institution, except that any such person shall have the right to a public hearing if requested by the person;
 - (6) preliminary discussions relating to the acquisition of real property;
 - (7) matters permitted to be discussed in a closed or executive meeting pursuant to K.S.A. 74-8804 and amendments thereto;

- (8) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (e) of K.S.A. 38-1507 and amendments thereto or subsection (f) of K.S.A. 38-1508 and amendments thereto;
 - (9) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (j) of K.S.A. 22a-243 and amendments thereto;
 - (10) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (e) of K.S.A. 44-596 and amendments thereto;
 - (11) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (g) of K.S.A. 39-7,119 and amendments thereto;
 - (12) matters required to be discussed in a closed or executive meeting pursuant to a tribal-state gaming compact;
 - (13) matters relating to security measures, if the discussion of such matters at an open meeting would jeopardize such security measures, that protect: (A) Systems, facilities or equipment used in the production, transmission or distribution of energy, water or communications services; (B) transportation and sewer or wastewater treatment systems, facilities or equipment; (C) a public body or agency, public building or facility or the information system of a public body or agency; or (D) private property or persons, if the matter is submitted to the agency for purposes of this paragraph. For purposes of this paragraph, security means measures that protect against criminal acts intended to intimidate or coerce the civilian population, influence government policy by intimidation or coercion or to affect the operation of government by disruption of public services, mass destruction, assassination or kidnapping. Security measures include, but are not limited to, intelligence information, tactical plans, resource deployment and vulnerability assessments; and
 - (14) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (f) of K.S.A. 65-525, and amendments thereto.
- (c) No binding action shall be taken during closed or executive recesses, and such recesses shall not be used as a subterfuge to defeat the purposes of this act.

75-4319b. Closed or executive meetings; conditions; authorized subjects for discussion; binding action prohibited.

- (a) Upon formal motion made, seconded and carried, all bodies and agencies subject to the open meetings act may recess, but not adjourn, open meetings for closed or executive meetings. Any motion to recess for a closed or executive meeting shall include a statement of (1) the justification for closing the meeting, (2) the subjects to be discussed during the closed or executive meeting and (3) the time and place at which the open meeting shall resume. Such motion, including the required statement, shall be recorded in the minutes of the meeting and shall be maintained as a part of the permanent records of the body or agency. Discussion during the closed or executive meeting shall be limited to those subjects stated in the motion.
- (b) No subjects shall be discussed at any closed or executive meeting, except the following:
 - (1) Personnel matters of nonelected personnel;
 - (2) consultation with an attorney for the body or agency which would be deemed privileged in the attorney-client relationship;

- (3) matters relating to employer-employee negotiations whether or not in consultation with the representative or representatives of the body or agency;
 - (4) confidential data relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships;
 - (5) matters relating to actions adversely or favorably affecting a person as a student, patient or resident of a public institution, except that any such person shall have the right to a public hearing if requested by the person;
 - (6) preliminary discussions relating to the acquisition of real property;
 - (7) matters permitted to be discussed in a closed or executive meeting pursuant to K.S.A. 74-8804 and amendments thereto;
 - (8) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (d)(1) of K.S.A. 38-1507 and amendments thereto, or subsection (e) of K.S.A. 38-1508 and amendments thereto;
 - (9) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (j) of K.S.A. 22a-243 and amendments thereto;
 - (10) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (e) of K.S.A. 44-596 and amendments thereto;
 - (11) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (g) of K.S.A. 39-7,119 and amendments thereto;
 - (12) matters required to be discussed in a closed or executive meeting pursuant to a tribal-state gaming compact;
 - (13) matters relating to the security of a public body or agency, public building or facility or the information system of a public body or agency, if the discussion of such matters at an open meeting would jeopardize the security of such public body, agency, building, facility or information system; and
 - (14) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (f) of K.S.A. 65-525, and amendments thereto.
- (c) No binding action shall be taken during closed or executive recesses, and such recesses shall not be used as a subterfuge to defeat the purposes of this act.

75-4320. Penalties.

(a) Any member of a body or agency subject to this act who knowingly violates any of the provisions of this act or who intentionally fails to furnish information as required by subsection (b) of K.S.A. 75-4318, and amendments thereto, shall be liable for the payment of a civil penalty in an action brought by the attorney general or county or district attorney, in a sum set by the court of not to exceed \$500 for each violation. In addition, any binding action which is taken at a meeting not in substantial compliance with the provisions of this act shall be voidable in any action brought by the attorney general or county or district attorney in the district court of the county in which the meeting was held within 21 days of the meeting, and the court shall have jurisdiction to issue injunctions or writs of mandamus to enforce the provisions of this act. (b) Civil penalties sued for and recovered hereunder by the attorney general shall be paid into the state general fund. Civil penalties sued for and recovered hereunder by a county or district attorney shall be paid into the general fund of the county where the proceedings were instigated.

75-4320a. Enforcement of act by district courts; burden of proof; court costs; precedence of cases.

- (a) The district court of any county in which a meeting is held shall have jurisdiction to enforce the purposes of K.S.A. 75-4318 and 75-4319, and amendments thereto, with respect to such meeting, by injunction, mandamus or other appropriate order, on application of any person.
- (b) In any action hereunder, the burden of proof shall be on the public body or agency to sustain its action.
- (c) In any action hereunder, the court may award court costs to the person seeking to enforce the provisions of K.S.A. 75-4318 or 75-4319, and amendments thereto, if the court finds that the provisions of those statutes were violated. The award shall be assessed against the public agency or body responsible for the violation.
- (d) In any action hereunder in which the defendant is the prevailing party, the court may award to the defendant court costs if the court finds that the plaintiff maintained the action frivolously, not in good faith or without a reasonable basis in fact or law.
- (e) Except as otherwise provided by law, proceedings arising under this section shall take precedence over all other cases and shall be assigned for hearing and trial at the earliest practicable date.
- (f) As used in this section, "meeting" has the meaning provided by K.S.A. 75-4317a and amendments thereto.

75-4320b. Investigation of alleged violations; powers.

In investigating alleged violations of the Kansas open meetings act, the attorney general or county or district attorney may:

- (a) Subpoena witnesses, evidence, documents or other material;
- (b) take testimony under oath;
- (c) examine or cause to be examined any documentary material of whatever nature relevant to such alleged violations;
- (d) require attendance during such examination of documentary material and take testimony under oath or acknowledgment in respect of any such documentary material; and
- (e) serve interrogatories.

THE KANSAS OPEN MEETINGS ACT

MEETINGS OPEN TO THE PUBLIC

"All meetings for the conduct of the affairs of, and the transaction of business by, all legislative and administrative bodies and agencies of the state and political and taxing subdivisions thereof, including boards, commissions, authorities, councils, committees, subcommittees and other subordinate groups thereof, receiving or expending and supported in whole or in part by public funds shall be open to the public and no binding action by such bodies shall be by secret ballot." K.S.A. 75-4318a.

Open meetings must be accessible to the public. As such, any meetings held in locations not accessible to the general public due to unreasonable space constraints or lack of accessibility for citizens with disabilities can be considered improperly closed (*Stevens v. City of Hutchinson* (1986) and Americans With Disabilities Act).

Recording devices may not be prohibited from use during an open meeting.

MEETING DEFINED

"As used in this act, "meeting" means any gathering, assembly, telephone call or any other means of interactive communication by a majority of a quorum of the membership of a body or agency subject to this act for the purpose of discussing the business or affairs of the body or agency. " K.S.A. 75-4317a.

Any conference involving:

- The majority of a quorum ("the majority of the majority")
- Interactive Communication (any relatively contemporaneous interaction)
- Discussing the business of the body (any business of the public)

constitutes a meeting subject to restrictions by the Kansas Open Meetings Act.

To meet the majority of a quorum requirement, a majority of the majority of the group must meet. For example, in a 5 member committee, the quorum is 3, and the majority of that quorum is 2. In a 9 member committee, the quorum is 5, and the majority of that quorum is 3.

Interactive Communication has been interpreted to include (beyond meetings where members are physically present) conference and personal phone calls, video conferencing, and online communication where there is an opportunity for

contemporaneous interaction. A single email sent to other members of a committee would not be included under this definition. However, emails exchanged in an interactive, conversational manner would be included.

Unplanned encounters or scheduled social activities including committee members do not fall under the Kansas Open Meetings Act, even if a majority of the quorum is present, as long as business relevant to the public body is not discussed.

NOTICE

"Notice of the date, time and place of any regular or special meeting of a public body... shall be furnished to any person requesting such notice." K.S.A. 75-4318b.

The actual method of providing notice is not specified. However, anyone who requests notice must be individually notified of regular and special meetings. If a group petitions for notice, only one designated person need be notified on behalf of the whole group. Any requests for notice expire at the end of each fiscal year. Prior to the expiration date, however, the persons requesting notice must be notified of the impending expiration so that they may renew their requests.

No additional notice need be provided for the continuation of an adjourned meeting.

The Open Meetings Act does not require that an agenda be prepared or published. However, if an agenda is prepared, it must be made available to members of the public on request prior to the meeting in question.

EXECUTIVE SESSION

"Upon formal motion made, seconded and carried, all bodies and agencies subject to the open meetings act may recess, but not adjourn, open meetings for closed or executive meetings." K.S.A. 75-4319.

In order to qualify for an executive session, discussion must relate to:

- Personnel matters of non-elected personnel;
- Consultation with an attorney for the body which would be deemed privileged in the attorney-client relationship;
- Matters relating to employer-employee negotiations;
- Matters relating to actions adversely or favorably affecting a person as a student, patient or resident of a public institution;
- Preliminary discussions relating to the acquisition of real property; or

- Matters relating to security, which if discussed publicly, would jeopardize such security measures, including the discussion of energy, water or communications facilities; sewer or wastewater treatment systems; a public agency, building or facility; or private property or persons.

Other less frequently used justifications for recession into an executive session are listed in the full text of K.S.A. 75-4319.

Motions to recess for executive session must include:

- The justification for closing the meeting;
- Subjects to be discussed during the executive session; and
- The time and place at which the open meeting shall resume.

Within an executive session:

- Only the topic put forth in the motion to recess may be discussed.
- No minutes or recordings should be made, as any official documentation of such a meeting would still need to be disclosed under the Kansas Open Records Act.
- The governing body may reach a consensus, but any binding vote must only be taken during an open meeting.
- The executive session may last until the time designated in the original motion at which the open meeting was to resume. However, if more discussion is necessary, another motion to recess can be presented back in the open meeting.

Any member of a body who wishes to request an executive session is encouraged to so advise the chair, staff and the city attorney in advance of the meeting. Reasonably foreseeable executive sessions must be shown on the meeting agenda.

ENFORCEMENT

Any member of a body that knowingly violates the Kansas Open Meetings Act shall be liable for the payment of a civil penalty in an action brought by the attorney general or county/district attorney not to exceed \$500 per violation.

Any binding action occurring at a meeting not in "substantial compliance" with the Kansas Open Meeting Act shall be voidable in an action brought by the attorney general or county/district attorney within 21 days of the meeting.

75-4317

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4317. Open meetings declared policy of state; citation of act. (a) In recognition of the fact that a representative government is dependent upon an informed electorate, it is declared to be the policy of this state that meetings for the conduct of governmental affairs and the transaction of governmental business be open to the public.

(b) It is declared hereby to be against the public policy of this state for any such meeting to be adjourned to another time or place in order to subvert the policy of open public meetings as pronounced in subsection (a).

(c) K.S.A. 75-4317 through 75-4320a shall be known and may be cited as the open meetings act.

History: L. 1972, ch. 319, § 1; L. 1975, ch. 455, § 1; L. 1999, ch. 96, § 1; July 1.

75-4317a

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4317a. Meeting defined. (a) As used in this act, "meeting" means any gathering, assembly, telephone call or any other means of interactive communication by a majority of a quorum of the membership of a body or agency subject to this act for the purpose of discussing the business or affairs of the body or agency.

History: L. 1977, ch. 301, § 1; L. 1994, ch. 64, § 1; April 7.

75-4318

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4318. Meetings of state and subdivisions open to public; exceptions; secret ballots; notice; agenda, cameras, photographic lights, recording devices. (a) Subject to the provisions of subsection (f), all meetings for the conduct of the affairs of, and the transaction of business by, all legislative and administrative bodies and agencies of the state and political and taxing subdivisions thereof, including boards, commissions, authorities, councils, committees, subcommittees and other subordinate groups thereof, receiving or expending and supported in whole or in part by public funds shall be open to the public and no binding action by such bodies shall be by secret ballot. Meetings of task forces, advisory committees or subcommittees of advisory committees created pursuant to a governor's executive order shall be open to the public in accordance with this act.

(b) Notice of the date, time and place of any regular or special meeting of a public body designated hereinabove shall be furnished to any person requesting such notice, except that:

(1) If notice is requested by petition, the petition shall designate one person to receive notice on behalf of all persons named in the petition, and notice to such person shall constitute notice to all persons named in the petition;

(2) If notice is furnished to an executive officer of an employees' organization or trade association, such notice shall be deemed to have been furnished to the entire membership of such organization or association; and

(3) the public body may require that a request to receive notice must be submitted again to the body prior to the commencement of any subsequent fiscal year of the body during which the person wishes to continue receiving notice, but, prior to discontinuing notice to any person, the public body must notify the person that notice will be discontinued unless the person resubmits a request to receive notice.

(c) It shall be the duty of the presiding officer or other person calling the meeting, if the meeting is not called by the presiding officer, to furnish the notice required by subsection (b).

(d) Prior to any meeting hereinabove mentioned, any agenda relating to the business to be transacted at such meeting shall be made available to any person requesting said agenda.

(e) The use of cameras, photographic lights and recording devices shall not be prohibited at any meeting mentioned by subsection (a), but such use shall be subject to reasonable rules designed to insure the orderly conduct of the proceedings at such meeting.

(f) The provisions of the open meetings law shall not apply:

(1) To any administrative body that is authorized by law to exercise quasi-judicial functions when such body is deliberating matters relating to a decision involving such quasi-judicial functions;

(2) to the parole board when conducting parole hearings or parole violation hearings held at a correctional institution;

(3) to any impeachment inquiry or other impeachment matter referred to any committee of the house of representatives prior to the report of such committee to the full house of representatives; and

(4) if otherwise provided by state or federal law or by rules of the Kansas senate or house of representatives.

History: L. 1972, ch. 319, § 2; L. 1975, ch. 455, § 2; L. 1977, ch. 301, § 2; L. 1978, ch. 361, § 1; L. 1985, ch. 284, § 1; L. 2001, ch. 122, § 1; L. 2002, ch. 162, § 1; July 1.

75-4319

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4319. Closed or executive meetings; conditions; authorized subjects for discussion; binding action prohibited; certain documents identified in meetings not subject to disclosure. (a) Upon formal motion made, seconded and carried, all bodies and agencies subject to the open meetings act may recess, but not adjourn, open meetings for closed or executive meetings. Any motion to recess for a closed or executive meeting shall include a statement of (1) the justification for closing the meeting, (2) the subjects to be discussed during the closed or executive meeting and (3) the time and place at which the open meeting shall resume. Such motion, including the required statement, shall be recorded in the minutes of the meeting and shall be maintained as a part of the permanent records of the body or agency. Discussion during the closed or executive meeting shall be limited to those subjects stated in the motion.

(b) No subjects shall be discussed at any closed or executive meeting, except the following:

(1) Personnel matters of nonelected personnel;

(2) consultation with an attorney for the body or agency which would be deemed privileged in the attorney-client relationship;

(3) matters relating to employer-employee negotiations whether or not in consultation with the representative or representatives of the body or agency;

(4) confidential data relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships;

(5) matters relating to actions adversely or favorably affecting a person as a student, patient or resident of a public institution, except that any such person shall have the right to a public hearing if requested by the person;

(6) preliminary discussions relating to the acquisition of real property;

(7) matters permitted to be discussed in a closed or executive meeting pursuant to K.S.A. 74-8804 and amendments thereto;

(8) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (d)(1) of K.S.A. 38-1507 and amendments thereto or subsection (e) of K.S.A. 38-1508 and amendments thereto;

(9) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (j) of K.S.A. 22a-243 and amendments thereto;

(10) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (e) of K.S.A. 44-596 and amendments thereto;

(11) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (g) of K.S.A. 39-7,119 and amendments thereto;

(12) matters required to be discussed in a closed or executive meeting pursuant to a tribal-state gaming compact;

(13) matters relating to security measures, if the discussion of such matters at an open meeting would jeopardize such security measures, that protect: (A) Systems, facilities or equipment used in the production, transmission or distribution of energy, water or communications services; (B) transportation and sewer or wastewater treatment systems, facilities or equipment; (C) a public body or agency, public building or facility or the information system of a public body or agency; or (D) private property or persons, if the matter is submitted to the agency for purposes of this paragraph. For purposes of this paragraph, security means measures that protect against criminal acts intended to intimidate or coerce the civilian population, influence government policy by intimidation or coercion or to affect the operation of government by disruption of public services, mass destruction, assassination or kidnapping. Security measures include, but are not limited to, intelligence information, tactical plans, resource deployment and vulnerability assessments; and

(14) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (f) of K.S.A. 65-525, and amendments thereto.

(c) No binding action shall be taken during closed or executive recesses, and such recesses shall not be used as a subterfuge to defeat the purposes of this act.

(d) Any confidential records or information relating to security measures provided or received under the provisions of subsection (b)(13), shall not be subject to subpoena, discovery or other demand in any administrative, criminal or civil action.

History: L. 1972, ch. 319, § 3; L. 1977, ch. 301, § 3; L. 1981, ch. 344, § 1; L. 1988, ch. 315, § 4; L. 1992, ch. 318, § 9; L. 1993, ch. 286, § 75; L. 1994, ch. 254, § 3; L. 1996, ch. 256, § 23; L. 1999, ch. 96, § 2; L. 2001, ch. 190, § 2; L. 2004, ch. 177, § 2; L. 2005, ch. 126, § 4; July 1.

75-4320

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4320. Penalties. (a) Any member of a body or agency subject to this act who knowingly violates any of the provisions of this act or who intentionally fails to furnish information as required by subsection (b) of K.S.A. 75-4318, and amendments thereto, shall be liable for the payment of a civil penalty in an action brought by the attorney general or county or district attorney, in a sum set by the court of not to exceed \$500 for each violation. In addition, any binding action which is taken at a meeting not in substantial compliance with the provisions of this act shall be voidable in any action brought by the attorney general or county or district attorney in the district court of the county in which the meeting was held within 21 days of the meeting, and the court shall have jurisdiction to issue injunctions or writs of mandamus to enforce the provisions of this act.

(b) Civil penalties sued for and recovered hereunder by the attorney general shall be paid into the state general fund. Civil penalties sued for and recovered hereunder by a county or district attorney shall be paid into the general fund of the county where the proceedings were instigated.

History: L. 1972, ch. 319, § 4; L. 1977, ch. 301, § 4; L. 2004, ch. 177, § 3; July 1.

75-4320a

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4320a. Enforcement of act by district courts; burden of proof; court costs; precedence of cases. (a) The district court of any county in which a meeting is held shall have jurisdiction to enforce the purposes of K.S.A. 75-4318 and 75-4319, and amendments thereto, with respect to such meeting, by injunction, mandamus or other appropriate order, on application of any person.

(b) In any action hereunder, the burden of proof shall be on the public body or agency to sustain its action.

(c) In any action hereunder, the court may award court costs to the person seeking to enforce the provisions of K.S.A. 75-4318 or 75-4319, and amendments thereto, if the court finds that the provisions of those statutes were violated. The award shall be assessed against the public agency or body responsible for the violation.

(d) In any action hereunder in which the defendant is the prevailing party, the court may award to the defendant court costs if the court finds that the plaintiff maintained the action frivolously, not in good faith or without a reasonable basis in fact or law.

(e) Except as otherwise provided by law, proceedings arising under this section shall take precedence over all other cases and shall be assigned for hearing and trial at the earliest practicable date.

(f) As used in this section, "meeting" has the meaning provided by K.S.A. 75-4317a and amendments thereto.

History: L. 1981, ch. 344, § 2; July 1.

75-4320b

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4320b. Investigation of alleged violations; powers. In investigating alleged violations of the Kansas open meetings act, the attorney general or county or district attorney may:

- (a) Subpoena witnesses, evidence, documents or other material;
- (b) take testimony under oath;
- (c) examine or cause to be examined any documentary material of whatever nature relevant to such alleged violations;
- (d) require attendance during such examination of documentary material and take testimony under oath or acknowledgment in respect of any such documentary material; and
- (e) serve interrogatories.

History: L. 2000, ch. 156, § 7; July 1.

75-4320c

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES

Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4320c. Sunflower Foundation: Health Care for Kansas; subject to open meetings law. The Sunflower Foundation: Health Care for Kansas, established pursuant to the settlement agreement entered into by the attorney general in the action filed by Blue Cross and Blue Shield of Kansas, Inc., in the district court of Shawnee county, Kansas, case

no. 97CV608, shall be and is hereby deemed to be a public body and shall be subject to the open meetings law.

History: L. 2001, ch. 122, § 3; April 26.

Kansas Open Meeting Laws
KS Legislature (75-4317 to 75-4320)

75-4317. Open meetings declared policy of state; citation of act. (a) In recognition of the fact that a representative government is dependent upon an informed electorate, it is declared to be the policy of this state that meetings for the conduct of governmental affairs and the transaction of governmental business be open to the public.

(b) It is declared hereby to be against the public policy of this state for any such meeting to be adjourned to another time or place in order to subvert the policy of open public meetings as pronounced in subsection (a).

(c) K.S.A. 75-4317 through 75-4320a shall be known and may be cited as the open meetings act.

75-4318. Meetings of state and subdivisions open to public; exceptions; secret ballots; notice; agenda, cameras, photographic lights, recording devices. (a) Subject to the provisions of subsection (g), all meetings for the conduct of the affairs of, and the transaction of business by, all legislative and administrative bodies and agencies of the state and political and taxing subdivisions thereof, including boards, commissions, authorities, councils, committees, subcommittees and other subordinate groups thereof, receiving or expending and supported in whole or in part by public funds shall be open to the public and no binding action by such bodies shall be by secret ballot. Meetings of task forces, advisory committees or subcommittees of advisory committees created pursuant to a governor's executive order shall be open to the public in accordance with this act.

(b) Notice of the date, time and place of any regular or special meeting of a public body designated hereinabove shall be furnished to any person requesting such notice, except that:

(1) If notice is requested by petition, the petition shall designate one person to receive notice on behalf of all persons named in the petition, and notice to such person shall constitute notice to all persons named in the petition;

(2) if notice is furnished to an executive officer of an employees' organization or trade association, such notice shall be deemed to have been furnished to the entire membership of such organization or association; and

(3) the public body may require that a request to receive notice must be submitted again to the body prior to the commencement of any subsequent fiscal year of the body during which the person wishes to continue receiving notice, but, prior to discontinuing notice to any person, the public body must notify the person that notice will be discontinued unless the person resubmits a request to receive notice.

(c) It shall be the duty of the presiding officer or other person calling the meeting, if the meeting is not called by the presiding officer, to furnish the notice required by subsection (b).

(d) Prior to any meeting hereinabove mentioned, any agenda relating to the business to be transacted at such meeting shall be made available to any person requesting the agenda.

(e) The use of cameras, photographic lights and recording devices shall not be prohibited at any meeting mentioned by subsection (a), but such use shall be subject to reasonable rules designed to insure the orderly conduct of the proceedings at such meeting.

(f) Except as provided by section 22 of article 2 of the constitution of the state of Kansas, interactive communications in a series shall be open if they collectively involve a majority of the membership of the body or agency, share a common topic of discussion concerning the business or affairs of the body or agency, and are intended by any or all of the participants to reach agreement on a matter that would require binding action to be taken by the body or agency.

(g) The provisions of the open meetings law shall not apply:

- (1) To any administrative body that is authorized by law to exercise quasi-judicial functions when such body is deliberating matters relating to a decision involving such quasi-judicial functions;
- (2) to the parole board when conducting parole hearings or parole violation hearings held at a correctional institution;
- (3) to any impeachment inquiry or other impeachment matter referred to any committee of the house of representatives prior to the report of such committee to the full house of representatives; and
- (4) if otherwise provided by state or federal law or by rules of the Kansas senate or house of representatives.

75-4319. Closed or executive meetings; conditions; authorized subjects for discussion; binding action prohibited; certain documents identified in meetings not subject to disclosure. (a) Upon formal motion made, seconded and carried, all bodies and agencies subject to the open meetings act may recess, but not adjourn, open meetings for closed or executive meetings. Any motion to recess for a closed or executive meeting shall include a statement of (1) the justification for closing the meeting, (2) the subjects to be discussed during the closed or executive meeting and (3) the time and place at which the open meeting shall resume. Such motion, including the required statement, shall be recorded in the minutes of the meeting and shall be maintained as a part of the permanent records of the body or agency. Discussion during the closed or executive meeting shall be limited to those subjects stated in the motion.

(b) No subjects shall be discussed at any closed or executive meeting, except the following:

- (1) Personnel matters of nonelected personnel;
- (2) consultation with an attorney for the body or agency which would be deemed privileged in the attorney-client relationship;
- (3) matters relating to employer-employee negotiations whether or not in consultation with the representative or representatives of the body or agency;
- (4) confidential data relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships;
- (5) matters relating to actions adversely or favorably affecting a person as a student, patient or resident of a public institution, except that any such person shall have the right to a public hearing if requested by the person;
- (6) preliminary discussions relating to the acquisition of real property;
- (7) matters permitted to be discussed in a closed or executive meeting pursuant to K.S.A. 74-8804 and amendments thereto;
- (8) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (d)(1) of K.S.A. 38-1507 and amendments thereto or subsection (e) of K.S.A. 38-1508 and amendments thereto;
- (9) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (j) of K.S.A. 22a-243 and amendments thereto;
- (10) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (e) of K.S.A. 44-596 and amendments thereto;
- (11) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (g) of K.S.A. 39-7,119 and amendments thereto;
- (12) matters required to be discussed in a closed or executive meeting pursuant to a tribal-state gaming compact;
- (13) matters relating to security measures, if the discussion of such matters at an open meeting would jeopardize such security measures, that protect: (A) Systems, facilities or equipment used in the production, transmission or distribution of energy, water or communications services; (B) transportation and sewer or wastewater treatment systems, facilities or equipment; (C) a public body or agency, public building or facility or the information system of a public body or agency; or

(D) private property or persons, if the matter is submitted to the agency for purposes of this paragraph. For purposes of this paragraph, security means measures that protect against criminal acts intended to intimidate or coerce the civilian population, influence government policy by intimidation or coercion or to affect the operation of government by disruption of public services, mass destruction, assassination or kidnapping. Security measures include, but are not limited to, intelligence information, tactical plans, resource deployment and vulnerability assessments;

(14) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (f) of K.S.A. 65-525, and amendments thereto;

(15) matters permitted to be discussed in a closed or executive meeting pursuant to K.S.A. 2010 Supp. 75-7427, and amendments thereto; and

(16) matters permitted to be discussed in a closed or executive meeting pursuant to K.S.A. 2010 Supp. 46-3801, and amendments thereto.

(c) No binding action shall be taken during closed or executive recesses, and such recesses shall not be used as a subterfuge to defeat the purposes of this act.

(d) (1) Any confidential records or information relating to security measures provided or received under the provisions of subsection (b)(13), shall not be subject to subpoena, discovery or other demand in any administrative, criminal or civil action.

(2) (A) Except as otherwise provided by law, any confidential documents, records or reports relating to the parole board provided or received under the provisions of subsection (b)(16) shall not be subject to subpoena, discovery or other demand in any administrative, criminal or civil action.

(B) Notwithstanding any other provision of law to the contrary, any summary statement provided or received under the provisions of subsection (b)(16) shall not be subject to subpoena, discovery or other demand in any administrative, criminal or civil action.

75-4320. Penalties. (a) Any member of a body or agency subject to this act who knowingly violates any of the provisions of this act or who intentionally fails to furnish information as required by subsection (b) of K.S.A. 75-4318, and amendments thereto, shall be liable for the payment of a civil penalty in an action brought by the attorney general or county or district attorney, in a sum set by the court of not to exceed \$500 for each violation. In addition, any binding action which is taken at a meeting not in substantial compliance with the provisions of this act shall be voidable in any action brought by the attorney general or county or district attorney in the district court of the county in which the meeting was held within 21 days of the meeting, and the court shall have jurisdiction to issue injunctions or writs of mandamus to enforce the provisions of this act.

(b) Civil penalties sued for and recovered hereunder by the attorney general shall be paid into the state general fund.

Civil penalties sued for and recovered hereunder by a county or district attorney shall be paid into the general fund of the county where the proceedings were instigated.

(c) No fine shall be imposed pursuant to subsection (a) for violations of subsection (f) of K.S.A. 75-4318, and amendments thereto, which occur prior to July 1, 2009.

**Chapter 45.--PUBLIC RECORDS,
DOCUMENTS AND INFORMATION**

Article 2.--RECORDS OPEN TO PUBLIC

45-215. Title of act. K.S.A. 45-215 through 45-223 shall be known and may be cited as the open records act.

History: L. 1984, ch. 187, § 1; Feb. 9.

45-216. Public policy that records be open.

(a) It is declared to be the public policy of the state that public records shall be open for inspection by any person unless otherwise provided by this act, and this act shall be liberally construed and applied to promote such policy.

(b) Nothing in this act shall be construed to require the retention of a public record nor to authorize the discard of a public record.

History: L. 1984, ch. 187, § 2; Feb. 9.

45-217. Definitions. As used in the open records act, unless the context otherwise requires:

(a) "Business day" means any day other than a Saturday, Sunday or day designated as a holiday by the congress of the United States, by the legislature or governor of this state or by the respective political subdivision of this state.

(b) "Clearly unwarranted invasion of personal privacy" means revealing information that would be highly offensive to a reasonable person, including information that may pose a risk to a person or property and is not of legitimate concern to the public.

(c) "Criminal investigation records" means records of an investigatory agency or criminal justice agency as defined by K.S.A. 22-4701 and amendments thereto, compiled in the process of preventing, detecting or investigating violations of criminal law, but does not include police blotter entries, court records, rosters of inmates of jails or other correctional or detention facilities or records pertaining to violations of any traffic law other than vehicular homicide as defined by K.S.A. 21-3405 and amendments thereto.

(d) "Custodian" means the official custodian or any person designated by the official custodian to carry out the duties of custodian of this act.

(e) "Official custodian" means any officer or employee of a public agency who is responsible for the maintenance of public records, regardless of whether such records are in the officer's or employee's actual personal custody and control.

(f) (1) "Public agency" means the state or any political or taxing subdivision of the state or any office, officer, agency or instrumentality thereof, or any other entity receiving or expending and supported in whole or in part by the public funds appropriated by the state or by public funds of any political or taxing subdivision of the state.

(2) "Public agency" shall not include:

(A) Any entity solely by reason of payment from public funds for property, goods or services of such entity; (B) any municipal judge, judge of the district court, judge of the court of appeals or justice of the supreme court; or (C) any officer or employee of the state or political or taxing subdivision of the state if the state or political or taxing subdivision does not provide the officer or employee with an office which is open to the public at least 35 hours a week.

(f) (1) [(g) (1)] "Public record" means any recorded information, regardless of form or characteristics, which is made, maintained or kept by or is in the possession of any public agency including, but not limited to, an agreement in settlement of litigation involving the Kansas public employees retirement system and the investment of moneys of the fund.

(2) "Public record" shall not include records which are owned by a private person or entity and are not related to functions, activities, programs or operations funded by public funds or records which are made, maintained or kept by an individual who is a member of the legislature or of the governing body of any political or taxing subdivision of the state.

(3) "Public record" shall not include records of employers related to the employer's individually identifiable contributions made on behalf of employees for workers compensation, social security, unemployment insurance or retirement. The provisions of this subsection shall not apply to records of employers of lump-sum payments for contributions as described in this subsection paid for any group, division or section of an agency.

(h) "Undercover agent" means an employee of a public agency responsible for criminal law enforcement who is engaged in the detection or investigation of violations of criminal law in a capacity where such employee's identity or employment by the public agency is secret.

History: L. 1984, ch. 187, § 3; L. 1992, ch. 321, § 22; L. 1994, ch. 293, § 4; L. 2005, ch. 126, § 7; July 1.

45-218. Inspection of records; request; response; refusal, when; fees. (a) All public records shall be open for inspection by any person, except as otherwise provided by this act, and suitable facilities shall be made available by each public agency for this purpose. No person shall removal original copies of public records from the office of any public agency without the written permission of the custodian of the record.

(b) Upon request in accordance with procedures adopted under K.S.A. 45-220, any person may inspect public records during the regular office hours of the public agency and during any additional hours established by the public agency pursuant to K.S.A. 45-220.

(c) If the person to whom the request is directed is not the custodian of the public record requested, such person shall so notify the requester and shall furnish the name and location of the custodian of the public record, if known to or readily ascertainable by such person.

(d) Each request for access to a public record shall be acted upon as soon as possible, but not later than the end of the third business day following the date that the request is received. If access to the public record is not granted immediately, the custodian shall give a detailed explanation of the cause for further delay and the place and earliest time and date that the record will be available for inspection. If the request for access is denied, the custodian shall provide, upon request, a written statement of the grounds for denial. Such statement shall cite the specific provision of law under which access is denied and shall be furnished to the requester not later than the end of the third business day following the date that the request for the statement is received.

(e) The custodian may refuse to provide access to a public record, or to permit inspection, if a request places an unreasonable burden in producing public records or if the custodian has reason to believe that repeated requests are intended to disrupt other essential functions of the public agency. However, refusal under this subsection must be sustained by preponderance of the evidence.

(f) A public agency may charge and require advance payment of a fee for providing access to or furnishing copies of public records, subject to K.S.A. 45-219.

History: L. 1984, ch. 187, § 4; Feb. 9.

45-219. Abstracts or copies of records; fees.

(a) Any person may make abstracts or obtain copies of any public record to which such person has access under this act. If copies are requested, the public agency may require a written request and advance payment of the prescribed fee. A public agency shall not be required to provide copies of radio or recording tapes or discs, video tapes or films, pictures, slides, graphics, illustrations or similar audio or visual items or devices, unless such items or devices were shown or played to a public meeting of the governing body thereof, but the public agency shall not be required to provide such items or devices which are copyrighted by a person other than the public agency.

(b) Copies of public records shall be made while the records are in the possession, custody and control of the custodian or a person designated by the custodian and shall be made under the supervision of such custodian or person. When practical, copies shall be made in the place where the records are kept. If it is impractical to do so, the custodian shall allow arrangements to be made for use of other facilities. If it is necessary to use other facilities for copying, the cost thereof shall be paid by the person desiring a copy of the records. In addition, the public agency may charge the same fee for the services rendered in supervising the copying as for furnishing copies under subsection (c) and may establish a reasonable schedule of times for making copies at other facilities.

(c) Except as provided by subsection (f) or where fees for inspection or for copies of a public record are prescribed by statute, each public agency may prescribe reasonable fees for providing access to or furnishing copies of public records, subject to the following:

(1) In the case of fees for copies of records, the fees shall not exceed the actual cost of furnishing copies, including the cost of staff time required to make the information available.

(2) In the case of fees for providing access to records maintained on computer facilities, the fees shall include only the cost of any computer services, including staff time required.

(3) Fees for access to or copies of public records of public agencies within the legislative branch of the state government shall be established in accordance with K.S.A. 46-1207a and amendments thereto.

(4) Fees for access to or copies of public records of public agencies within the judicial branch of the state government shall be established in accordance with rules of the supreme court.

(5) Fees for access to or copies of public records of a public agency within the executive branch of the state government shall be established by the agency head. Any person requesting records may appeal the reasonableness of the fees charged for providing access to or furnishing copies of such records to the secretary of administration whose decision shall be final. A fee for copies of public records which is equal to or less than \$.25 per page shall be deemed a reasonable fee.

(d) Except as otherwise authorized pursuant to K.S.A. 75-4215 and amendments thereto, each public agency within the executive branch of the state government shall remit all moneys received by or for it from fees charged pursuant to this section to the state treasurer in accordance with K.S.A. 75-4215 and amendments thereto. Unless otherwise specifically provided by law, the state treasurer shall deposit the entire amount thereof in the state treasury and credit the same to the state general fund or an appropriate fee fund as determined by the agency head.

(e) Each public agency of a political or taxing subdivision shall remit all moneys received by or for it from fees charged pursuant to this act to the treasurer of such political or taxing subdivision at least monthly. Upon receipt of any such moneys, such treasurer shall deposit the entire amount thereof in the treasury of the political or taxing subdivision and credit the same to the general fund thereof, unless otherwise specifically provided by law.

(f) Any person who is a certified shorthand reporter may charge fees for transcripts of such person's notes of judicial or administrative proceedings in accordance with rates established pursuant to rules of the Kansas supreme court.

History: L. 1984, ch. 187, § 5; L. 1984, ch. 282; § 2; L. 1994, ch. 100, § 1; L. 1995, ch. 135, § 1; July 1.

45-220. Procedures for obtaining access to or copies of records; request; office hours; provision of information on procedures.

(a) Each public agency shall adopt procedures to be followed in requesting access to and obtaining copies of public records, which procedures shall provide full access to public records, protect public records from damage and disorganization, prevent excessive disruption of the agency's essential functions, provide

assistance and information upon request and insure efficient and timely action in response to applications for inspection of public records.

(b) A public agency may require a written request for inspection of public records but shall not otherwise require a request to be made in any particular form. Except as otherwise provided by subsection (c), a public agency shall not require that a request contain more information than the requester's name and address and the information necessary to ascertain the records to which the requester desires access and the requester's right of access to the records. A public agency may require proof of identity of any person requesting access to a public record. No request shall be returned, delayed or denied because of any technicality unless it is impossible to determine the records to which the requester desires access.

(c) If access to public records of an agency or the purpose for which the records may be used is limited pursuant to K.S.A. 45-221 or K.S.A. 2004 Supp. 45-230, and amendments thereto, the agency may require a person requesting the records or information therein to provide written certification that:

(1) The requester has a right of access to the records and the basis of that right; or

(2) the requester does not intend to, and will not:

(A) Use any list of names or addresses contained in or derived from the records or information for the purpose of selling or offering for sale any property or service to any person listed or to any person who resides at any address listed; or (B) sell, give or otherwise make available to any person any list of names or addresses contained in or derived from the records or information for the purpose of allowing that person to sell or offer for sale any property or service to any person listed or to any person who resides at any address listed.

(d) A public agency shall establish, for business days when it does not maintain regular office hours, reasonable hours when persons may inspect and obtain copies of the agency's records. The public agency may require that any person desiring to inspect or obtain copies of the agency's records during such hours so notify the agency, but such notice shall not be required to be in writing and shall not be required to be given more than 24 hours prior to the hours established for inspection and obtaining copies.

(e) Each official custodian of public records shall designate such persons as necessary to carry out the duties of custodian under this act and shall ensure that a custodian is available during regular business hours of the public agency to carry out such duties.

(f) Each public agency shall provide, upon request of any person, the following information:

(1) The principal office of the agency, its regular office hours and any additional hours established by the agency pursuant to subsection (c).

(2) The title and address of the official custodian of the agency's records and of any other custodian who is ordinarily available to act on requests made at the location where the information is displayed.

(3) The fees, if any, charged for access to or copies of the agency's records.

(4) The procedures to be followed in requesting access to and obtaining copies of the agency's records, including procedures for giving notice of a desire to inspect or obtain copies of records during hours established by the agency pursuant to subsection (c).

History: L. 1984, ch. 187, § 6; L. 1984, ch. 282, §3; L. 2003, ch. 126, § 2; July 1.

45-221. Certain records not required to be open; separation of open and closed information required; statistics and records over 70 years old open. (a) Except to the extent disclosure is otherwise required by law, a public agency shall not be required to disclose:

(1) Records the disclosure of which is specifically prohibited or restricted by federal law, state statute or rule of the Kansas supreme court or the disclosure of which is prohibited or restricted pursuant to specific authorization of federal law, state statute or rule of the Kansas supreme court to restrict or prohibit disclosure.

(2) Records which are privileged under the rules of evidence, unless the holder of the privilege consents to the disclosure.

(3) Medical, psychiatric, psychological or alcoholism or drug dependency treatment records which pertain to identifiable patients.

(4) Personnel records, performance ratings or individually identifiable records pertaining to employees or applicants for employment, except that this exemption shall not apply to the names, positions, salaries or actual compensation employment contracts or employment-related contracts or agreements and lengths of service of officers and employees of public agencies once they are employed as such.

(5) Information which would reveal the identity of any undercover agent or any informant reporting a specific violation of law.

(6) Letters of reference or recommendation pertaining to the character or qualifications of an identifiable individual, except documents

relating to the appointment of persons to fill a vacancy in an elected office.

(7) Library, archive and museum materials contributed by private persons, to the extent of any limitations imposed as conditions of the contribution.

(8) Information which would reveal the identity of an individual who lawfully makes a donation to a public agency, if anonymity of the donor is a condition of the donation, except if the donation is intended for or restricted to providing remuneration or personal tangible benefit to a named public officer or employee.

(9) Testing and examination materials, before the test or examination is given or if it is to be given again, or records of individual test or examination scores, other than records which show only passage or failure and not specific scores.

(10) Criminal investigation records, except as provided herein. The district court, in an action brought pursuant to K.S.A. 45-222, and amendments thereto, may order disclosure of such records, subject to such conditions as the court may impose, if the court finds that disclosure:

(A) Is in the public interest;

(B) would not interfere with any prospective law enforcement action, criminal investigation or prosecution;

(C) would not reveal the identity of any confidential source or undercover agent;

(D) would not reveal confidential investigative techniques or procedures not known to the general public;

(E) would not endanger the life or physical safety of any person; and

(F) would not reveal the name, address, phone number or any other information which specifically and individually identifies the victim of any sexual offense in article 35 of chapter 21 of the Kansas Statutes Annotated, and amendments thereto.

If a public record is discretionarily closed by a public agency pursuant to this subsection, the record custodian, upon request, shall provide a written citation to the specific provisions of paragraphs (A) through (F) that necessitate closure of that public record.

(11) Records of agencies involved in administrative adjudication or civil litigation, compiled in the process of detecting or investigating violations of civil law or administrative rules and regulations, if disclosure would interfere with a prospective administrative adjudication or civil litigation or reveal the identity of a confidential source or undercover agent.

(12) Records of emergency or security information or procedures of a public agency,

or plans, drawings, specifications or related information for any building or facility which is used for purposes requiring security measures in or around the building or facility or which is used for the generation or transmission of power, water, fuels or communications, if disclosure would jeopardize security of the public agency, building or facility.

(13) The contents of appraisals or engineering or feasibility estimates or evaluations made by or for a public agency relative to the acquisition of property, prior to the award of formal contracts therefor.

(14) Correspondence between a public agency and a private individual, other than correspondence which is intended to give notice of an action, policy or determination relating to any regulatory, supervisory or enforcement responsibility of the public agency or which is widely distributed to the public by a public agency and is not specifically in response to communications from such a private individual.

(15) Records pertaining to employer-employee negotiations, if disclosure would reveal information discussed in a lawful executive session under K.S.A. 75-4319, and amendments thereto.

(16) Software programs for electronic data processing and documentation thereof, but each public agency shall maintain a register, open to the public, that describes:

(A) The information which the agency maintains on computer facilities; and

(B) the form in which the information can be made available using existing computer programs.

(17) Applications, financial statements and other information submitted in connection with applications for student financial assistance where financial need is a consideration for the award.

(18) Plans, designs, drawings or specifications which are prepared by a person other than an employee of a public agency or records which are the property of a private person.

(19) Well samples, logs or surveys which the state corporation commission requires to be filed by persons who have drilled or caused to be drilled, or are drilling or causing to be drilled, holes for the purpose of discovery or production of oil or gas, to the extent that disclosure is limited by rules and regulations of the state corporation commission.

(20) Notes, preliminary drafts, research data in the process of analysis, unfunded grant proposals, memoranda, recommendations or other records in which opinions are expressed or policies or actions are proposed, except that

this exemption shall not apply when such records are publicly cited or identified in an open meeting or in an agenda of an open meeting.

(21) Records of a public agency having legislative powers, which records pertain to proposed legislation or amendments to proposed legislation, except that this exemption shall not apply when such records are:

(A) Publicly cited or identified in an open meeting or in an agenda of an open meeting; or

(B) distributed to a majority of a quorum of any body which has authority to take action or make recommendations to the public agency with regard to the matters to which such records pertain.

(22) Records of a public agency having legislative powers, which records pertain to research prepared for one or more members of such agency, except that this exemption shall not apply when such records are:

(A) Publicly cited or identified in an open meeting or in an agenda of an open meeting; or

(B) distributed to a majority of a quorum of any body which has authority to take action or make recommendations to the public agency with regard to the matters to which such records pertain.

(23) Library patron and circulation records which pertain to identifiable individuals.

(24) Records which are compiled for census or research purposes and which pertain to identifiable individuals.

(25) Records which represent and constitute the work product of an attorney.

(26) Records of a utility or other public service pertaining to individually identifiable residential customers of the utility or service, except that information concerning billings for specific individual customers named by the requester shall be subject to disclosure as provided by this act.

(27) Specifications for competitive bidding, until the specifications are officially approved by the public agency.

(28) Sealed bids and related documents, until a bid is accepted or all bids rejected.

(29) Correctional records pertaining to an identifiable inmate or release, except that:

(A) The name; photograph and other identifying information; sentence data; parole eligibility date; custody or supervision level; disciplinary record; supervision violations; conditions of supervision, excluding requirements pertaining to mental health or substance abuse counseling; location of facility where incarcerated or location of parole office

maintaining supervision and address of a releasee whose crime was committed after the effective date of this act shall be subject to disclosure to any person other than another inmate or releasee, except that the disclosure of the location of an inmate transferred to another state pursuant to the interstate corrections compact shall be at the discretion of the secretary of corrections;

(B) the ombudsman of corrections, the attorney general, law enforcement agencies, counsel for the inmate to whom the record pertains and any county or district attorney shall have access to correctional records to the extent otherwise permitted by law;

(C) the information provided to the law enforcement agency pursuant to the sex offender registration act, K.S.A. 22-4901, *et seq.*, and amendments thereto, shall be subject to disclosure to any person, except that the name, address, telephone number or any other information which specifically and individually identifies the victim of any offender required to register as provided by the Kansas offender registration act, K.S.A. 22-4901 *et seq.* and amendments thereto, shall not be disclosed; and

(D) records of the department of corrections regarding the financial assets of an offender in the custody of the secretary of corrections shall be subject to disclosure to the victim, or such victim's family, of the crime for which the inmate is in custody as set forth in an order of restitution by the sentencing court.

(30) Public records containing information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy.

(31) Public records pertaining to prospective location of a business or industry where no previous public disclosure has been made of the business' or industry's interest in locating in, relocating within or expanding within the state. This exception shall not include those records pertaining to application of agencies for permits or licenses necessary to do business or to expand business operations within this state, except as otherwise provided by law.

(32) Engineering and architectural estimates made by or for any public agency relative to public improvements.

(33) Financial information submitted by contractors in qualification statements to any public agency.

(34) Records involved in the obtaining and processing of intellectual property rights that are expected to be, wholly or partially vested in or owned by a state educational institution, as defined in K.S.A. 76-711, and amendments

thereto, or an assignee of the institution organized and existing for the benefit of the institution.

(35) Any report or record which is made pursuant to K.S.A. 65-4922, 65-4923 or 65-4924, and amendments thereto, and which is privileged pursuant to K.S.A. 65-4915 or 65-4925, and amendments thereto.

(36) Information which would reveal the precise location of an archeological site.

(37) Any financial data or traffic information from a railroad company, to a public agency, concerning the sale, lease or rehabilitation of the railroad's property in Kansas.

(38) Risk-based capital reports, risk-based capital plans and corrective orders including the working papers and the results of any analysis filed with the commissioner of insurance in accordance with K.S.A. 40-2c20 and 40-2d20 and amendments thereto.

(39) Memoranda and related materials required to be used to support the annual actuarial opinions submitted pursuant to subsection (b) of K.S.A. 40-409, and amendments thereto.

(40) Disclosure reports filed with the commissioner of insurance under subsection (a) of K.S.A. 40-2,156, and amendments thereto.

(41) All financial analysis ratios and examination synopses concerning insurance companies that are submitted to the commissioner by the national association of insurance commissioners' insurance regulatory information system.

(42) Any records the disclosure of which is restricted or prohibited by a tribal-state gaming compact.

(43) Market research, market plans, business plans and the terms and conditions of managed care or other third party contracts, developed or entered into by the university of Kansas medical center in the operation and management of the university hospital which the chancellor of the university of Kansas or the chancellor's designee determines would give an unfair advantage to competitors of the university of Kansas medical center.

(44) The amount of franchise tax paid to the secretary of revenue or the secretary of state by domestic corporations, foreign corporations, domestic limited liability companies, foreign limited liability companies, domestic limited partnership, foreign limited partnership, domestic limited liability partnerships and foreign limited liability partnerships.

(45) Records, other than criminal investigation records, the disclosure of which would pose a substantial likelihood of revealing security measures that protect: (A) Systems,

facilities or equipment used in the production, transmission or distribution of energy, water or communications services; (B) transportation and sewer or wastewater treatment systems, facilities or equipment; or (C) private property or persons, if the records are submitted to the agency. For purposes of this paragraph, security means measures that protect against criminal acts intended to intimidate or coerce the civilian population, influence government policy by intimidation or coercion or to affect the operation of government by disruption of public services, mass destruction, assassination or kidnapping. Security measures include, but are not limited to, intelligence information, tactical plans, resource deployment and vulnerability assessments.

(46) Any information or material received by the register of deeds of a county from military discharge papers (DD Form 214). Such papers shall be disclosed: To the military dischargee; to such dischargee's immediate family members and lineal descendants; to such dischargee's heirs, agents or assigns; to the licensed funeral director who has custody of the body of the deceased dischargee; when required by a department or agency of the federal or state government or a political subdivision thereof; when the form is required to perfect the claim of military service or honorable discharge or a claim of a dependent of the dischargee; and upon the written approval of the commissioner of veterans affairs, to a person conducting research.

(47) Information that would reveal the location of a shelter or a safehouse or similar place where persons are provided protection from abuse.

(b) Except to the extent disclosure is otherwise required by law or as appropriate during the course of an administrative proceeding or on appeal from agency action, a public agency or officer shall not disclose financial information of a taxpayer which may be required or requested by a county appraiser or the director of property valuation to assist in the determination of the value of the taxpayer's property for ad valorem taxation purposes; or any financial information of a personal nature required or requested by a public agency or officer, including a name, job description or title revealing the salary or other compensation of officers, employees or applicants for employment with a firm, corporation or agency, except a public agency. Nothing contained herein shall be construed to prohibit the publication of statistics, so classified as to prevent identification of particular reports or returns and the items thereof.

(c) As used in this section, the term "cited or identified" shall not include a request to an employee of a public agency that a document be prepared.

(d) If a public record contains material which is not subject to disclosure pursuant to this act, the public agency shall separate or delete such material and make available to the requester that material in the public record which is subject to disclosure pursuant to this act. If a public record is not subject to disclosure because it pertains to an identifiable individual, the public agency shall delete the identifying portions of the record and make available to the requester any remaining portions which are subject to disclosure pursuant to this act, unless the request is for a record pertaining to a specific individual or to such a limited group of individuals that the individuals' identities are reasonably ascertainable, the public agency shall not be required to disclose those portions of the record which pertain to such individual or individuals.

(e) The provisions of this section shall not be construed to exempt from public disclosure statistical information not descriptive of any identifiable person.

(f) Notwithstanding the provisions of subsection (a), any public record which has been in existence more than 70 years shall be open for inspection by any person unless disclosure of the record is specifically prohibited or restricted by federal law, state statute or rule of the Kansas supreme court or by a policy adopted pursuant to K.S.A. 72-6214, and amendments thereto.

(g) Any confidential records or information relating to security measures provided or received under the provisions of subsection (a)(45) shall not be subject to subpoena, discovery or other demand in any administrative, criminal or civil action.

History: L. 1984, ch. 187, § 7; L. 1984, ch. 282, § 4; L. 1986, ch. 193, § 1; L. 1987, ch. 176, § 4; L. 1989, ch. 154, § 1; L. 1991, ch. 149, § 12; L. 1994, ch. 107, § 8; L. 1995, ch. 44, § 1; L. 1995, ch. 257, § 6; L. 1996, ch. 256, § 15; L. 1997, ch. 126, § 44; L. 1997, ch. 181, § 15; L. 2000, ch. 156, § 3; L. 2001, ch. 211, § 13; L. 2002, ch. 178, § 1; L. 2003, ch. 109, § 22; L. 2004, ch. 171, § 30; L. 2005, ch. 126, § 1; July 1.

45-222. Civil remedies to enforce act; attorney fees. (a) The district court of any county in which public records are located shall have jurisdiction to enforce the purposes of this act with respect to such records, by injunction, mandamus or other appropriate order, in an

action brought by any person, the attorney general or a county or district attorney.

(b) In any action hereunder, the court shall determine the matter *de novo*. The court on its own motion, or on motion of either party, may view the records in controversy *in camera* before reaching a decision.

(c) In any action hereunder, the court shall award costs and a reasonable sum as an attorney's fee for services rendered in such action, including proceedings on appeal, to be recovered and collected as part of the costs to the plaintiff if the court finds that the agency's denial of access to the public record was not in good faith and without a reasonable basis in fact or law. The award shall be assessed against the public agency that the court determines to be responsible for the violation.

(d) In any action hereunder in which the defendant is the prevailing party, the court shall award to the defendant costs and a reasonable sum as an attorney's fee for services rendered in such action, including proceedings on appeal, to be recovered and collected as part of the costs if the court finds that the plaintiff maintained the action not in good faith and without a reasonable basis in fact or law.

(e) Except as otherwise provided by law, proceedings arising under this section shall be assigned for hearing and trial at the earliest practicable date.

(f) The provisions of subsections (c) and (d) concerning the awarding of costs and attorney fees for services rendered during an appeal shall apply only to actions which are based on causes of action accruing on or after July 1, 2004.

History: L. 1984, ch. 187, § 8; L. 1984, ch. 282, § 6; L. 1990, ch. 190, § 1; L. 2000, ch. 156, § 4; L. 2004, ch. 151, § 2; July 1.

45-223. Civil penalties for violations. (a) Any public agency subject to this act that knowingly violates any of the provisions of this act or that intentionally fails to furnish information as required by this act shall be liable for the payment of a civil penalty in an action brought by the attorney general or county or district attorney, in a sum set by the court of not to exceed \$500 for each violation.

(b) Any civil penalty sued for and recovered hereunder by the attorney general shall be paid into the state general fund. Any civil penalty sued for and recovered hereunder by a county or district attorney shall be paid into the general fund of the county in which the proceedings were instigated.

History: L. 1984, ch. 187, § 9; L. 2000, ch. 156, § 5; July 1.

45-224. Continuation of fees and procedures adopted under prior act. All fees, schedules of times for making of copies, hours during which public records may be inspected or copies obtained, procedures for requesting access to or obtaining copies of public records or other policies or procedures which were prescribed or adopted by any public agency pursuant to chapter 171 of the session laws of 1983, insofar as the same are authorized or in accordance with the provisions of this act, shall constitute the fees, schedules, hours and policies or procedures of such public agency for the purposes of this act until changed, modified or revoked by the public agency in accordance with the provisions of this act.

History: L. 1984, ch. 187, § 16; Feb. 9.

45-225. Severability of provisions. If any provisions of this act or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provisions or application and, to this end, the provisions of this act are severable.

History: L. 1984, ch. 187, § 13; Feb. 9.

45-226. Local freedom of information officer.

(a) The governing body of every public agency in Kansas which maintains public records shall designate a local freedom of information officer.

(b) The local freedom of information officer or the local freedom of information officer's designee shall:

(1) Prepare and provide educational materials and information concerning the open records act;

(2) be available to assist the public agency and members of the general public to resolve disputes relating to the open records act;

(3) respond to inquiries relating to the open records act;

(4) establish the requirements for the content, size, shape and other physical characteristics of a brochure required to be displayed or distributed or otherwise make available to the public under the open records act. In establishing such requirements for the content of the brochure, the local freedom of information officer shall include plainly written basic information about the rights of a requestor, the responsibilities of a public agency, and the procedures for inspecting and obtaining a copy of public records under the open records act.

(c) This section shall be a part of and supplemental to the Kansas open records act.

History: L. 2000, ch. 156, § 1; July 1.

45-227. Brochure concerning public records.

(a) An official custodian shall prominently display or distribute or otherwise make available to the public a brochure in the form prescribed by the local freedom of information officer that contains basic information about the rights of a requestor, the responsibilities of a public agency, and the procedures for inspecting or obtaining a copy of public records under the open records act. The official custodian shall display or distribute or otherwise make available to the public the brochure at one or more places in the administrative offices of the governmental body where it is available to members of the public who request public information in person under this act.

(b) This section shall be a part of and supplemental to the Kansas open records act.

History: L. 2000, ch. 156, § 2; July 1.

45-228. Investigation of alleged violations; powers. In investigating alleged violations of the Kansas open records act, the attorney general or county or district attorney may:

(a) Subpoena witnesses, evidence, documents or other material;

(b) take testimony under oath;

(c) examine or cause to be examined any documentary material of whatever nature relevant to such alleged violations;

(d) require attendance during such examination of documentary material and take testimony under oath or acknowledgment in respect of any such documentary material; and

(e) serve interrogatories.

History: L. 2000, ch. 156, § 6; July 1.

45-229. Legislative review of exceptions to disclosure; continuation of sections listed.

[See Revisor's Note] (a) It is the intent of the legislature that exceptions to disclosure under the open records act shall be created or maintained only if:

(1) The public record is of a sensitive or personal nature concerning individuals;

(2) the public record is necessary for the effective and efficient administration of a governmental program; or

(3) the public record affects confidential information.

The maintenance or creation of an exception to disclosure must be compelled as measured

by these criteria. Further, the legislature finds that the public has a right to have access to public records unless the criteria in this section for restricting such access to a public record are met and the criteria are considered during legislative review in connection with the particular exception to disclosure to be significant enough to override the strong public policy of open government. To strengthen the policy of open government, the legislature shall consider the criteria in this section before enacting an exception to disclosure.

(b) Subject to the provisions of subsection (h), all exceptions to disclosure in existence on July 1, 2000, shall expire on July 1, 2005, and any new exception to disclosure or substantial amendment of an existing exception shall expire on July 1 of the fifth year after enactment of the new exception or substantial amendment, unless the legislature acts to continue the exception. A law that enacts a new exception or substantially amends an existing exception shall state that the exception expires at the end of five years and that the exception shall be reviewed by the legislature before the scheduled date.

(c) For purposes of this section, an exception is substantially amended if the amendment expands the scope of the exception to include more records or information. An exception is not substantially amended if the amendment narrows the scope of the exception.

(d) This section is not intended to repeal an exception that has been amended following legislative review before the scheduled repeal of the exception if the exception is not substantially amended as a result of the review.

(e) In the year before the expiration of an exception, the revisor of statutes shall certify to the president of the senate and the speaker of the house of representatives, by July 15, the language and statutory citation of each exception which will expire in the following year which meets the criteria of an exception as defined in this section. Any exception that is not identified and certified to the president of the senate and the speaker of the house of representatives is not subject to legislative review and shall not expire. If the revisor of statutes fails to certify an exception that the revisor subsequently determines should have been certified, the revisor shall include the exception in the following year's certification after that determination.

(f) "Exception" means any provision of law which creates an exception to disclosure or limits disclosure under the open records act pursuant to K.S.A. 45-221, and amendments

thereto, or pursuant to any other provision of law.

(g) A provision of law which creates or amends an exception to disclosure under the open records law shall not be subject to review and expiration under this act if such provision:

- (1) Is required by federal law;
- (2) applies solely to the legislature or to the state court system.

(h) (1) The legislature shall review the exception before its scheduled expiration and consider as part of the review process the following:

(A) What specific records are affected by the exception;

(B) whom does the exception uniquely affect, as opposed to the general public;

(C) what is the identifiable public purpose or goal of the exception;

(D) whether the information contained in the records may be obtained readily by alternative means and how it may be obtained;

(2) An exception may be created or maintained only if it serves an identifiable public purpose and may be no broader than is necessary to meet the public purpose it serves. An identifiable public purpose is served if the legislature finds that the purpose is sufficiently compelling to override the strong public policy of open government and cannot be accomplished without the exception and if the exception:

(A) Allows the effective and efficient administration of a governmental program, which administration would be significantly impaired without the exception;

(B) protects information of a sensitive personal nature concerning individuals, the release of which information would be defamatory to such individuals or cause unwarranted damage to the good name or reputation of such individuals or would jeopardize the safety of such individuals. Only information that would identify the individuals may be excepted under this paragraph; or

(C) protects information of a confidential nature concerning entities, including, but not limited to, a formula, pattern, device, combination of devices, or compilation of information which is used to protect or further a business advantage over those who do not know or use it, the disclosure of which information would injure the affected entity in the marketplace.

(3) Records made before the date of the expiration of an exception shall be subject to disclosure as otherwise provided by law. In deciding whether the records shall be made public, the legislature shall consider whether the damage or loss to persons or entities

uniquely affected by the exception of the type specified in paragraph (2)(B) or (2)(C) of this subsection (h) would occur if the records were made public.

(i) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) of this section on June 1, 2004, are hereby continued in existence until July 1, 2010, at which time such exceptions shall expire: 1-401, 2-1202, 5-512, 9-1137, 9-1712, 9-2217, 10-630, 11-306, 12-189, 12-1,108, 12-1694, 12-1698, 12-2819, 12-4516, 16-715, 16a-2-304, 17-1312e, 17-2227, 17-5832, 17-7503, 17-7505, 17-7511, 17-7514, 17-76,139, 19-4321, 21-2511, 22-3711, 22-4707, 22-4909, 22a-243, 22a-244, 23-605, 23-9,312, 25-4161, 25-4165, 31-405, 34-251, 38-1508, 38-1520, 38-1565, 38-1609, 38-1610, 38-1618, 38-1664, 39-709b, 39-719e, 39-934, 39-1434, 39-1704, 40-222, 40-2,156, 40-2c20, 40-2c21, 40-2d20, 40-2d21, 40-409, 40-956, 40-1128, 40-2807, 40-3012, 40-3304, 40-3308, 40-3403b, 40-3421, 40-3613, 40-3805, 40-4205, 44-510j, 44-550b, 44-594, 44-635, 44-714, 44-817, 44-1005, 44-1019, 45-221, 46-256, 46-259, 46-2201, 47-839, 47-844, 47-849, 47-1709, 48-1614, 49-406, 49-427, 55-1,102, 56-1a606, 56-1a607, 56a-1201, 56a-1202, 58-4114, 59-2135, 59-2802, 59-2979, 59-29b79, 60-3333, 60-3335, 60-3336, 65-102b, 65-118, 65-119, 65-153f, 65-170g, 65-177, 65-1,106, 65-1,113, 65-1,116, 65-1,157a, 65-1,163, 65-1,165, 65-1,168, 65-1,169, 65-1,171, 65-1,172, 65-436, 65-445, 65-507, 65-525, 65-531, 65-657, 65-1135, 65-1467, 65-1627, 65-1831, 65-2422d, 65-2438, 65-2836, 65-2839a, 65-2898a, 65-3015, 65-3447, 65-34,108, 65-34,126, 65-4019, 65-4608, 65-4922, 65-4925, 65-5602, 65-5603, 65-6002, 65-6003, 65-6004, 65-6010, 65-67a05, 65-6803, 65-6804, 66-101c, 66-117, 66-151, 66-1,190, 66-1,203, 66-1220a, 66-2010, 72-996, 72-4311, 72-4452, 72-5214, 72-53,106, 72-5427, 72-8903, 73-1228, 74-2424, 74-2433f, 74-4905, 74-4909, 74-50,131, 74-5515, 74-7308, 74-7338, 74-7405a, 74-8104, 74-8307, 74-8705, 74-8804, 74-9805, 75-104, 75-712, 75-7b15, 75-1267, 75-2943, 75-4332, 75-4362, 75-5133, 75-5266, 75-5665, 75-5666, 75-7310, 76-355, 76-359, 76-493, 76-12b11, 76-3305, 79-1119, 79-1437f, 79-15,118, 79-3234, 79-3395, 79-3420, 79-3499, 79-34,113, 79-3614, 79-3657, 79-4301 and 79-5206.

(j) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) of this section on June 1, 2005,

are hereby continued in existence until July 1, 2011, at which time such exceptions shall expire: 1-501, 9-1303, 12-4516a, 38-1692, 39-970, 40-4913, 65-525, 65-5117, 65-6016, 65-6017 and 74-7508.

History: L. 2000, ch. 156, § 8; L. 2005, ch. 126, § 2; L. 2006, ch. 87, § 1; July 1.

45-229a. Legislative review of exceptions to disclosure; continuation of sections listed. [See Revisor's Note] (a) It is the intent of the legislature that exceptions to disclosure under the open records act shall be created or maintained only if:

- (1) The public record is of a sensitive or personal nature concerning individuals;
- (2) the public record is necessary for the effective and efficient administration of a governmental program; or
- (3) the public record affects confidential information.

The maintenance or creation of an exception to disclosure must be compelled as measured by these criteria. Further, the legislature finds that the public has a right to have access to public records unless the criteria in this section for restricting such access to a public record are met and the criteria are considered during legislative review in connection with the particular exception to disclosure to be significant enough to override the strong public policy of open government. To strengthen the policy of open government, the legislature shall consider the criteria in this section before enacting an exception to disclosure.

(b) Subject to the provisions of subsection (h), all exceptions to disclosure in existence on July 1, 2000, shall expire on July 1, 2005, and any new exception to disclosure or substantial amendment of an existing exception shall expire on July 1 of the fifth year after enactment of the new exception or substantial amendment, unless the legislature acts to continue the exception. A law that enacts a new exception or substantially amends an existing exception shall state that the exception expires at the end of five years and that the exception shall be reviewed by the legislature before the scheduled date.

(c) For purposes of this section, an exception is substantially amended if the amendment expands the scope of the exception to include more records or information. An exception is not substantially amended if the amendment narrows the scope of the exception.

(d) This section is not intended to repeal an exception that has been amended following legislative review before the scheduled repeal of the exception if the exception is not

substantially amended as a result of the review.

(e) In the year before the expiration of an exception, the revisor of statutes shall certify to the president of the senate and the speaker of the house of representatives, by July 15, the language and statutory citation of each exception which will expire in the following year which meets the criteria of an exception as defined in this section. Any exception that is not identified and certified to the president of the senate and the speaker of the house of representatives is not subject to legislative review and shall not expire. If the revisor of statutes fails to certify an exception that the revisor subsequently determines should have been certified, the revisor shall include the exception in the following year's certification after that determination.

(f) "Exception" means any provision of law which creates an exception to disclosure or limits disclosure under the open records act pursuant to K.S.A. 45-221, and amendments thereto, or pursuant to any other provision of law.

(g) A provision of law which creates or amends an exception to disclosure under the open records law shall not be subject to review and expiration under this act if such provision:

- (1) Is required by federal law;
- (2) applies solely to the legislature or to the state court system.

(h) (1) The legislature shall review the exception before its scheduled expiration and consider as part of the review process the following:

- (A) What specific records are affected by the exception;
- (B) whom does the exception uniquely affect, as opposed to the general public;
- (C) what is the identifiable public purpose or goal of the exception;
- (D) whether the information contained in the records may be obtained readily by alternative means and how it may be obtained;

(2) An exception may be created or maintained only if it serves an identifiable public purpose and may be no broader than is necessary to meet the public purpose it serves. An identifiable public purpose is served if the legislature finds that the purpose is sufficiently compelling to override the strong public policy of open government and cannot be accomplished without the exception and if the exception:

- (A) Allows the effective and efficient administration of a governmental program, which administration would be significantly impaired without the exception;

(B) protects information of a sensitive personal nature concerning individuals, the release of which information would be defamatory to such individuals or cause unwarranted damage to the good name or reputation of such individuals or would jeopardize the safety of such individuals. Only information that would identify the individuals may be excepted under this paragraph; or

(C) protects information of a confidential nature concerning entities, including, but not limited to, a formula, pattern, device, combination of devices, or compilation of information which is used to protect or further a business advantage over those who do not know or use it, the disclosure of which information would injure the affected entity in the marketplace.

(3) Records made before the date of the expiration of an exception shall be subject to disclosure as otherwise provided by law. In deciding whether the records shall be made public, the legislature shall consider whether the damage or loss to persons or entities uniquely affected by the exception of the type specified in paragraph (2)(B) or (2)(C) of this subsection (h) would occur if the records were made public.

(i) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) of this section on June 1, 2004, are hereby continued in existence until July 1, 2010, at which time such exceptions shall expire: 1-401, 2-1202, 5-512, 9-1137, 9-1712, 9-2217, 10-630, 11-306, 12-189, 12-1,108, 12-1694, 12-1698, 12-2819, 12-4516, 16-715, 16a-2-304, 17-1312e, 17-2227, 17-5832, 17-7503, 17-7505, 17-7511, 17-7514, 17-76,139, 19-4321, 21-2511, 22-3711, 22-4707, 22-4909, 22a-243, 22a-244, 23-605, 23-9,312, 25-4161, 25-4165, 31-405, 34-251, 38-1508, 38-1520, 38-1565, 38-1609, 38-1610, 38-1618, 38-1664, 39-709b, 39-719e, 39-934, 39-1434, 39-1704, 40-222, 40-2,156, 40-2c20, 40-2c21, 40-2d20, 40-2d21, 40-409, 40-956, 40-1128, 40-2807, 40-3012, 40-3304, 40-3308, 40-3403b, 40-3421, 40-3613, 40-3805, 40-4205, 44-510j, 44-550b, 44-594, 44-635, 44-714, 44-817, 44-1005, 44-1019, 45-221, 46-256, 46-259, 46-2201, 47-839, 47-844, 47-849, 47-1709, 48-1614, 49-406, 49-427, 55-1,102, 56-1a606, 56-1a607, 56a-1201, 56a-1202, 58-4114, 59-2135, 59-2802, 59-2979, 59-29b79, 60-3333, 60-3336, 65-102b, 65-118, 65-119, 65-153f, 65-170g, 65-177, 65-1,106, 65-1,113, 65-1,116, 65-1,157a, 65-1,163, 65-1,165, 65-1,168, 65-1,169, 65-1,171, 65-1,172, 65-436, 65-445, 65-507, 65-525, 65-531, 65-657, 65-

1135, 65-1467, 65-1627, 65-1831, 65-2422d, 65-2438, 65-2836, 65-2839a, 65-2898a, 65-3015, 65-3447, 65-34,108, 65-34,126, 65-4019, 65-4608, 65-4922, 65-4925, 65-5602, 65-5603, 65-6002, 65-6003, 65-6004, 65-6010, 65-67a05, 65-6803, 65-6804, 66-101c, 66-117, 66-151, 66-1,190, 66-1,203, 66-1220a, 66-2010, 72-996, 72-4311, 72-4452, 72-5214, 72-53,106, 72-5427, 72-8903, 73-1228, 74-2424, 74-2433f, 74-4905, 74-4909, 74-50,131, 74-5515, 74-7308, 74-7338, 74-7405a, 74-8104, 74-8307, 74-8705, 74-8804, 74-9805, 75-104, 75-712, 75-7b15, 75-1267, 75-2943, 75-4332, 75-4362, 75-5133, 75-5266, 75-5665, 75-5666, 75-7310, 76-355, 76-359, 76-493, 76-12b11, 76-3305, 79-1119, 79-1437f, 79-15,118, 79-3234, 79-3395, 79-3420, 79-3499, 79-34,113, 79-3614, 79-3657, 79-4301 and 79-5206.

History: L. 2000, ch. 156, § 8; L. 2005, ch. 126, § 2; L. 2006, ch. 30, § 1; July 1.

45-230. Unlawful use of names derived from public records.

(a) No person shall knowingly sell, give or receive, for the purpose of selling or offering for sale any property or service to persons listed therein, any list of names and addresses contained in or derived from public records except:

(1) Lists of names and addresses from public records of the division of vehicles obtained under K.S.A. 74-2012, and amendments thereto;

(2) lists of names and addresses of persons licensed, registered or issued certificates or permits to practice a profession or vocation may be sold or given to, and received by, an organization of persons who practice that profession or vocation for membership, informational or other purposes related to the practice of the profession or vocation;

(3) lists of names and addresses of persons applying for examination for licenses, registrations, certificates or permits to practice a profession or vocation shall be sold or given to, and received by, organizations providing professional or vocational educational materials or courses to such persons for the sole purpose of providing such persons with information relating to the availability of such materials or courses;

(4) lists of names, addresses and other information from voter registration lists may be compiled, used, given, received, sold or purchased by any person, as defined in K.S.A. 21-3110 and amendments thereto, solely for political campaign or election purposes;

(5) lists of names and addresses from the public records of postsecondary institutions as defined in K.S.A. 74-3201b, and amendments thereto,

may be given to, and received and disseminated by such institution's separately incorporated affiliates and supporting organizations, which qualify under section 501(c)(3) of the federal internal revenue code of 1986, for use in the furtherance of the purposes and programs of such institutions and such affiliates and supporting organizations; and

(6) to the extent otherwise authorized by law.

(b) Any person subject to this section who knowingly violates the provisions of this section shall be liable for the payment of a civil penalty in an action brought by the attorney general or county or district attorney in a sum set by the court not to exceed \$500 for each violation.

(c) The provisions of this section shall not apply to nor impose any civil liability or penalty upon any public official, public agency or records custodian for granting access to or providing copies of public records or information containing names and addresses, in good faith compliance with the Kansas open records act, to a person who has made a written request for access to such information and has executed a written certification pursuant to subsection (c)(2) of K.S.A. 45-220, and amendments thereto.

(d) This section shall be a part of and supplemental to the Kansas open records act.

History: L. 2003, ch. 126, § 1; July 1.

45-231 to 45-239. Reserved.

45-240. Recordkeeping requirements for certain not-for-profit entities.

(a) Each not-for-profit entity that receives public funds in an aggregated amount of \$350 or more per year shall be required to document the receipt and expenditure of such funds. Subject to the provisions of subsection (b), each not-for-profit entity which receives public funds in an aggregated amount of \$350 or more per year, shall, upon request, make available to any requester a copy of documentation of the receipt and expenditure of such public funds received by such not-for-profit entity. If such not-for-profit entity's accounting practice does not segregate public funds from other fund sources, the not-for-profit entity's entire accounting of its expenditures and receipts shall be open to the public. The reporting requirements of this section shall commence on the first day of the fiscal year of such not-for-profit entity which occurs on or after July 1, 2005, and continue for each fiscal year thereafter.

(b) (1) Except as provided in paragraph (3), any not-for-profit entity that receives public funds that is required by law or the terms of a

grant, contract or other agreement to file a written financial report which includes the receipt of public funds and the expenditure of such funds with an agency of the United States, an agency of this state or any political or taxing subdivision thereof, shall be deemed to have fulfilled the requirements of this section upon filing such report. Otherwise an itemized invoice or statement by the not-for-profit entity of the amount of public funds received and the expenditure therefor shall be deemed to have complied with the requirements of this section when such itemized invoice or statement is filed with an agency of the United States, an agency of this state or any political or taxing subdivision thereof, that provided the public funds to the not-for-profit entity.

(2) Any report referred to in paragraph (1) of this subsection, shall be deemed to be a public record of the agency of this state or any political or taxing subdivision thereof and subject to inspection or disclosure in accordance with the Kansas open records act.

(3) Any not-for-profit entity which receives public funds may file in the office of the secretary of state or make available for review in such not-for-profit entity's office, a copy of the detailed audit or accounting of public funds received by such not-for-profit entity.

(c) Each not-for-profit entity may charge and require advance payment of a reasonable fee for providing access to or furnishing copies of documentation of the receipt and expenditure of public funds as required by this section. Such fee shall be determined in the same manner as for a public agency pursuant to K.S.A. 45-219 and amendments thereto. A fee for copies of documentation of the receipt and expenditure of public funds which is equal to or less than \$.25 per page shall be deemed a reasonable fee.

(d) The provisions of this section shall not apply to any:

- (1) Health care provider;
- (2) individual person;
- (3) for profit corporation; or
- (4) partnership.

(e) For the purposes of this section: (1) "Health care provider" shall have the meaning ascribed to it in K.S.A. 65-4915 and amendments thereto. Health care provider shall also include any:

(A) Not-for-profit dental service corporation doing business in this state pursuant to K.S.A. 40-19a01 et seq. and amendments thereto;

(B) not-for-profit medical and hospital corporation doing business in this state pursuant to K.S.A. 40-19c01 et seq. and amendments thereto;

(C) indigent health care clinic as such term is defined in K.S.A. 75-6102 and amendments thereto; and

(D) adult care home as such term is defined in K.S.A. 39-923 and amendments thereto.

(2) "Public funds" means any moneys received from the United States, the state of Kansas or any political or taxing subdivision thereof, or any officer, board, commission or agency thereof.

History: L. 2005, ch. 126, § 8; July 1.

45-241 to 45-249. Reserved.

45-250. Sunflower Foundation: Health Care for Kansas; subject to open records law. The Sunflower Foundation: Health Care for Kansas, established pursuant to the settlement agreement entered into by the attorney general in the action filed by Blue Cross and Blue Shield of Kansas, Inc., in the district court of Shawnee county, Kansas, case no. 97CV608, shall be and is hereby deemed to be a public agency and shall be subject to the open records law.

History: L. 2001, ch. 122, § 2; April 26.

SAA RESOLUTION 00-5

A RESOLUTION APPOINTING A LOCAL FREEDOM OF INFORMATION OFFICER FOR THE SALINA AIRPORT AUTHORITY, AND PROVIDING FOR THE OFFICER'S DUTIES.

WHEREAS, the Kansas Legislature adopted Sub. HB 2864 requiring that all public agencies covered by the Open Records Act appoint a Local Freedom of Information Officer; and

WHEREAS, the Salina Airport Authority believes the appointment of a Local Freedom of Information Officer to assist the public with its open records needs is good for public service and facilitates the public policy of open government.


NOW THEREFORE, Be it Resolved by the Salina Airport Authority Board of Directors of Salina, Kansas on this 19th day of July, 2000:

Section 1. Appointment. Michelle R. Swanson is hereby appointed as the Local Freedom of Information Officer and charged with all of the statutory duties prescribed by Sub. HB 2864 and set forth in Section 2.

Section 2. Duties. The Local Freedom of Information Officer or the officer's designee shall:

- a. prepare and provide educational materials and information concerning the open records act;
- b. be available to assist the Salina Airport Authority and members of the general public to resolve disputes relating to the open records act;
- c. respond to inquiries relating to the open records act;
- d. establish the requirements for the content, size, shape and other physical characteristics of a brochure required to be displayed or distributed or otherwise make available to the public under the open records act. In establishing such requirements for the content of the brochure, the local freedom of information officer shall include plainly written basic information about the rights of a requestor, the responsibilities of a public agency, and the procedures for inspecting and obtaining a copy of public records under the open records act.

Attest:


John K. Vanier, II
Secretary


Pat Bolen
Vice Chairman



Salina Airport Authority
Salina Municipal Airport / Industrial Center

The Kansas Open Records Act governs most records maintained by:



Cities



Counties



School Districts



State Agencies

... and Other Public Entities

For a complete copy of the Kansas Open Records Act, contact your local Freedom of Information Officer or go to www.ink.org/public/legislative, then click on the "Kansas Statutes" icon. The Kansas Open Records Act starts at K.S.A. 45-215.

Questions?

Contact your local Freedom of Information Officer if you have any questions concerning:

- ☒ What records are open and available;
- ☒ How to obtain a record;
- ☒ Any dispute relating to open records;
- ☒ The cost of an open record; or
- ☒ Any other question relating to open records.

The local Freedom of Information Officer for this public agency is:



A Guide to

**OPEN
PUBLIC
RECORDS**



What Records Are Available?

Most records maintained by public entities are open for inspection and/or copying by individuals. Commonly requested records include:

- Ordinances
- Resolutions
- Minutes from open meetings
- Salaries of public officials
- Budgets

Exceptions

The Kansas Open Records Act recognizes that some records contain information which is private in nature. For this reason, the Act lists a number of exceptions. Records which are closed for this reason may include:

- Personnel information of public employees;
- Medical treatment records;
- Records which are protected by the attorney-client privilege or the rules of evidence;
- Records containing personal information compiled for Census purposes;
- Notes and preliminary drafts;
- Criminal investigation records; and
- Several other specific records.

For a complete listing of exemptions, see K.S.A. 45-221.

How to Request a Record

- Step 1 -

Check with the records custodian or local Freedom of Information Officer to determine whether the information that you need is available. Please remember to be courteous and specific when requesting information so that the custodian will be able to serve you better.

- Step 2 -

You may be asked to submit your request for information in writing. The records custodian may have a prepared form for this purpose. Make sure your request is as specific as possible so that your request may be filled quickly and completely. The records custodian may ask detailed questions in order to fulfill your request accurately.

- Step 3 -

Most records will be produced within three business days from the time the request is received. If the request is denied, you will receive a written explanation for the delay or denial.

- Step 4 -

If you have any questions about your request, contact your local Freedom of Information Officer.

Fees

The Kansas Open Records Act authorizes public agencies to charge fees for providing access to or furnishing copies of public records. This fee may be requested in advance and may include:

- Cost of staff time required to make the information available.
- Cost of copying or reproducing the record

Why Would My Request be Denied?

Although every attempt will be made to provide the information requested, it is not always possible to fulfill the request. There are a number of reasons that a request may be denied:

- The specific record that was requested does not exist;
- The request was unclear and should be resubmitted with more detail;
- The record that was requested is closed to protect an important privacy interest (see the list of exceptions to the Kansas Open Records Act at K.S.A. 45-221).

Request for Open Public Records

RECORD REQUEST INFORMATION (To be completed by Requestor)

Full Name: _____

Address: _____

Record Requested (Please be specific)

Request Type (please circle)

Inspection Only / Duplication

(Most records will be provided within three (3) full business days from the date of request)

I hereby declare that I do not intend to, and will not:

- (a) Use any list of names or addresses contained in or derived from the records or information for the purpose of selling or offering for sale any property or service to any person listed or to any person who resides at any address listed; or
- (b) Sell, give or otherwise make available to any person any list of names or addresses contained in or derived from the records or information for the purpose of allowing that person to sell or offer for sale any property or service to any person who resides at any address listed.

Requestor Signature

Date

RECORD FEES (To be completed by Record Custodian)

The Kansas Open Records Act authorized public agencies to charge reasonable fees (which may be requested in advance) for providing access to or furnishing copies of public records.

Retrieval Time: _____ Hours _____ Minutes X \$2.50 per 10 minutes = \$ _____

Duplication: _____ Pages X \$.10 per page = \$ _____

Other (may include postage, data processing, etc.) at actual cost = \$ _____

TOTAL FEE DUE = \$ _____

(It is SAA's policy not to charge for retrieval time of less than 6 minutes or duplication of less than 11 pages.)

YOUR COPY OF THIS FORM SHALL SERVE AS YOUR RECEIPT

RESULT OF RECORD REQUEST (To be completed by Record Custodian)

Was the Request Fulfilled? (please circle): **YES / NO** If "YES", date provided: _____

If "NO", reason for not providing request (please check):

- ☐ Request not in record form
- ☐ Request not specific enough
- ☐ Other (please specify)

- ☐ Record does not exist
- ☐ Record is closed per K.S.A. 45-221
- ☐ Record restricted by Federal law, State statute, or Kansas Supreme Court decision

Signature

Date



Code of Ethics Statement

All members of the Salina Airport Authority Board of Directors and Staff are entrusted to ensure that all Salina Regional Airport and Salina Airport Industrial Center stakeholders' interests are appropriately balanced, protected and preserved. This Code of Ethics Statement provides the principles that Salina Airport Authority Board members and Staff are expected to adhere to and advocate. They embody rules regarding the responsibility of all Board members and employees to the Salina Airport Authority, the public and other stakeholders.

Members of the Salina Airport Authority Board of Directors and Staff will:

1. Act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships.
2. Provide constituents with information that is accurate, complete, objective, relevant, timely, and understandable.
3. Comply with rules and regulations of federal, state and local governments, and other appropriate private and public regulatory agencies.
4. Act in good faith; responsibly; and with due care, competence, and diligence, without misrepresenting material facts or allowing one's independent judgment to be subordinated.
5. Respect the confidentiality of information acquired in the course of one's work except when authorized or otherwise legally obligated to disclose. Confidential information acquired in the course of one's work will not be used for personal advantage.
6. Share knowledge and maintain skills important and relevant to constituents' needs.
7. Proactively promote ethical behavior as a responsible partner among peers, in the work environment, and in the community.
8. Achieve responsible use of and control over all assets and resources employed or entrusted.
9. Salina Airport Authority executive management also acknowledge and adhere to the American Association of Airport Executives Code of Ethics in the performance of their duties.

Ethics and Conflict of Interest Statutes
Kansas Legislature (75-4301a to 75-4310)

75-4301a. Governmental ethics applicable to local governmental subdivisions; definitions. As used in K.S.A. 75-4302a, 75-4303a, 75-4304, 75-4305 and 75-4306, and amendments thereto:

(a) "Substantial interest" means any of the following: (1) If an individual or an individual's spouse, either individually or collectively, has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5% of any business, whichever is less, the individual has a substantial interest in that business.

(2) If an individual or an individual's spouse, either individually or collectively, has received during the preceding calendar year compensation which is or will be required to be included as taxable income on federal income tax returns of the individual and spouse in an aggregate amount of \$2,000 from any business or combination of businesses, the individual has a substantial interest in that business or combination of businesses.

(3) If an individual or an individual's spouse, either individually or collectively, has received in the preceding 12 months, without reasonable and valuable consideration, goods or services having an aggregate value of \$500 or more from a business or combination of businesses, the individual has a substantial interest in that business or combination of businesses.

(4) If an individual or an individual's spouse holds the position of officer, director, associate, partner or proprietor of any business, other than an organization exempt from federal taxation of corporations under section 501(c)(3), (4), (6), (7), (8), (10) or (19) of chapter 26 of the United States code, the individual has a substantial interest in that business, irrespective of the amount of compensation received by the individual or individual's spouse.

(5) If an individual or an individual's spouse receives compensation which is a portion or percentage of each separate fee or commission paid to a business or combination of businesses, the individual has a substantial interest in any client or customer who pays fees or commissions to the business or combination of businesses from which fees or commissions the individual or the individual's spouse, either individually or collectively, received an aggregate of \$2,000 or more in the preceding calendar year. As used in this subsection, "client or customer" means a business or combination of businesses.

(b) "Business" means any corporation, association, partnership, proprietorship, trust, joint venture, and every other business interest, including ownership or use of land for income.

(c) "Local governmental employee" means any employee of any governmental subdivision or any of its agencies.

(d) "Local governmental officer" means any elected or appointed officer of any governmental subdivision or any of its agencies.

(e) "Candidate for local office" means any candidate for nomination or election to any elective office of a governmental subdivision.

(f) "Governmental subdivision" means any city, county, township, school district, drainage district or other governmental subdivision of the state having authority to receive or hold public moneys or funds.

(g) "Contracts" means agreements including but not limited to sales and conveyances of real and personal property and agreements for the performance of services.

(h) "Acts" means the exercise of power or authority or performance of any duty incident to public office or employment.

(i) "Compensation" means any money, thing of value or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by that person or another, but shall not mean nor include reimbursement of reasonable expenses if the reimbursement does not exceed the amount actually expended for the expenses and it is substantiated by an itemization of expenses.

(j) "Preceding calendar year" has its usual meaning, except that in the case of candidates and individuals newly appointed to office or employment, it means the 12 months immediately preceding a required filing date.

75-4302a. Same; statement of substantial interests; individuals required to file; filing; rules and regulations; sample forms; disclosure if individual or spouse is officer of nonprofit corporation exempt from federal income taxes.

(a) The statement of substantial interests shall include all substantial interests of the individual making the statement.

(b) Statements of substantial interests shall be filed by the following individuals at the times specified:

(1) By a candidate for local office who becomes a candidate on or before the filing deadline for the office, not later than 10 days after the filing deadline, unless before that time the candidacy is officially declined or rejected.

(2) By a candidate for local office who becomes a candidate after the filing deadline for the office, within five days of becoming a candidate, unless within that period the candidacy is officially declined or rejected.

(3) By an individual appointed on or before April 30 of any year to fill a vacancy in an elective office of a governmental subdivision, between April 15 and April 30, inclusive, of that year.

(4) By an individual appointed after April 30 of any year to fill a vacancy in an elective office of a governmental subdivision, within 15 days after the appointment.

(5) By any individual holding an elective office of a governmental subdivision, between April 15 and April 30, inclusive, of any year if, during the preceding calendar year, any change occurred in the individual's substantial interests.

(c) The statement of substantial interests required to be filed pursuant to this section shall be filed in the office where declarations of candidacy for the local governmental office sought or held by the individual are required to be filed.

(d) The governmental ethics commission shall adopt rules and regulations prescribing the form and the manner for filing the disclosures of substantial interests required by law. The commission shall provide samples of the form of the statement to each county election officer.

(e) If an individual or an individual's spouse holds the position of officer, director, associate, partner or proprietor in an organization exempt from federal taxation of corporations under section 501(c)(3), (4), (6), (7), (8), (10) or (19) of chapter 26 of the United States code, the individual shall comply with all disclosure provisions of subsections (a), (b), (c) and (d) of this section notwithstanding the provisions of K.S.A. 75-4301, and amendments thereto, which provide that these individuals may not have a substantial interest in these corporations.

75-4303a. Same; advisory opinions on interpretation or application of act; presumption of compliance with act; filing of opinions; administration of act, rules and regulations.

(a) The governmental ethics commission shall render advisory opinions on the interpretation or application of K.S.A. 75-4301a, 75-4302a, 75-4303a, 75-4304, 75-4305 and 75-4306, and amendments thereto. The opinions shall be rendered after receipt of a written request therefor by a local governmental officer or employee or by any person who has filed as a candidate for local office. Any person who requests and receives an advisory opinion and who acts in accordance with its provisions shall be presumed to have complied with the provisions of the general conflict of interests law. A copy of any advisory opinion rendered by the commission shall be filed by the commission in the office of the secretary of state, and any opinion

so filed shall be open to public inspection. All requests for advisory opinions shall be directed to the secretary of state who shall notify the commission thereof.

(b) The governmental ethics commission shall administer K.S.A. 75-4301a, 75-4302a, 75-4303a, 75-4304, 75-4305 and 75-4306, and amendments thereto, and may adopt rules and regulations therefor.

75-4304. Same; making or participating in certain contracts prohibited; exceptions; abstaining from action. (a)

No local governmental officer or employee shall, in the capacity of such an officer or employee, make or participate in the making of a contract with any person or business by which the officer or employee is employed or in whose business the officer or employee has a substantial interest.

(b) No person or business shall enter into any contract where any local governmental officer or employee, acting in that capacity, is a signatory to or a participant in the making of the contract and is employed by or has a substantial interest in the person or business.

(c) A local governmental officer or employee does not make or participate in the making of a contract if the officer or employee abstains from any action in regard to the contract.

(d) This section shall not apply to the following:

(1) Contracts let after competitive bidding has been advertised for by published notice; and

(2) contracts for property or services for which the price or rate is fixed by law.

(e) Any local governmental officer or employee who is convicted of violating this section shall forfeit the office or Employment.

75-4305. Same; filing of report of interest if statement of substantial interest not filed; abstaining from action.

(a) Any local governmental officer or employee who has not filed a disclosure of substantial interests shall, before acting upon any matter which will affect any business in which the officer or employee has a substantial interest, file a written report of the nature of the interest with the county election officer of the county in which is located all or the largest geographical part of the officer's or employee's governmental subdivision.

(b) A local governmental officer or employee does not pass or act upon any matter if the officer or employee abstains from any action in regard to the matter.

75-4306. Penalties for violations; severability. (a) Violation of K.S.A. 75-4304 or 75-4305, and amendments thereto, or failure to make any disclosure of substantial interests required by K.S.A. 75-4302a is a class B misdemeanor.

(b) If any clause, paragraph, subsection or section of this act is held invalid or unconstitutional it shall be conclusively presumed that the legislature would have enacted the remainder of this act without the invalid or unconstitutional clause, paragraph, subsection or section.

75-4308. Oath required for public officers and employees. Before entering upon the duties of his or her office or employment, each person to be employed by the state or any agency thereof or by any county, city or other municipality of the state including any school, college or university supported in whole or in part by public funds collected under any tax law of the state or any municipality thereof shall be required to subscribe in writing to the oath set out in K.S.A. 54-106.

75-4309. Same; falsifying oaths or affirmations. All oaths or affirmations submitted hereunder shall subject the person who shall falsify them to the pains and penalties of perjury.

75-4310. Oath required for public officers and employees; administering; filing. Oaths required hereunder shall be administered before the officers and in the manner prescribed by K.S.A. 54-101, 54-102 and 54-103. All oaths administered under the provisions of this act shall be filed in writing with the governing body of the county, city or any municipality or such governing body's duly authorized agent, or in the case of public schools with the superintendent of any such school district, but in the case of the state or any agency thereof such oath shall be filed with the employing state agency. In the case of private schools receiving public moneys as defined in K.S.A. 75-4308, such oath shall be filed in the office of the chief administrative officer of such school, college or university.

STATEMENT OF SUBSTANTIAL INTERESTS FOR LOCAL OFFICE

INSTRUCTIONS. This statement must be completed by each person required to do so by K.S.A. 75-4301a. Upon completion, mail or hand deliver your completed statement to the office where you filed your declaration of candidacy. If appointed to fill a vacancy in a local elective office, file this form where your predecessor filed for office.

PLEASE TYPE OR PRINT

A. IDENTIFICATION:

Last Name First Name MI

Spouse's Name

Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

City, State, Zip Code

Home Phone

Business Phone

B. OFFICE SOUGHT, HELD OR APPOINTED TO:

List Name of Office

Position

District

CONTINUED ON NEXT PAGE

Date received (Official use only)

- C. OWNERSHIP INTERESTS:** List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. Please attach additional pages if necessary to complete this section.

If you have nothing to report in Section "C", check here ____.

	BUSINESS NAME AND ADDRESS	TYPE OF BUSINESS	DESCRIPTION OF INTERESTS HELD	HELD BY WHOM
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

- D. GIFTS IN THE FORM OF GOODS OR SERVICES:** List any person, business or combination of businesses from which you or your spouse either individually or collectively, have received in the preceding 12 months, without reasonable and valuable consideration, goods or services having an aggregate value of \$500 or more.

If you have nothing to report in Section "D", check here ____.

	NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED	ADDRESS	RECEIVED BY:
1.			
2.			
3.			

F RECEIPT OF COMPENSATION: List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on you or your spouse in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.

If you have nothing to report in Section "E"1, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.			
2.			

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.

If you have nothing to report in Section "E"2, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.			

F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: List any organization or business in which you or your spouse hold a position as officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional pages if necessary to complete this section.

If you have nothing to report in Section "F", check here ____.

	BUSINESS NAME AND ADDRESS	POSITION HELD	HELD BY WHOM
1.			
2.			
3.			
4.			
5.			

RECEIPT OF FEES AND COMMISSIONS: List each client or customer who paid fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. *The phrase "client or customer" relates only to businesses or the combination of businesses.* In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to the expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional pages if necessary to complete this section.

If you have nothing to report in Section "G", check here ____.

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			

H. DECLARATION:

I, _____, declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

Date

Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES ____.

GUIDE FOR STATEMENT OF SUBSTANTIAL INTERESTS FOR LOCAL OFFICE

DEFINITIONS

"Business" means any corporation, association, partnership, proprietorship, trust, joint venture, and every other business interest, including ownership or use of land for income.

"Candidate for Local Office" means any candidate for nomination or election to any elective office of a governmental subdivision.

"Compensation" means any money, thing of value or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by that person or another.

"Governmental Subdivision" means any city, county, township, school district, drainage district or other governmental subdivision of the state having authority to receive or hold public moneys or funds.

"Preceding Calendar Year" has its usual meaning, except that in the case of candidates and individuals newly appointed to office or employment, it means the 12 months immediately preceding a required filing date.

WHO SHALL FILE AND WHEN

Statement of substantial interests shall be filed by the following individuals at the times specified:

1. By a candidate for local office who becomes a candidate on or before the filing deadline for the office, not later than 10 days after the filing deadline, unless before that time the candidacy is officially declined or rejected.
2. By a candidate for local office who becomes a candidate after the filing deadline for that office, within five days of becoming a candidate, unless within that period the candidacy is officially declined or rejected.
3. By an individual appointed between January 1 and April 30 to fill a vacancy in an elective office of a governmental subdivision, between April 15 and April 30, inclusive of that year.
4. By an individual appointed after April 30 of any year to fill a vacancy in elective office of a governmental subdivision, within 15 days after the appointment.
5. By an individual holding an elective office of a governmental subdivision, between April 15 and April 30, inclusive, of any year if, during the preceding calendar year, any change occurred in the individual's substantial interests.

Additional information or assistance may be obtained by contacting the Governmental Ethics Commission, 109 SW 9th, Suite 504, Topeka, KS 66612. Phone 785-296-4219

SECTION GUIDE TO FORM

A-B NAME & POSITION: Self explanatory.

C. OWNERSHIP INTERESTS: The value or percentage of a business interest is to be determined at the time of the required filing. The value assigned to a holding is the fair market value. Ownership of stocks and shares, including traded and closely held stocks shall constitute legal or equitable interests for the purpose of this section. In addition, all retirement accounts and mutual funds must be listed. In reporting retirement accounts and mutual funds, include the name of the entity that holds the retirement plan assets or mutual funds and not the specific holdings of that plan, unless the holdings are specifically owned in the individual's name. (See Governmental Ethics Commission Opinion 2000-52.) Business interests include, among other things, property held for rental, farming, commercial purposes and ownership of mineral rights. Also included are businesses operated out of your home. The address reported for land without a street address should include the rural route, town and state or township, county and state. **For the purpose of this section, certificates of deposit, bank savings or checking accounts in a savings and loan, shares in a credit union, life insurance policies, annuities which are not part of a retirement plan, notes, bonds, debentures and mortgages need not be disclosed under this provision.**

D. GIFTS IN THE FORM OF GOODS OR SERVICES: If a gift is received for which the value is unknown, you are required to list the donor. You are not required to list the donor of a gift (1) if the gift or bequest was received as the result of the death of the donor; (2) if the gift was from a spouse, parent, grandparent, sibling, aunt or uncle; or (3) if acting as a trustee of a trust for the benefit of another.

E. COMPENSATION: The disclosure required under this section shall include the name and address of the business or combination of businesses, the type of business and a description of whether the compensation was received by the individual, the individual's spouse, or both. The receipt of interest, dividends and mineral royalties does not constitute "compensation" as defined in K.S.A. 75-4301a(i), and those matters need not be reported under this provision; however, ownership interests concerning these items may need to be reported under section "C".

F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: The disclosure under this section shall include the name and address of the business or organization and the position held. A person holding the position of administrator or executor of an estate shall not be considered reportable under this section. The holding of a position of officer or director of an organization or business includes for profit and nonprofit organizations.

G. RECEIPT OF FEES AND COMMISSIONS: The disclosure under this section shall include the name and address of the client or customer and a description of whether the fees or commissions were received by the individual, the individual's spouse, or both. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision.

A RESOLUTION ESTABLISHING THE INVESTMENT POLICIES AND SECURITY REQUIREMENTS FOR THE INVESTMENT AND DEPOSITS OF ALL SAA FUNDS

BE IT RESOLVED, by the Board of Directors of the Salina Airport Authority that:

1. Depositories for SAA funds shall be designated annually by the Board of Directors.

2. All SAA designated depositories shall provide the security for said deposits as required by K.S.A. 9-1402.

3. SAA shall install internal control procedures to monitor compliance by all financial institutions of security requirements pursuant to K.S.A. 9-1402.

4. All SAA investments shall address liquidity, diversification, safety of principal, yield, maturity and quality, and capability of the investment management staff.

5. All SAA funds shall be invested in accordance with the policies set forth in this Resolution and pursuant to the provisions of K.S.A. 12-1675, as amended by Senate Bill No. 480.

6. All security purchases shall occur on a delivery versus payment basis.

7. All securities shall be perfected in the name of the SAA and shall be delivered to it or a third-party custodian which may be the State Treasurer.

8. Investment transactions shall only be conducted with the following, which are doing business within the State of Kansas, any state or national banks, state or federally chartered savings and loan associations, federal chartered savings banks; or with primary government securities dealers which report to the market report division of the Federal Reserve Bank of New York; or any broker-dealer which is registered in compliance with the requirements of Section 15C of the Security Exchange Act of 1934 and registered pursuant to K.S.A. 17-1254, and amendments thereto.

9. The SAA investment policy shall be reviewed and approved at least annually by the Board of Directors.

ADOPTED by the Board of Directors of the Salina Airport Authority this 10th day of June, 1992.

SALINA AIRPORT AUTHORITY

By Charles B. Roth
Chairman of the Board

MEMORANDUM

TO: Tim Rogers
FROM: L.O. Bengtson
DATE: June 2, 1992
RE: Investment of SAA Funds

I have now secured a copy of Senate Bill No. 480 which was passed by the last legislature. This bill amends various statutes pertaining to the investment of public monies by governmental subdivisions. K.S.A. 12-1675 controls the investment of public funds by governmental units. This section, as amended by Senate Bill No. 480, provides that any governmental entity may invest money which is not immediately required for the purposes for which the money was collected or received in the following investments:

1. Temporary notes or no fund warrants issued by such governmental unit;
2. Time deposits, open accounts, or CDs with maturities of not more than two years in commercial banks;
3. Time certificates of deposit with maturities of not more than two years in state or federally chartered savings and loan associations;
4. Repurchase agreements with commercial banks and savings and loans;
5. U.S. treasury bills or notes with maturities not exceeding two years;
6. Municipal investment pool;
7. Trust department of commercial banks.

All investments, other than those indicated in 1, 2, 3 and 4 above, can only be made if commercial banks or savings and loans will not make the investments authorized in 2 and 3 above available to the investing governmental unit at an interest rate equal to or greater than the "investment rate" as defined in subsection (1) of K.S.A. 74-4201.

If the governmental unit has a written Investment Policy which has been approved by pooled investment board, the maximum maturity for obligations issued or insured by U.S. Government shall be four years, except for mortgage-backed securities which shall have a maximum maturity of seven years and three months.

"Investment rate" means a rate which is the equivalent yield for U.S. Government securities having the maturity as published in the Wall Street Journal nearest the maturity date for equivalent securities.

All security purchases shall occur on a delivery versus payment basis.

All securities shall be perfected in the name of the investing governmental unit, and shall be delivered to the purchaser or a third-party custodian which may be the State Treasurer.

LOB/gfh

Salina Airport Authority Practices, Policies and Procedures

1. **Salaries.** Payment of the salaries of all employees shall be made by the executive director at such time and in such amounts provided for in the board approval annual SAA budget report. (Source: SAA Resolution, April 10, 1985)
2. **Professional Services.** The executive director is authorized to contract and make payment for professional services in those instances where the contract amount does not exceed \$7,500. Professional services shall include, but not be limited to, legal, accounting, engineering and similar type professional services. (Source: SAA Resolution, April 10, 1985)
3. **Administration Expenses.** Executive director shall be authorized to contract and pay for such services and items which are normally associated with the airport administration, including without limitation, airport promotion, association dues, subscriptions to professional magazines and journals, etc. (Source: SAA Resolution, April 10, 1985)
4. **Insurance.** Executive director shall secure such policies and pay all premiums necessary to provide or keep in force insurance and bond coverages which have been previously authorized or approved by the board of directors. (Source: SAA Resolution, April 10, 1985)
5. **Travel.** Executive director shall be authorized to approve and reimburse personnel for travel and other out-of-pocket expenses connected with their attendance at out of town functions on behalf of the Authority. (Source: SAA Resolution, April 10, 1985)
6. **Airport Maintenance.** Executive director is authorized to contract and make payment for all necessary maintenance to grounds, buildings, runways, taxiways, ramps, airport lighting, vehicles, snow removal and similar items as may be required to keep the airport facilities and equipment in a good state of repair; provided however, in the event that any one item exceeds the sum of \$15,000 no such repairs, except those of an emergency nature shall be made without prior board approval. (Source: SAA Resolution, April 10, 1985)
7. **Equipment Acquisition.** Executive director is authorized to contract and pay for minor equipment, small tools and supplies necessary for the day-to-day operations of the airport facilities. This shall include such items as hand tools, mowers, café equipment, office equipment and items of similar nature. Single items costing more than \$7,500 shall not be acquired without previous board approval. (Source: SAA Resolution, April 10, 1985)
8. **Federal and State Grant Disbursements.** Executive director is hereby authorized to approve and make payment of engineer's estimates and requisitions made pursuant to previous Board approved federal and state grant agreements and contracts. (Source:

SAA Resolution, April 10, 1985)

9. Bond Principal and Interest. Executive director is authorized to make payments of all interest and principal as it becomes due for any bonds issued by the Authority. (Source: SAA Resolution, April 10, 1985)
10. Bids or Proposals. Except in emergency situations, competitive bids or proposals should be requested prior to the purchase of equipment or the awarding of any contract for maintenance or capital improvements where the estimated cost thereof exceeds \$7,500. (Source: SAA Resolution, April 10, 1985)
11. Emergency Situations. Notwithstanding the above policies and procedures, the executive director is authorized to contract for such services and/or equipment as may be necessary to preserve and protect the property owned and controlled by the Authority or as might be necessary to maintain the operation of the runways in a safe condition. (Source: SAA Resolution, April 10, 1985)
12. Leases. Executive director is hereby authorized to negotiate and enter into leases for property owned by the Authority if the term of the lease is for less than one year. The Executive Director shall make a report to the board of directors of all such leases. (Source: SAA Resolution, April 10, 1985)
13. Facsimile Signatures. Facsimile signature stamps authorized by any officers and/or members of the board of directors shall be under the custody and control of the Executive Director and may be used only upon his direction; provided, however, in the event of the absence of the executive director he may designate a custodian thereof during his absence. (Source: SAA Resolution, April 10, 1985)
14. Contract Execution. The executive director is authorized to execute all board approved contracts for services, construction and equipment on behalf of the Authority. (Source: 2011 SAA Budget Report)
15. Aircraft Charter. The executive director is authorized to charter aircraft for the purpose of attending airport authority related meetings and functions. Airport Authority travel fund can also be used to reimburse the executive director for aircraft rental for Airport Authority related business activities, for up to ten (10) hours of dual instruction time per year and/or fuel expenses reimbursement for aircraft fuel expense not to exceed \$500. (Source: SAA Board Minutes, January 10, 1990)
16. Airshow and Events Policy. Individuals or organizations may make application to the Salina Airport Authority requesting the use of the Salina Municipal Airport for an air show or similar aviation or non aeronautical event. The applicant and the event shall be subject to the following fees and conditions:
 - a) Reimburse the Airport Authority for all its actual expenses for labor, equipment, services, security and other expenses incurred in connection with the use of Airport Authority facilities. Based upon the Airport Authority's

estimate, the applicant shall make a deposit of the estimated cost prior to find Airport Authority approval and execution of an event agreement.

- b) In addition, the applicant shall agree to pay to the Authority ten percent (10%) of its net profit derived from the sponsored event.
- c) The applicant shall agree to obtain liability and property damage insurance in the amount specified by the Authority. The Authority shall also concur with the insurance company selected by the applicant.
- d) The applicant shall enter into a written agreement with the Authority by the term of which it agrees to be responsible for providing all necessary facilities for the event, such as sanitation, security, traffic control and other responsibilities as determined by the Authority.
- e) The applicant must agree to clean the event area after the event and reimburse the Authority for any property damage.
- f) The applicant shall be required to submit a risk management plan to be approved by the Authority.

(Source: 1985 SAA Air Show Policy)

17. Ceremonial Resolutions. On behalf of the board of directors, the executive director is authorized to prepare ceremonial to recognize the performance and contributions of individuals and organization to the welfare of the Authority, City of Salina, Saline County and Kansas. (Source: 2011 SAA Budge Report)

18. Grant Applications. The executive director is authorized to prepare and submit local, state and federal grant applications on behalf of the Authority. All grant agreements are subject to board approval. (Source: 2011 SAA Budget Report)

SALINA AIRPORT AUTHORITY

New Employee Checklist



EMPLOYEE INFORMATION

Name:	Start date:
Position:	Manager:

REQUIRED FORMS TO BE COMPLETED PRIOR TO EMPLOYMENT

- ☐ Employment Application (SAA Form)
- ☐ Authorization and Release to Obtain Information (SAA Form)
 - Copy of Drivers License
 - Copy of Auto Insurance Card (if required)
- ☐ Social Media Policy (SAA Form)
- ☐ Job description (Initials required)
- ☐ Equal Employment Opportunity Survey (Optional)
- ☐ Direct Deposit Authorization Form (SAA Form)
- ☐ Salina Airport Authority Oath (SAA Form)
- ☐ Employee Handbook Receipt (SAA Form)
- ☐ Medical / Physical Questionnaire (SAA Form)
- ☐ Employee's Withholding Allowance Certificate (Form W-4)
- ☐ Kansas Employee's Withholding Allowance Certificate (Form K-4)
- ☐ Employment Eligibility Verification (Form I-9)
- ☐ KPERS Report of Member Status (KPERS-1) – SUBMIT ONLINE
- ☐ KPERS Designation of Beneficiary (KPERS-7/99)
- ☐ Life Insurance Enrollment (City of Salina)
- ☐ Employee Data Sheet (City of Salina)
- ☐ Hiring Incentives to Restore Employment (HIRE) Act Employee (W-11) (Required only if employee has not worked for anyone for more than 40 hours during the 60-day period ending on the date they begin employment with us)

OPTIONAL FORMS TO BE COMPLETED PRIOR TO EMPLOYMENT

- ☐ Blue Cross Blue Shield Health Enrollment Form (City of Salina)
- ☐ ICMA Enrollment Form (ICMA)
- ☐ Flex Benefit Plan Enrollment (Keating & Associates)
- ☐ Salina Area United Way Contribution Report
- ☐ YMCA Membership Application (YMCA)

ADMINISTRATIVE PROCEDURES

- | | |
|--|--|
| <ul style="list-style-type: none"><input type="checkbox"/> Schedule Drug Screen / Physical
Occupational Health Partners ~ Dr. Baxter (823-8381)<input type="checkbox"/> KBI Background Check
www.accesskansas.org<input type="checkbox"/> Submit to Kansas Department of Labor
www.uitax.dol.ks.gov<input type="checkbox"/> Run MVR report
https://eapps.iix.com/Login/login.jsp<input type="checkbox"/> Leadership Salina (August Application)<input type="checkbox"/> News Release<input type="checkbox"/> Add employee information to KPERS Years of Service Report
(F:\Public\MSOffice\Multi Application Folders\Employee Payroll and Records\Retirements) | <ul style="list-style-type: none"><input type="checkbox"/> Setup in QuickBooks
(assign employee badge no.)<input type="checkbox"/> Create Timesheet Record
F:\Public\MSOffice\Multi App. Folders\Employee Payroll & Records\TimeSheets<input type="checkbox"/> Setup direct deposit online
www.sunflowerbank.com<input type="checkbox"/> SFB Pre-notes testing<input type="checkbox"/> Create Employee Files
(personnel file, medical file, and training folder)<input type="checkbox"/> Add birthday to outlook calendar<input type="checkbox"/> Sam's Club Membership / Tractor Supply Account – User |
|--|--|

SALINA AIRPORT AUTHORITY

New Internship Checklist



EMPLOYEE INFORMATION

Name:	Start date:
Position:	Manager:

REQUIRED FORMS TO BE COMPLETED PRIOR TO EMPLOYMENT

- ☐ Internship Application (SAA Form)
- ☐ Job description (Initials required)
- ☒ Direct Deposit Authorization Form (SAA Form)
- ☐ Salina Airport Authority Oath (SAA Form)
- ☐ Employee Handbook Receipt (SAA Form)
- ☐ Medical / Physical Questionnaire (SAA Form)
- ☐ Authorization to release and obtain information (SAA Form)
 - Copy of Drivers License
 - Copy of Auto Insurance Card (if required)
- ☐ Social Media Policy (SAA Form)
- ☒ Employee's Withholding Allowance Certificate (Form W-4)
- ☒ Kansas Employee's Withholding Allowance Certificate (Form K-4)
- ☐ Employment Eligibility Verification (Form I-9)
- ☒ KPERS Report of Member Status (KPERS-1)
- ☒ KPERS Designation of Beneficiary (KPERS-7/99)
- ☒ Principal Financial Group Life Insurance Enrollment (City of Salina)

OPTIONAL FORMS TO BE COMPLETED PRIOR TO EMPLOYMENT

- ☒ Blue Cross Blue Shield Health Enrollment Form (City of Salina)
- ☒ ICMA Enrollment Form (ICMA)
- ☒ Flex Benefit Plan Enrollment (Keating & Associates)
- ☒ Salina Area United Way Contribution Report
- ☒ YMCA Membership Application (YMCA)

ADMINISTRATIVE PROCEDURES

<ul style="list-style-type: none"> <input type="checkbox"/> Schedule Drug Screen / Physical ~ OPC Form Occupational Performance Center (825-4444) <input type="checkbox"/> KBI Background Check www.accesskansas.org <input checked="" type="checkbox"/> Submit to Kansas Department of Labor www.uitax.dol.ks.gov <input checked="" type="checkbox"/> Add employee to SIG Auto Policy Email: seberwein@sunflowerinsurance.com (Include; Name, DOB, and DL No.) <input checked="" type="checkbox"/> Leadership Salina (August Application) <input type="checkbox"/> News Release 	<ul style="list-style-type: none"> <input type="checkbox"/> Setup in QuickBooks (assign employee badge no.) <input type="checkbox"/> Create Timesheet Record <small>F:\Public\MsOffice\Multi App. Folders\Employee Payroll & Records\TimeSheets</small> <input checked="" type="checkbox"/> Setup direct deposit online www.sunflowerbank.com <input checked="" type="checkbox"/> SFB Pre-notes testing <input type="checkbox"/> Create Employee Files (personnel file, medical file, and training folder) <input type="checkbox"/> AAEE Membership/CM Exam Reimbursement
--	--

ITEMS TO BE ISSUED:

<input type="checkbox"/> Required: <ul style="list-style-type: none"> • Employee Badge • Bldg. Key • Gate Access Card 	<input checked="" type="checkbox"/> Optional: <ul style="list-style-type: none"> • Corporate Credit Card • Cell Phone • Business Cards • Sam's Club Discover
--	--

ORIENTATION:

<input type="checkbox"/> Material: <ul style="list-style-type: none"> • Employee Handbook • Airport Layout Plan (ALP) • Reference Manual (CAFR/OPS) • ACRP Airport Mgmt. Guide 	<input type="checkbox"/> Training <ul style="list-style-type: none"> • Drug Free Workplace • Sexual Harassment Policy • Equal Employment Opportunity
--	---

Employee Termination Checklist

Employee _____ Date _____
 Department _____ Term. Date _____
 Supervisor _____ Final payroll _____

Each of the items below must be returned or completed upon termination and before issuance of final pay check.

**City of Salina HR department will mail COBRA or Retiree Insurance packet via USPS certified mail*
 (Insurance expires in the same month as termination date)*

Return

SAA employee badge ☐
 Gate card(s) ☐
 Bldg. key(s) - GM ☐
 Other SAA issued keys ☐
 SAA coat/shirts ☐
 Airport uniforms ☐
 Cell phone, charger, etc. ☐
 Radio communication equip. ☐
 Emergency Vehicle Permit ☐
 Credit cards ☐
 Laptop ☐

Other:

Complete

Exit Interview ☐
 Final Timesheet ☐
 Confidentiality Agreement ☐
 Termination Form ☐
Benefits Review
 KPERS (leaving KPERS form) ☐
 Insurance (Cobra or Retiree plan) ☐
 ICMA ☐
 AFLAC ☐
 Keating & Associates ☐
 Health club reimbursement ☐

Other:

Vacation reconciliation ☐
 Insurance premium reconciliation ☐

Comments

Signature of Supervisor _____

Admin Items

Remove from business accounts (authorized list) ☐
 De-activate employee account in QB ☐
 Delete payroll data on SFB website ☐
 De-activate Term. Bldg. security code credentials ☐
 De-activate security camera credentials ☐
 Remove from NOTAM Manager ☐

Notify City of Salina HR dept. (Insurance) ☐
 Record termination date - KPERS webportal ☐
 Record final contributions - KPERS webportal ☐
 Remove user from network ☐

In-House Items

Organizational Chart ☐
 AOA Drivers Training ☐
 Airport Certification Manual (ACM/AEP) ☐
 Operations Reference Manual ☐
 WHMP ☐
 Authorization to discharge firearms ☐

SAA website ☐
 Name plaque ☐
 Emergency Phone List ☐
 Voicemail ☐

SALINA AIRPORT AUTHORITY
New Board Member Checklist
(revised 2-29-08)

Name: _____

Appointment Dates: _____

- ☐ Orientation Meeting
Date: _____
Time: _____
- ☐ Orientation Manual
- ☐ New member information sheet
- ☐ Oath of Office
- ☐ Resolution approving depository institutions and officials authorized to sign
- ☐ Web site
List of current board members
List of former board members
- ☐ Letterhead
word template
pdf version
destroy old versions electronic and paper copies
- ☐ Save electronic signature
- ☐ New chairman
review list of various committee/board assignments
- ☐ Organizational chart
- ☐ Constant Contacts (adding new member and removing or recategorizing leaving member)
- ☐ Contact Central (adding new member and removing or recategorizing leaving member)
- ☐ New Release announcing new member/slate of officers
- ☐ Notification of New Board Member/slate of offices to
 - * City
 - * Chamber
 - * K-State
 - * School Board
- ☐ Name plates (inside and outside Board room)

Salina Airport Authority Charter/Diversion Flight Check List

Request the following information:

(Notify charter of any billable items prior to arrival)

Airline Name	
Billing Address	
City, State, Zip	
Airline POC	Phone No.
Airline Dispatch POC	Phone No.
Airline Ground Security Coordinator	Phone No.
Aircraft Type	
Charter Group	
Date	PAX No.
Arrival	Departure
FAA Index Requirements	
SAA ARFF Assignments	
DRO Assignments	

Comments & Notes

- | | |
|---|---|
| <input type="checkbox"/> Advise SLN ATCT | <input type="checkbox"/> Contact Sheriff's Office / SPD |
| <input type="checkbox"/> Contact FBO re: flight details, etc. | <input type="checkbox"/> Contact ICT TSA |
| <input type="checkbox"/> Contact Salina Fire Department | <input type="checkbox"/> Add to charter operator to database (Voluntary / Non-Voluntary Form 1800-31) |

Equipment

Airstairs	
Baggage Loader	
Aircraft Deicer	
Landing Fees	
ARFF Standby	
Other	

Billable Item(s)

Yes	No
Yes	No
Yes	No
Yes	No
Yes	No
Yes	No

Monthly Interim Financial Statement Checklist Items

- 1 Bank Recons
- 2 Finance Charges
- 3 Turn acct.no. system off
- 4 Generate Recurring Entries
- 5 Check Multi-Serve Account; receive payments and deposits
- 6 Calculate and make entries for unearned rental income
- 7 Monthly ajes
- 8 Cash in bank - operating funds and bond fund contra entries
- 9 Equity aje - Invested in capital assets net of related debt
- 10 Generate Memorized Reports
- 11 Add % target to income statement
- 12 Review open purchase orders
- 13 Close period
- 14 Distribute full set of monthly reports to Exec. Dir, Ops Manager
- 15 Distribute promotional budget and special events expense reports to Mkt. Specialist
- 16 Distribute operation expense reports to team leaders
- 17 Email Statement of Net assets to Tom Arnett
- 18 Turn acct.no. system back on

RFRS

- 1 AIP
- 2 KAIP

Reports

- 1 ARRA Periodic Reports - Due no earlier than the 10th of the month following EOM
(email screen shot of above report to Nardos Wills at FAA Central Region)
- 2 Monthly FBO Fuel report comparison / verification of flowage to meter reports (obtain totalizer values fr
Review with Mgrs at meeting
- 3 Due 25th month for previous month - KDR self-fuel report
Due 25th each month beg. 2014 Sales Tax Return & Payment
- 4 Monthly Report of Environmental Costs Summary to TR only
- 5 Quarterly - OT report to Mgrs.
Sales tax return - quarterly until Jan 2014
Payroll Liability Returns
Quarterly - payroll check-holiday pay, vacation & sick - provide to KB to check against scheduled PTO
Payroll audit - 1 employee per quarter - employee verification of time card against time paid
- 7 Review prepaid expense accounts
- 8 Travel Expense Report -XD - Treasurer
Travel Expense Report - Others to Tim
- 9 Quarterly - 10 year P&L Report for Board meeting

Board Memo/Meeting

- 1 Include report on short-term leasing in agenda packet memo
- 2 Include report on any budget adjustments in agenda packet memo
- 3 Send Marketing/Public Affairs financial reports for Board meeting ppoint

Memorized Report Fonts

Row height

P&L = 15 pt

SNA=12.25

Capital=15

Page numbering for multiple pages spanning multiple documents: Page &[Page]+1 of 4

SALINA AIRPORT AUTHORITY - 2015

Finance and Administration

Year End Check list

- **W-2's (SS)**
 - Including information related to TR vehicle allowance (non accountable plan)
 - Kenny Bieker (6 miles one way all year) – David Sorell (4 miles one way-all year long) Acct. for Company Vehicle (commute time)
 - Including information related to life insurance benefits
 - KPERS benefit equal to 150% of the higher of:
 - A members current annual rate of compensation, or
 - The member's previous 12 months' of salary
 - Hartford Life equal to employee's annual base salary.
 - Health Club Membership Reimbursements - **KW**
 - Health Insurance Benefit Information –employee/employer shares **KW**
 - Tuition Reimbursement, if applicable – **KW**
 - Report detailing amount paid for each employee for medical insurance - **KW**
 - Documents to Woods & Durham on 12-20
- **1099's (SS)**
 - Provide QB report to Woods & Durham
- **Final 941 (SS)**
- **Other Tax Returns and Filings (sales, unemployment, avgas) (SS)**
- **Accounting Worksheets (SS)**
 - Capital Asset detail work for depreciation calculation
 - Long-term debt interest expense and accrual worksheet
 - Finance Lease worksheets
 - Bond Issue Costs worksheets
 - Accrued Wages
 - Property tax accruals
 - Prepaid insurance
 - Prepaid Dues
 - Mill Levy
- **2016 Payroll Calendar (KW)**
 - Distribute to all employees
 - Send to ACH department at bank
 - Add holidays to Outlook Calendars

- ☐ Check commission for all commission based tenants – insure full report reporting (KM)
- ☐ GSA SF269 Financial Report – (requirement of TSA/LEO Reimbursement Grant) (SS)
- ☐ Go through SAA Board Meeting Minute and make sure all minutes have been signed and sealed for the current year. (KM)
- ☐ Pledged Securities File – Make sure we have full 12 month's worth of bank reports (KM)
- ☐ Lease checklist items – anything outstanding? (SS)
- ☐ Year – end payroll adjustments (if any) (KW)
- ☐ Wage & Salary Adjustments (KW)
 - email salaries to Jennifer, City of Salina (life insurance premiums)
- ☐ KDHE Wildlife Mitigation Report (KB)
 - Deadline December 31st
 - Replace new permit in ACM
- ☐ Update ACM/AEP/WHMP
- ☐ Update Ops Reference Manual
- ☐ Renew State of Kansas Deer Population Control Permit for Municipalities (Ops)
 - Renew by December 31st
- ☐ Renew State of Kansas Airport Nuisance Wildlife Control Permit (Ops)
 - Renew by December 31st
 - Include Nuisance wildlife control activity report
- ☐ Review City of Salina / SAA Mutual Aid Agreement (Ops)
- ☐ Review list of employees with vehicle operating permit update and ensure adequate training has been or will be scheduled (Ops)
- ☐ Review of Economic Development Agreement(s) (XD)
- ☐ Check IRS Mileage Rates & update form (KM)

Placed/Independent Contractor Checklist

Project Number

Status

Project Name

Contractor

Physical Location of Project

Files

Electronic Document Folder Created
Physical Source File Created

Advertising

Sal Journal
Chamber Plan Room
Kansas Construction News
Missouri ISq.Ft. Electronic Plan Room
Other Advertising

Contract Documents

Created
Contractor Approved
Owner Approved
Other

Notice to Proceed

Submitted
Accepted

Purchase Order

Submitted
Accepted

Tax Status

Submit Regular St. KS Tax Exempt. Cert to Contactor
Apply for St. KS. Project Exempt. Certificate
Received from St. KS
Submitted to Contractor
\$ Value
Project Start Date
Project Completion Date
PR 77 Returned to State (Separate Tracking)

Insurance

Proof of Insurance Requested from Contractor
Proof of Insurance Received
Validate SAA listed as additional insured
Builder's Risk Policy
Contractor
Owner
Policy Secured
Update Acct. System with Insurance Information

Budget

Line Item
Fund
Budget Adjustments

FAA 7460

Filed with FAA
Determination Received

1099 Data

W-9 Requested
W-9 Received
Acct. System Updated

OTHER

Tenant: _____

Leasehold: _____

Term: _____

Date: _____

Lease Checklist

1. Commercial Business License
2. Create scan pdf file of entire agreement (be sure OCR is enabled and establish bookmark at maintenance section)
 3. Send PDF to Greg Bengtson
 4. Copy PDF created to ARFF Drive / Legal Contracts Folder
5. Pull Corporate Information from KS.gov
6. Executed Agreement
7. Transmit Executed Agreement to Lessee
8. Security Deposit Received
9. Proof of Insurance
10. Added to our Insurance Policy (if applicable)
11. Re-calculate insurable values
12. Set up in tickler file.
13. Set up account in Quick Books
14. Added/Change to newsletter mailing list and econ impact dbase
15. Update Property Mgmt. System
16. Commercial Property Calculation - set up on tickler
17. Worker Comp Waiver if applicable
18. Update revenue spreadsheet
19. Facility Keys
20. Utilities
21. Add to Board Agenda & Packets
(Airfield tenant or subtenant)
22. Archive Email
23. Provide James Charlesworth and Insurance Agent the total annual rental income (business income insurance)
24. Remit payment to broker(s) if applicable
25. Set up recurring accounting entry for broker commission (if applicable)
26. Submit copies of fully executed lease agreements to brokers (if applicable)

Public Relations

1. Update on Website
2. High-res logo
3. New Biz Post Card
4. Social Media Assistance
5. Press Release
6. AOPA listing
7. Video



SALINA AIRPORT AUTHORITY "NEW T-HANGAR" CHECKLIST

HANGAR NO.		EFFECTIVE DATE	
TENANT			
<input type="checkbox"/> Name		<input type="checkbox"/> Business Name	
<input type="checkbox"/> Address			
<input type="checkbox"/> Billing Address (if different)			
<input type="checkbox"/> City		<input type="checkbox"/> State	<input type="checkbox"/> Zip
<input type="checkbox"/> Home Phone		<input type="checkbox"/> Cell No.	
<input type="checkbox"/> Email (add to contact central and outlook)			
AIRCRAFT		REQUIRED VERIFICATION	
<input type="checkbox"/> Make		<input type="checkbox"/> Driver's License and/or Pilot's License	
<input type="checkbox"/> Model		<input type="checkbox"/> Certificate of Liability Insurance (aircraft coverage)	
<input type="checkbox"/> N-Number		<input type="checkbox"/> Copy of Automobile Insurance Coverage	
DOCUMENTATION			
<input type="checkbox"/>	Aircraft Information Request Form <i>(to be completed by tenant)</i>		
<input type="checkbox"/>	Gate Access Card Application <i>(to be completed by tenant)</i>		
<input type="checkbox"/>	Create New Lease Agreement <i>F:\Public\MsOffice\Multi Application Folders\Legal Contracts\Lease Agreements\T-Hangar Agreements\Forms "Base Lease Agreement" Save as: (Hangar No Last Name, First Initial.)</i>		
<input type="checkbox"/>	Verify N-Number (attach to lease) http://registry.faa.gov/aircraftinquiry/NNum_Inquiry.aspx		
ADMINISTRATIVE ITEMS TO BE COMPLETED			
<input type="checkbox"/>	Create Account in QuickBooks		
<input type="checkbox"/>	Edit Hangar Waiting List & Access Database <i>F:\Public\MsOffice\Excel\Reports "Hangar Waiting List" / F:\Public\MsOffice\Access "T-Hangar Tenants"</i>		
<input type="checkbox"/>	Edit Based Aircraft Report <i>F:\Public\MsOffice\Excel\Reports\Based Aircraft "Based Aircraft Report"</i>		
<input type="checkbox"/>	Schedule AOA Drivers Training with Kenny Bieker <i>Date: _____</i>		
INFORMATIVE PACKET CONTENTS (provide to tenant)			
<input type="checkbox"/>	Fully Executed Lease Agreement	<input type="checkbox"/>	Salina Airport Authority Progress Report
<input type="checkbox"/>	Copy of Gate Access Card Application	<input type="checkbox"/>	SLN Aviation Service Center
<input type="checkbox"/>	AOA Driver's Guide	<input type="checkbox"/>	AOPA's Airport Watch
<input type="checkbox"/>	SLN Rules and Regulations	<input type="checkbox"/>	FAA AOA – Airport Vehicle Ops Safety Guide
<input type="checkbox"/>	FAR Part 43 Document	<input type="checkbox"/>	SLN Runway Safety Information – April 2006
<input type="checkbox"/>	Great Lakes Airlines Schedule	<input type="checkbox"/>	Other _____



SALINA AIRPORT AUTHORITY "LEASE CLOSEOUT" CHECKLIST

BLDG NO.		TERMINATION DATE	
TENANT			
<input type="checkbox"/> Name			
<input type="checkbox"/> Business (if applicable)			
<input type="checkbox"/> Home Phone		Cell No.	
DOCUMENTATION			
<input type="checkbox"/>	Termination Notice Received?		
<input type="checkbox"/>	Effective Date: _____		
ADMINISTRATIVE ITEMS TO BE COMPLETED			
<input type="checkbox"/>	Account paid in full? (Balance Due / Refund Due)	<input type="checkbox"/>	Archive Files <ul style="list-style-type: none"> • Move legal contracts to archive file • Archive close out email
<input type="checkbox"/>	Update QuickBooks <ul style="list-style-type: none"> • Delete Mx Transaction • Inactivate customer acct. (once paid in full) 	<input type="checkbox"/>	Update <ul style="list-style-type: none"> • Lease tickler • Revenue spreadsheet
<input type="checkbox"/>	Return Security Deposit? Amount: \$ _____	<input type="checkbox"/>	Transfer utilities
<input type="checkbox"/>	Gate Card Returned? Card No.(s) _____	<input type="checkbox"/>	Address property insurance issues/changes
<input type="checkbox"/>	Keys Returned (if applicable) Key No.(s) _____	<input type="checkbox"/>	Site Restoration
REMOVE FROM DATABASE(S)			
<input type="checkbox"/>	Remove from Property Management System <i>F:/Public/MsOffice/Access/SAA property Management System/SAA Property Mgmt 2000</i>		
<input type="checkbox"/>	Delete data from Constant Contacts and Contract Central		
<input type="checkbox"/>	Remove from website		
COMMENTS / OTHER			
<input type="checkbox"/> Thank you note			

Property Acquisition Checklist

1. Draft agreement
2. Appraisal
3. Legal Review
4. Establish closing date
5. Executed agreement
6. Escrow agent
7. Closing statement
8. Deed
9. Record Deed – Register of Deeds
10. Add to Insurance schedule
11. Re-calculate insurable values
12. Set up account in Quick Books – capital
13. Establish bldg. no.
14. Add to property management system
15. Update exhibit a property map and tables
16. Update Property Mgmt. System
17. Commercial Property Calculation - set up on tickler
13. Facility Keys
14. Utilities

Internal Control System for Federal Award Program

Required Compliance Testing Activity No. 1: Activities Allowed or Unallowed

Understanding of Internal Control	Tests of Controls
<p>Control Environment - The SAA Admin. Staff is aware of the allowability or non-allowability of transactions and activities for inclusion in the Airport Improvement Program. The AIP Handbook (Order 5100.38A) as provided by the FAA is a reference used</p>	
<p>to ensure our compliance. The grant agreement and contract specifications also disclosure what transactions are eligible.</p>	
<p>Risk Assessment - If unallowable transactions are processed, the SAA would be liable for the entire amount of such transactions and would be required to reimburse the FAA's 95% contribution.</p>	
<p>Control Activities - Each invoice related to an AIP project is reviewed to determine eligibility and only eligible expenses are included using Request for Reimbursement Form No. SF-271</p>	
<p>Information and Communication - The SAA states its internal control policy in its Comprehensive Annual Financial Report.</p>	
<p>Monitoring-All costs charged to a project are reviewed by the Executive Director and Mgr. of Admin. & Finance</p>	

Internal Control System for Federal Award Program

Required Compliance Testing Activity No. 2: Equipment and Real Property Management

Understanding of Internal Control	Tests of Controls
<p>Control Environment-the SAA Admin. Staff is aware of Airport Sponsor Assurance No. 31 as established by the Federal Aviation Administration. The SAA is also aware that certain assurances must be made as a condition of approval of a grant application.</p>	
<p>The set of assurances are utilized by the airport in requesting funds for airport development, airport planning and noise compatibility purposes. The SAA is aware that Assurance No. 31 describes the requirements and stipulations on the disposal of</p>	
<p>land that was acquired with federal funds. The SAA is cognitive of the stipulations and procedures for disposing of equipment purchased with Federal Funds.</p>	
<p>Risk Assessment-Failure to comply with grant conditions may result in suspension or termination of the grant and may negatively affect the ability to receive subsequent federal funds.</p>	
<p>Control Activities-The SAA follows the guidelines for equipment disposal as set forth in the AIP Handbook, Order 5100.38A, Section 7, Par 561. In addition, the SAA adheres to Airport Sponsor Assurance No. 31 relating to the disposal of land.</p>	
<p>Information and Communication-SAA Executive Director insures that appropriate staff members are aware of the requirements of laws, regulations, contracts and grants applicable to federal programs. The SAA states its internal control policy in its CAFR.</p>	
<p>Monitoring-All property and equipment transactions are reviewed and approved by the Executive Director.</p>	

Internal Control System for Federal Award Program

Required Compliance Testing Activity No. 3: Matching, Level of Effort, Earmarking

Understanding of Internal Control	Tests of Controls
Control Environment - The SAA is aware the Federal Share of costs associated with Industrial Airport Planning and Airport Develop is 95% for the size of our airport.	
Risk Assessment - If the SAA's request for reimbursement exceeded the 95%, the SAA would be liable for the amount of such excess and would be required to reimburse the FAA. This would also negatively affect the SAA's ability to receive subsequent funding.	
Control Activities -The SAA uses due diligence to ensure the accuracy of the project application. Section B of Part III of FAA Form 5100-100 contains the information necessary to determine the Federal share of the project.	
Information and Communication --SAA Executive Director insures that appropriate staff members are aware of the requirements of laws, regulations, contracts and grants applicable to federal programs. The SAA states its internal control policy in its CAFR	
Monitoring -Exec. Director and Mgr. of Admin. & Finance review and approve all grant applications and requests for reimbursements.	

Internal Control System for Federal Award Program

Required Compliance Testing Activity No. 4: Financial Reporting

Understanding of Internal Control	Tests of Controls
Control Environment -the SAA ensures the Outlay Report and Request for Reimbursement, FAA Form SF-271, is prepared to request progress or final payment for construction projects.	
The SAA is required to submit the original plus two copies of the SF-271 to the FAA Field Office. After approval by the field office, the original and a copy must be sent to the regional accounting office.	
Risk Assessment -By not adhering to the RFR procedures, the SAA would not receive the grant payments.	
Control Activities -The SAA uses due diligence to ensure the accuracy of the SF-271.	
Information and Communication -SAA Executive Director insures that appropriate staff members are aware of the requirements of laws, regulations, contracts and grants applicable to federal programs. The SAA states its internal control policy in its CAFR	
Monitoring -The Executive Director and Mgr. Admin. and Finance must review and approval all Outlay Report and Request for Reimbursement Forms prior to submittal to the field and regional accounting offices.	

Internal Control System for Federal Award Program

Required Compliance Testing Activity No. 5: Revenue Diversion

Understanding of Internal Control	Tests of Controls
Control Environment -the SAA follows the Federal Aviation Policy and Procedures Concerning the Use of Airport Revenue (64 FR 7696 dated Feb, 16, 1999).	
Risk Assessment -FAA's administrative enforcement process (FAR Part 16) includes actions against airports alleging violation of the revenue use restrictions. If a violation is determined, FAA can withhold future airport grants, withhold approval of any	
increase in past grants, withhold payments under existing grants and withhold approval of any new PFC application. The FAA can also file suit in a U.S. District Court and can withhold Federal transportation funds if the airport fails to reimburse the	
airport for revenue diversion violations.	
Control Activities -Executive Director ensures that appropriate staff members are aware of the FAA policies and procedures on the utilization of airport revenue. Administrative Asst. codes all invoices for payment and presents to SAA officer	
for approval to pay. At that point, the AA prepares the checks for vendor payment for another SAA officer to sign, meeting the requirements of dual control.	
Information and Communication -The SAA states its internal control policy in its CAFR.	
Monitoring -Mgr. of Admin. & Finance reviews and approve all invoices prior to payment to ensure that airport revenues are used for airport purposes.	

Internal Control System for Federal Award Program

Required Compliance Testing Activity No. 6: Davis Bacon

Understanding of Internal Control	Tests of Controls
Control Environment -The SAA is aware that AIP contracts need to include a provision for compliance with the Davis Bacon Act (40 USC 276a to a-7) and the Dept. of Labor implement regulations (29 CFR Part 5).	
Risk Assessment -In the event the SAA, the contractor, or the subcontractor does not take prompt action to correct any labor violations, the SAA shall be informed that the amount of the underpayments will be withheld from the next partial payment, and all	
future grant payments may be suspended pending satisfactory correction of the violations.	
Control Activities -The SAA receives copies and reviews the certified payroll records for every contractor and subcontractor.	
Information and Communication -The SAA places a copy of the current prevailing wage determination in each solicitation, and the award of a contract shall be conditioned upon the acceptance of the wage determination.	
Monitoring -The SAA Operations Director conducts periodic contractor and subcontractor employee interviews for testing of compliance with the Davis Bacon Act.	



**ANNUAL REPORT
of the
SALINA AIRPORT AUTHORITY
A Component Unit of the
City of Salina, Kansas
For the Fiscal Years Ended December 31, 2015 and 2014**

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

CUSIP #794760XXX

Annual Report
For the fiscal year ended December 31, 2015

SALINA AIRPORT AUTHORITY
Salina, KS

Financial Information Enclosed:

Operating data for the Salina Airport Authority (the "SAA") for the fiscal year ended December 31, 2015 can be found in the attached Exhibit A. In addition, the SAA provides Financial Information concerning the SAA in the attached Exhibit B.

The SAA's unaudited financial statements for the fiscal year ended December 31, 2015 are located in the attached Exhibit C. The SAA will submit its audited financial statements to the Municipal Securities Rulemaking Board to complete its annual reporting obligations pursuant to the Undertaking when such audited financial statements are available.

The SAA has provided the operating data in this Annual Report based on the information referred to in the SAA's Omnibus Continuing Disclosure Undertaking, dated August 19, 2015, (the "Omnibus Continuing Disclosure Undertaking") together with certain information required by prior undertakings. The SAA has reviewed its continuing obligations and believes any difference between the operating data provided in this Annual Report and the operating data referred to in previous continuing disclosure obligations is not material.

The information contained in this Annual Report is current as of December 31, 2015, or as otherwise indicated. Certain information in this Annual Report has been provided by third-party sources. Nothing contained in any continuing disclosure undertaking or this Annual Report is, or should be construed as, a representation by any person, including the SAA, that this Annual Report includes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed on Schedule 1, or any other securities of the SAA. Nothing contained in this Annual Report obligates the SAA to update any of the financial information or operating data contained in this Annual Report.

For additional information contact:

Michelle R. Swanson, C.M.
Director of Administration and Finance
Salina Airport Authority
3237 Arnold Ave.
Salina, KS 67401
shellis@salair.org
785-827-3914

SALINA AIRPORT AUTHORITY, SALINA, KS

Dated: June 29, 2016

Schedule 1

Schedule of Bond Issues

Series 2005-A GO Bonds

Issuer: Salina Airport Authority, Salina, Kansas
Issue Name: \$3,635,000, Taxable General Obligation Bonds
Date of Issuance: August 1, 2005

Series 2007-A GO Bonds

Issuer: Salina Airport Authority, Salina, Kansas
Issue Name: \$1,005,000, Taxable General Obligation Bonds
Date of Issuance: December 15, 2007

Series 2009-A GO Bonds

Issuer: Salina Airport Authority, Salina, Kansas
Issue Name: \$2,025,000, General Obligation Bonds
Date of Issuance: June 1, 2009

Series 2009-B GO Bonds

Issuer: Salina Airport Authority, Salina, Kansas
Issue Name: \$6,080,000, Taxable General Obligation Bonds
Date of Issuance: June 1, 2009

Series 2011-A GO Bonds

Issuer: Salina Airport Authority, Salina, Kansas
Issue Name: \$11,820,000 Taxable General Obligation Bonds
Date of Issuance: August 17, 2011

Series 2011-B GO Bonds

Issuer: Salina Airport Authority, Salina, Kansas
Issue Name: \$2,505,000 Taxable General Obligation Bonds
Date of Issuance: August 17, 2011

Series 2015-A GO Bonds

Issuer: Salina Airport Authority, Salina, Kansas
Issue Name: \$3,075,000 Taxable General Obligation Bonds
Date of Issuance: August 28, 2015

Exhibit A

Operating Data for the Salina Airport Authority for the year ended December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Salina Airport Authority (Authority) was established by the City of Salina, pursuant to Chapter 27, Article 3, of the Kansas Statutes Annotated for the purpose of acquiring surplus federal government property, specifically the former Schilling Air Force Base, located near the City of Salina. The Authority operates, maintains, and develops the Salina Regional Airport and the Salina Airport Industrial Center. The Authority is controlled by a five-member Board of Directors appointed by the Salina City Commission and, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, the Authority is considered to be a component unit of the City of Salina. The Authority is discreetly presented in the City's comprehensive annual financial reports.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The Authority's financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) for state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for state and local governments in the United States of America.

The Authority consists of a single enterprise fund. Enterprise funds are classified as proprietary funds by the GASB and are accounted for using a total economic resource measurement focus. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the Authority is that the costs of providing services on a continuing basis be recovered through user fees and rents. The financial statements are prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized as earned and expenses as incurred.

Revenues from airlines, fuel flowage fees, building and land rents, and rental car commissions are reported as operating revenues. Transactions, which are capital, financing or investing related, and the sale of assets, related to economic development, are reported as non-operating revenues. All expenses related to operating the Airport and Industrial Center are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

Salina Airport Authority					
AIR TRAFFIC, FUEL FLOWAGE AND ENPLANEMENT TRENDS					
Ten Years Ended December 31, 2015					
			Passenger Enplanements		
Fiscal	Air Traffic	Fuel Flowage	Scheduled	Non-Scheduled	Total
<u>Year</u>	<u>Operations</u>	<u>Gallons</u>	<u>Air Carrier</u>	<u>Air Carrier</u>	<u>Enplanements</u>
2006	81,464	3,817,112	1,854	1,023	2,877
2007	76,479	3,778,794	2,504	1,623	4,127
2008	71,575	3,114,515	3,673	1,497	5,170
2009	65,062	2,481,585	2,447	421	2,868
2010	60,451	2,763,991	1,698	1,446	3,144
2011	69,207	2,386,670	2,705	212	2,917
2012	97,338	2,594,049	2,546	980	3,526
2013	90,131	1,757,980	2,361	468	2,829
2014	91,101	1,971,061	1,940	458	2,398
¹ 2015	96,350	2,487,603	1,124	9,265	10,389
Note:					
One air traffic operation equals one aircraft takeoff and landing					
Sources:					
Salina Airport Authority Records					
Federal Aviation Administration Office of Airport Planning and Program					
¹ Non-scheduled air carrier data is estimated as data not available from FAA until July of the following calendar year					

Operating Data for the Salina Airport Authority for the year ended December 31, 2015

Financial Information

Estimated Actual Valuation

Based on assessment percentages provided by Kansas Statutes and estimated actual valuation figures provided by the Saline County Appraiser's Office, the following table provides November 1 estimated actual valuations for the City in the years indicated.

Year	Estimated Actual Value
2015	\$ 2,957,531,741
2014	2,917,267,724
2013	2,889,385,914
2012	2,884,188,981
2011	2,891,461,447
2010	2,888,659,004

Assessed Valuation and Current Indebtedness of the SAA

Fiscal Year	November Assessed Valuation	Motor Vehicle Valuation	Valuation Total	Capacity of Valuation Total	General Obligation Debt	Revenue Bond Debt	Special Assessment Debt	Financing Leases / Other Loans Payable	Temporary Notes	Total Debt	Remaining Capacity	Percentage of Personal Income	Total Debt Per Capita
2006	377,917,187	50,551,299	428,468,486	12,854,055	7,370,000	-	302,137	481,299	2,925,000	11,078,436	2,559,035	0.68%	241
2007	392,728,487	50,548,706	443,277,193	44,327,719	7,490,000	-	255,270	391,932	13,900,000	22,037,202	22,937,719	1.28%	469
2008	399,982,148	51,351,656	451,333,804	45,133,380	6,525,000	-	232,054	358,831	10,975,000	18,090,885	27,633,380	0.97%	389
2009	397,470,626	50,330,252	447,800,878	44,780,088	13,782,154	-	207,948	323,500	7,050,000	21,363,602	23,947,934	1.20%	460
2010	400,248,283	48,184,331	448,432,614	44,843,261	12,792,154	-	145,299	285,796	11,632,467	24,875,716	20,398,640	1.42%	539
2011	402,354,576	47,406,062	449,760,638	44,976,064	25,808,985	-	125,014	245,538	-	26,179,557	19,167,079	1.35%	549
2012	403,850,282	47,553,744	451,404,026	45,140,403	24,756,769	-	103,947	202,617	-	25,063,333	20,383,634	1.25%	522
2013	405,107,476	48,882,411	453,989,887	45,398,989	23,880,661	-	66,746	156,791	-	24,104,198	21,518,328	1.17%	504
2014	407,454,378	48,865,900	456,320,278	45,632,028	22,974,555	-	48,949	107,966	-	23,131,470	22,657,473	1.10%	483
2015	416,179,070	50,350,566	466,529,636	46,652,964	23,010,000	-	30,465	55,696	-	23,096,161	23,642,964	1.08%	478

Largest Taxpayers

According to the Saline County Clerk's Office, the following table lists the largest taxpayers in the City, their November 2015 assessed valuations, and the percentage each taxpayer comprised of the total assessed valuation of the City.

Company	Type of Business	Assessed Valuation	% of Total Valuation
Westar Energy	Utility	\$ 11,025,004	2.37%
Schwan's Global Supply Chain, Inc.	Manufacturing	7,175,013	1.54%
Garrison Salina Owner, LLC	Regional Shopping Center	6,330,144	1.36%
RAF Salina LLC	Retail-Shopping Center	4,478,080	0.96%
Salina Regional Health Properties	Medical	4,318,078	0.93%
Kansas Gas Service	Utility	3,669,878	0.79%
Menard, Inc.	Home Improvement Store	2,896,599	0.62%
Collier Dennis	Multi-family	2,428,117	0.52%
Union Pacific	Railroad	2,399,813	0.52%
Great Plains Manufacturing	Manufacturing	2,378,176	0.51%
Total		47,098,902	10.12%

Property Tax Collections

Tax statements are mailed November 1 each year and may be paid in full or one-half on or before December 20 with the remaining one-half due on or before May 10 of the following year. Taxes that are unpaid on the due dates are penalized at a statutorily prescribed rate until paid or until the property is sold for taxes. Real estate bearing unpaid taxes is advertised for sale in July of each year and is sold by the County for taxes and all legal charges on the first Tuesday in September. Properties that are sold and not redeemed within two years after the tax sale are subject to foreclosure sale, except homestead properties which are subject to foreclosure sale after three years.

Personal property taxes are assessed, due and may be paid in the same manner as real estate taxes. Motor vehicle property taxes are based on valuations provided by the Kansas Department of Revenue and the county average tax rate for the county in which the vehicle is registered. Motor vehicle taxes are payable to the county by the State in a manner such as to equal registration over a twelve-month period. Motor vehicle taxes are distributed by the county to the state, city and other taxing jurisdictions based on their proportionate tax levies. Delinquent personal and motor vehicle taxes are penalized at the same rate as delinquent real property taxes. The following is a summary of tax collections for the Authority in the years shown.

Levy Year	Tax Rate	Taxes Levied	CURRENT		CURRENT AND DELINQUENT	
			Tax Collections		Tax Collections	
2015	4.396	1,829,523.19	In progress			
2014	4.486	1,827,840.34	1,761,860	96.39%	1,802,141	98.59%
2013	4.504	1,824,604.07	1,767,222	96.86%	1,796,928	98.48%
2012	4.007	1,618,228.08	1,565,139	96.72%	1,600,808	98.92%
2011	4.007	1,612,234.79	1,560,405	96.79%	1,598,276	99.13%
2010	4.055	1,623,006.79	1,574,960	97.04%	1,616,080	99.57%

Tax Levies

Salina Airport Authority							
LOCAL GOVERNMENT MILL LEVY RATES, DIRECT AND OVERLAPPING							
Ten Years Ended December 31, 2015							
						Other	
Fiscal	Saline	City of	Unified	Salina	State	Special	
Year	County	Salina	School	Airport	of	Taxing	
			Dist. #305	Authority	Kansas	Districts	Total
2006	27.955	23.789	55.252	2.877	1.5	6.350	117.722
2007	27.475	23.959	54.99	2.877	1.5	6.398	117.199
2008	29.347	25.886	58.547	2.877	1.5	6.594	124.751
2009	31.343	25.886	58.542	4.315	1.5	6.593	128.179
2010	31.432	26.022	59.913	4.055	1.5	6.576	129.498
2011	32.576	26.272	58.82	4.007	1.5	6.471	129.646
2012	34.823	26.19	58.649	4.007	1.5	6.628	131.797
2013	37.895	26.927	58.116	4.504	1.5	6.937	135.879
2014	38.047	27.080	55.605	4.486	1.5	7.319	134.037
2015	38.275	27.311	56.12	4.396	1.5	7.397	134.999
Note:							
Funds generated from the Salina Airport Authority's mill levy become available during calendar year following the year levied and are budgeted accordingly.							
Source: Saline County Clerk							

Exhibit C

Salina Airport Authority for the year ended December 31, 2015

Financial Information

06/30/16

Salina Airport Authority
Statement of Net Assets Prev Year Comparison
As of December 31, 2015

	Dec 31, 15	Nov 30, 15	\$ Change	Dec 31, 14	\$ Change	% Change
ASSETS						
Current Assets						
Checking/Savings						
Cash in Bank - Bond Funds	335,426	340,412	-4,986	0	335,426	100%
Cash in bank & Petty Cash-Op	383,658	423,613	-39,955	290,742	92,916	32%
Total Checking/Savings	719,084	764,025	-44,941	290,742	428,342	147%
Accounts Receivable						
Accounts Receivable	127,534	125,826	1,708	107,939	19,594	18%
Total Accounts Receivable	127,534	125,826	1,708	107,939	19,594	18%
Other Current Assets						
Other current assets	157,892	166,515	-8,623	5,067	152,826	3,016%
Undeposited Funds	0	86	-86	0	0	0%
Total Other Current Assets	157,892	166,601	-8,709	5,067	152,826	3,016%
Total Current Assets	1,004,510	1,056,452	-51,941	403,748	600,762	149%
Fixed Assets						
Fixed assets at cost	82,060,832	82,059,445	1,387	81,861,672	199,160	0%
Less accumulated depreciation	-36,764,198	-36,550,448	-213,750	-34,199,198	-2,565,000	-8%
Total Fixed Assets	45,296,634	45,508,997	-212,364	47,662,474	-2,365,840	-5%
TOTAL ASSETS	46,301,144	46,565,449	-264,305	48,066,222	-1,765,078	-4%
LIABILITIES & EQUITY						
Liabilities						
Current Liabilities						
Accounts Payable						
Accounts payable	91,688	65,221	26,466	142,516	-50,829	-36%
Total Accounts Payable	91,688	65,221	26,466	142,516	-50,829	-36%
Credit Cards						
Sam's Club Discover	-561	0	-561	-25	-536	-2,144%
VISA - Sunflower Bank, N.A. - S	0	-13	13	1,275	-1,275	-100%
VISA - Sunflower Bank, N.A. - T	0	143	-143	0	0	0%
Total Credit Cards	-561	130	-691	1,250	-1,811	-145%
Other Current Liabilities						
Accrued debt interest payable	319,615	282,337	37,278	347,798	-28,183	-8%
Debt, current portion	1,109,894	1,499,894	-390,000	1,025,674	84,220	8%
Deferred Mill Levy revenue	0	165,939	-165,939	0	0	0%
Other current liabilities	191,888	212,766	-20,878	175,044	16,844	10%
Total Other Current Liabilities	1,621,396	2,160,935	-539,539	1,548,516	72,881	5%
Total Current Liabilities	1,712,523	2,226,286	-513,763	1,692,282	20,241	1%
Long Term Liabilities						
Capital Lease Payable	55,696	55,696	0	107,967	-52,271	-48%
Debt - Long Term	22,823,445	22,823,037	408	23,023,503	-200,057	-1%
Less current portion	-1,109,894	-1,499,894	390,000	-1,025,674	-84,220	-8%
Security Deposits Returnable	37,702	39,152	-1,450	20,624	17,078	83%
Total Long Term Liabilities	21,806,950	21,417,991	388,959	22,126,420	-319,470	-1%
Total Liabilities	23,519,473	23,644,277	-124,805	23,818,702	-299,229	-1%
Equity						
Invested in Capital Assets net	22,467,260	22,645,206	-177,946	24,510,104	-2,042,844	-8%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	1,690,260	1,512,314	177,946	628,315	1,061,945	169%
Net Income	-1,465,849	-1,326,348	-139,500	-980,899	-484,950	-49%
Total Equity	22,781,671	22,921,172	-139,500	24,247,520	-1,465,849	-6%
TOTAL LIABILITIES & EQUITY	46,301,144	46,565,449	-264,305	48,066,222	-1,765,078	-4%

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06/30/16

Accrual Basis

Salina Airport Authority
Profit & Loss YTD Comparison
 January through December 2015

	Jan - Dec 15	Jan - Dec 14	\$ Change	% Change
Ordinary Income/Expense				
Income				
Airfield revenue				
Fuel Flowage Fees	189,532	150,110	39,422	26%
Hangar rent	472,454	518,465	-46,011	-9%
Landing fees	7,668	3,312	4,356	132%
Ramp rent	49,851	50,904	-1,053	-2%
Total Airfield revenue	719,505	722,791	-3,286	-1%
Building and land rent				
Agri land rent	53,673	56,826	-3,153	-6%
Building rents				
Short-term leasing	62,952	0	62,952	100%
Building rents - Other	752,971	827,224	-74,253	-9%
Total Building rents	815,923	827,224	-11,301	-1%
Land rent				
Basic Land Rent	74,826	126,729	-51,903	-41%
Property tax - tenant share	114,374	116,321	-1,948	-2%
Land rent - Other	0	0	0	0%
Total Land rent	189,200	243,051	-53,851	-22%
Tank rent	9,540	8,962	577	6%
Total Building and land rent	1,068,335	1,136,063	-67,728	-6%
Other revenue				
ARFF Training	4,500	0	4,500	100%
Avgas	0	8,037	-8,037	-100%
Commissions	20,710	19,409	1,302	7%
Other income	63,453	30,707	32,746	107%
Total Other revenue	88,664	58,153	30,511	53%
Total Income	1,876,503	1,917,007	-40,503	-2%
Cost of Goods Sold				
Cost of Goods Sold	0	7,653	-7,653	-100%
Total COGS	0	7,653	-7,653	-100%
Gross Profit	1,876,503	1,909,353	-32,850	-2%
Expense				
Administrative expenses				
A/E, consultants, brokers	19,904	6,163	13,741	223%
Airport promotion	9,722	19,982	-10,260	-51%
Bad Debt Expense	3,422	9,276	-5,854	-63%
Computer/Network Admin.	12,096	11,898	198	2%
Dues and subscriptions	20,781	33,021	-12,240	-37%
Employee retirement	70,006	68,461	1,544	2%
FICA and medicare tax expense	50,468	52,156	-1,688	-3%
Industrial development	0	15,000	-15,000	-100%
Insurance , property	145,433	144,241	1,192	1%
Insurance, medical	176,485	162,328	14,157	9%
Kansas unemployment tax	684	11,492	-10,808	-94%
Legal and accounting	41,905	39,836	2,070	5%
Office salaries	393,965	409,847	-15,882	-4%
Office Supplies	6,487	7,803	-1,316	-17%
Other administrative expense				
Merchant Processing Fees	683	502	181	36%
Other administrative expense - Other	3,761	5,772	-2,011	-35%
Total Other administrative expense	4,444	6,274	-1,830	-29%
Payroll expenses	0	0	0	0%
Postage	2,030	2,722	-692	-25%
Property appraisal expense	0	7,750	-7,750	-100%
Property tax expense	154,466	157,666	-3,200	-2%
Special Events	0	516	-516	-100%
Telephone	16,565	17,318	-753	-4%
Training	4,824	4,053	771	19%
Travel and meetings	8,386	10,642	-2,256	-21%
Total Administrative expenses	1,142,073	1,198,445	-56,372	-5%
Maintenance expenses				
Airfield maintenance	16,812	31,016	-14,205	-46%
Airport Security	793	1,016	-223	-22%
Building maintenance	34,998	57,027	-22,029	-39%
Equipment fuel and repairs	63,791	84,726	-20,935	-25%
Fire Services	14,511	500	14,011	2,802%

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06/30/16

Accrual Basis

Salina Airport Authority
Profit & Loss YTD Comparison
January through December 2015

	Jan - Dec 15	Jan - Dec 14	\$ Change	% Change
Grounds maintenance	2,117	3,617	-1,500	-42%
Maintenance salaries	312,080	326,759	-14,678	-5%
Other maintenance expenses	13,716	20,952	-7,236	-35%
Snow removal expense	1,936	7,295	-5,359	-74%
Utilities	241,064	327,850	-86,786	-27%
Total Maintenance expenses	701,819	860,759	-158,941	-19%
Uncategorized Expenses	0	0	0	0%
Total Expense	1,843,892	2,059,205	-215,313	-11%
Net Ordinary Income	32,612	-149,851	182,463	122%
Other Income/Expense				
Other Income				
Capital contributed	92,414	799,762	-707,348	-88%
Gain on sale of assets	56,431	50,904	5,527	11%
Interest income				
Interest income on deposits	286	437	-151	-35%
Total Interest income	286	437	-151	-35%
Mill levy income	2,028,074	1,993,889	34,185	2%
Total Other Income	2,177,204	2,844,991	-667,787	-24%
Other Expense				
Debt interest expense net				
Bond issue cost	43,160	0	43,160	100%
Interest Expense on Debt	1,067,505	1,087,440	-19,935	-2%
Total Debt interest expense net	1,110,664	1,087,440	23,224	2%
Depreciation expense	2,565,000	2,588,599	-23,599	-1%
Total Other Expense	3,675,664	3,676,039	-375	0%
Net Other Income	-1,498,460	-831,048	-667,413	-80%
Net Income	-1,465,849	-980,899	-484,950	-49%

SALINA Airport *Authority*

Salina Regional
SLN Airport

SALINA Airport
Industrial Center

3237 Arnold | Salina, KS 67401 | 785-827-3914
www.salinaairport.com | www.flysalina.com

New Issue: Moody's assigns Aa3 to Salina Airport Authority, KS' Series 2015-A GO

Global Credit Research - 12 Aug 2015

Downgrades outstanding parity debt to Aa3; Actions affect debt totaling \$23.1M

SALINA AIRPORT AUTHORITY, KS
Airports
KS

Moody's Rating
ISSUE

RATING

Taxable General Obligation Refunding And Improvement Bonds Series 2015-A Aa3

Sale Amount \$3,160,000

Expected Sale Date 08/14/15

Rating Description General Obligation

Moody's Outlook NOO

NEW YORK, August 12, 2015 --Moody's Investors Service has assigned a Aa3 rating to Salina Airport Authority (Salina, KS) \$3.16 million Taxable General Obligation (GO) Refunding and Improvement Bonds, Series 2015-A. At the same time Moody's has downgraded the rating on the authority's outstanding general obligation debt to Aa3 from Aa2. Post-sale, the authority will have \$23.1 million in Moody's rated long-term GO debt outstanding.

SUMMARY RATING RATIONALE

The downgrade to Aa3 rating reflects the authority's trend of declining revenues and narrow cash position. The rating also reflects the authority's moderately-sized tax base that is coterminous with the city of Salina (GO rated Aa3/NOO), and limited debt burden.

OUTLOOK

Moody's generally does not assign outlooks to local government with this amount of debt outstanding.

WHAT COULD MAKE THE RATING GO UP

- Substantial growth in the authority's tax base
- Significant improvement in cash reserves

WHAT COULD MAKE THE RATING GO DOWN

- Deterioration of the authority's tax base
- Erosion of reserves below current levels
- Material increases in the direct debt burden
- Declines in tenant occupancy

STRENGTHS

- Moderately-sized tax base coterminous with the city of Salina (Aa3/NOO)

-Revenue raising flexibility

CHALLENGES

-Multi-year trend of operating shortfalls leading to narrow reserves

-Declines in tenant occupancy pressuring operations

RECENT DEVELOPMENTS

Recent developments are incorporated in the Detailed Rating Rationale.

DETAILED RATING RATIONALE

ECONOMY AND TAX BASE: MODERATELY-SIZED TAX BASE; DECLINES IN TENANT OCCUPANCY

Located in Saline County 95 miles north of Wichita (Aa1/ stable outlook), the Salina Airport Authority's tax base is coterminous with that of the City of Salina (Aa3 / no outlook). The city, which is located at the intersection of I-70 and I-135, serves as a regional retail, commercial, industrial, and medical hub for the largely agricultural communities of north central Kansas (Aa2 stable). The City of Salina's \$2.9 billion tax base has enjoyed relative stability over a five year period with valuations averaging a modest 0.2% annual increase over that span. Residential incomes track slightly below national benchmarks, with 2008-2012 median family income at 84% of national levels. At 4.4% in March 2015, the city's unemployment rate was the same as the state's but below the national rate of 5.6%.

The Salina Airport Authority is located on the former site of the Schilling Air Force Base, which was closed by the U.S. Department of Defense in 1965. In 1965, the Airport Authority was created on 2,900 acres of the closed base. By statute, the Salina City Commission appoints a five-member Authority board of directors, but the Authority approves its own budget (subject to city consent for any operating tax levy) and is responsible for repaying its own debt. The Authority has two primary functions: management of airport operations and oversight and facilitation of economic growth at the Salina Airport Industrial Center.

With a 12,300 foot runway and with its central geographic location, the airport sees a variety of aviation use. Daily commercial service to Kansas City is provided and the airport is available for corporate, military, air freight, and flight training activity. Popular as a mid-continent fuel stop, the Authority benefits from a fuel surcharge collected on each gallon of fuel purchased from the Authority's tenant and Fixed Based Operator (FBO) at the Salina Regional Airport, Avflight, Salina Corp.

Salina Regional Airport and Airport Industrial Center is home to over 100 businesses and organizations that employed over 3,700 people as of December 31, 2014. The Authority's top tenant, Avflight Salina, accounts for nearly 15% of total revenues (based on 2014 figures). The authority has seen substantial declines in occupancy from a high 90% in fiscal 2011 to 59% as of fiscal year end 2014. Due in part to downsizing by the Kansas Military Board and the bankruptcy filing by Hawker Beechcraft (former largest tenant) and closure of their facilities. Positively, officials report the addition of six new tenants (including Bombardier Inc. B2/negative outlook) since 2012 contributing operating revenue of approximately \$402,000. Future reviews will focus on changes in occupancy and new tenants at the facility.

FINANCIAL OPERATIONS AND RESERVES; REVENUE DECLINES; NARROW LIQUIDITY POSITION

We expect the Salina Airport Authority's financial operations to remain satisfactory, despite narrow unrestricted cash reserves. Due to decreases in occupancy, the authority's operating revenues have declined from \$2.4 million in fiscal 2010 to \$1.9 million in fiscal 2014 resulting in operating deficits drawing on reserves in fiscal 2013 and fiscal 2014. The Authority's largest operating revenue source (building and land rent) represented 60% of revenues declined 24% from \$1.5 million in 2010 to \$1.14 million in fiscal 2014. Management reports favorable variances from the budget and expects to end fiscal 2015 with an operating surplus. While revenues are slightly below fiscal 2014 levels, reductions in authority staff have allowed expenditures to track 1-2% below budgeted expectations.

The Authority currently levies 4.48 mills for debt service, an increase from the 2012 mill levy of 4.007, generating approximately \$1.99 million in revenue, equal to debt service on outstanding GO bonds. Positively, the Authority can levy up to 3 mills for operations and an additional one mill to match grants; these levies are not used at this time, and management reports no plans to utilize these revenue raising mechanisms. While these limits do not apply to the authority's ability to levy unlimited taxes for the repayment of its general obligation debt, they do

provide revenue raising flexibility.

Liquidity

The Authority's liquidity position is narrow. The authority's unrestricted cash position decreased from a high of \$763,973 in fiscal 2011 to a low \$291,000 in fiscal 2014 (or 15% of operating revenues). Due to the reimbursement of previous capital spending year-to-date, fiscal 2015 results point to increases in liquidity to a healthier \$520,000. Future reviews will assess the authority's ability to maintain balanced operations and improve its liquidity profile.

MANAGEABLE DEBT BURDEN

Moody's expects the authority's debt burden to remain manageable at 0.79% of full value. Debt service comprised a manageable 12.1% of the authority's operating fund expenditures in fiscal 2014, and the authority's debt totaled 48.6% of net capital assets as of year-end fiscal 2014.

Debt Structure

Inclusive of the current offering the authority has \$23.1M in GO debt outstanding. Debt matures over the long term and fully matures by 2031.

Debt-Related Derivatives

The authority is not party to any interest rate swaps or other derivative agreements.

Pensions and OPEB

The authority participates in the Kansas Public Employees Retirement System (KPERs). The plan is administered under KPERs, and the authority has consistently made its required contributions to both plans in accordance with statutory requirements. Total authority's pension contributions in fiscal 2014 amounted to \$68,461. Fiscal 2014 pension contributions represented approximately 3.6% of operating revenues. The three year (2012 to 2014) Moody's adjusted net pension liability (ANPL) for the authority, under our methodology for adjusting reported pension data, is \$66,047. For more information on Moody's insights on employee pensions and the related credit impact on companies, governments, and other entities across the globe please visit Moody's on Pensions at www.moody's.com/pensions.

MANAGEMENT AND GOVERNANCE

As the authority is coterminous and has overlapping governance structure with the city of Salina, Moody's views the authority similar to Kansas cities. Kansas cities have an institutional framework score of "Aa" or strong. Cities rely on both property and sales taxes as their primary revenue sources. Cities have the ability to raise property taxes without voter approval. Cities are also able to reduce expenditures as employee contracts in Kansas are not subject to collective bargaining.

In fiscal 2011 the Authority was engaged in mediation with the U.S. Department of Justice regarding contamination caused by military activities at the former Shilling Air Force Base. Favorably, in fiscal 2013 the mediation process resulted in a consent decree and the City of Salina received \$8.4M to cover costs associated with the clean-up. The \$8.4M is expected to cover 90% of costs related to clean up with management reporting the other 10% being covered by the City of Salina water and sewer system.

KEY STATISTICS

- Full value, 2014: \$2.9 billion
- Full value per capita, 2014: \$60,719
- Median family income: 84% of U.S.
- Available fund balance, FY 2014: 15.24% of operating revenues
- 5-year change in fund balance: -13.51% of operating revenues
- Net cash, FY 2014: 15.24% of operating revenues
- 5-year change in net cash: -13.51% of operating revenues

- Institutional framework: Aa
- 5-year average of operating revenues / expenditures: 1.03x
- Net direct debt burden % of full value: 0.79%
- Net direct debt burden / operating revenues: 12.10x
- 3-year average Moody's adjusted net pension liability % of full value: 0.00%
- 3-year average Moody's adjusted net pension liability / operating revenues: 0.03x

OBLIGOR PROFILE

The authority is coterminous with the City of Salina. The City of Salina is located in north central Kansas, near the geographic center of the contiguous United States. It is the seventh largest city in Kansas, with a 2014 U.S. Census Bureau estimate of 47,707. The city is the county seat for Saline County which had an estimated 2014 U.S. Census Bureau population of 55,755. The Authority is managed and controlled by a five-member Board of Directors appointed by the Salina City Commission.

LEGAL SECURITY

The Bonds are payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all taxable property, within the limits of the authority coterminous with the city of Salina.

USE OF PROCEEDS

Proceeds from the current sale will be used to refund previously issued debt for a present value savings of 5% and to provide financing for two capital improvement projects. One project involves improvements to the Authority's commercial airline terminal in order to update the facility to comply with federal standards for commercial jet service. The other project involves improvements to an existing hangar leased to a private aviation business, including reimbursement for previous capital spending.

PRINCIPAL METHODOLOGY

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2014. Please see the Credit Policy page on www.moodys.com for a copy of these methodologies.

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For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

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Aaa	highest rating, lowest credit risk
Aa1, Aa2, Aa3	high-grade
A1, A2, A3	upper-medium
Baa1, Baa2, Baa3	medium grade
Speculative Grade	
Ba1, Ba2, Ba3	speculative
B1, B2, B3	subordinated
Caa1, Caa2, Caa3	
Ca	
C	

Rating Symbols and Definitions

DECEMBER 2016

The first part of the paper discusses the importance of the research and the objectives of the study. It then presents a literature review of the existing research on the topic. The second part of the paper describes the methodology used in the study, including the data collection and analysis techniques. The third part of the paper presents the results of the study, and the fourth part discusses the conclusions and implications of the findings.

The study was conducted using a quantitative research design. Data was collected from a sample of 100 participants using a survey questionnaire. The data was then analyzed using statistical software to determine the relationships between the variables of interest.

The results of the study indicate that there is a significant positive relationship between the variables of interest. This finding is consistent with the previous research in the field. The implications of these findings suggest that the variables of interest are important factors in the study of the topic.

In conclusion, the study has shown that the variables of interest are important factors in the study of the topic. The findings of the study have implications for future research in the field.

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Preface

In the spirit of promoting transparency and clarity, Moody's Standing Committee on Rating Symbols and Definitions offers this updated reference guide which defines Moody's various ratings symbols, rating scales and other ratings-related definitions.

Since John Moody devised the first bond ratings more than a century ago, Moody's rating systems have evolved in response to the increasing depth and breadth of the global capital markets. Much of the innovation in Moody's rating system is a response to market needs for clarity around the components of credit risk or to demands for finer distinctions in rating classifications.

I invite you to contact us with your comments.

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Credit Rating Services

Moody's Global Rating Scales

Ratings assigned on Moody's global long-term and short-term rating scales are forward-looking opinions of the relative credit risks of financial obligations issued by non-financial corporates, financial institutions, structured finance vehicles, project finance vehicles, and public sector entities. Long-term ratings are assigned to issuers or obligations with an original maturity of one year or more and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default. Short-term ratings are assigned to obligations with an original maturity of thirteen months or less and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default.^{1,2}

Moody's differentiates structured finance ratings from fundamental ratings (i.e., ratings on nonfinancial corporate, financial institution, and public sector entities) on the global long-term scale by adding (sf) to all structured finance ratings.³ The addition of (sf) to structured finance ratings should eliminate any presumption that such ratings and fundamental ratings at the same letter grade level will behave the same. The (sf) indicator for structured finance security ratings indicates that otherwise similarly rated structured finance and fundamental securities may have different risk characteristics. Through its current methodologies, however, Moody's aspires to achieve broad expected equivalence in structured finance and fundamental rating performance when measured over a long period of time.

1 For certain structured finance, preferred stock and hybrid securities in which payment default events are either not defined or do not match investors' expectations for timely payment, long-term and short-term ratings reflect the likelihood of impairment (as defined below in this publication) and financial loss in the event of impairment.

2 Supranational institutions and central banks that hold sovereign debt or extend sovereign loans, such as the IMF or the European Central Bank, may not always be treated similarly to other investors and lenders with similar credit exposures. Long-term and short-term ratings assigned to obligations held by both supranational institutions and central banks, as well as other investors, reflect only the credit risks faced by other investors unless specifically noted otherwise.

3 Like other global scale ratings, (sf) ratings reflect both the likelihood of a default and the expected loss suffered in the event of default. Ratings are assigned based on a rating committee's assessment of a security's expected loss rate (default probability multiplied by expected loss severity), and may be subject to the constraint that the final expected loss rating assigned would not be more than a certain number of notches, typically three to five notches, above the rating that would be assigned based on an assessment of default probability alone. The magnitude of this constraint may vary with the level of the rating, the seasoning of the transaction, and the uncertainty around the assessments of expected loss and probability of default.

Global Long-Term Rating Scale

Aaa	Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.
Aa	Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
A	Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.
Baa	Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.
Ba	Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.
B	Obligations rated B are considered speculative and are subject to high credit risk.
Caa	Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.
Ca	Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
C	Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms.*

Note: For more information on long-term ratings assigned to obligations in default, please see the definition "Long-Term Credit Ratings for Defaulted or Impaired Securities" in the Other Definitions section of this publication.

**By their terms, hybrid securities allow for the omission of scheduled dividends, interest, or principal payments, which can potentially result in impairment if such an omission occurs. Hybrid securities may also be subject to contractually allowable write-downs of principal that could result in impairment. Together with the hybrid indicator, the long-term obligation rating assigned to a hybrid security is an expression of the relative credit risk associated with that security.*

Global Short-Term Rating Scale

P-1	Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.
P-2	Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.
P-3	Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short-term obligations.
NP	Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

Standard Linkage Between the Global Long-Term and Short-Term Rating Scales

The following table indicates the long-term ratings consistent with different short-term ratings when such long-term ratings exist.⁴

LONG-TERM RATING	SHORT-TERM RATING
Aaa Aa1 Aa2 Aa3 A1 A2 A3 Baa1 Baa2 Baa3	Prime-1 Prime-2 Prime-3
Ba1, Ba2, Ba3 B1, B2, B3 Caa1, Caa2, Caa3 Ca, C	Not Prime

⁴ Structured finance short-term ratings are usually based either on the short-term rating of a support provider or on an assessment of cash flows available to retire the financial obligation.

Obligations and Issuers Rated on the Global Long-Term and Short-Term Rating Scales

BANK DEPOSIT RATINGS

Bank Deposit Ratings are opinions of a bank's ability to repay punctually its foreign and/or domestic currency deposit obligations and also reflect the expected financial loss of the default. Bank Deposit Ratings do not apply to deposits that are subject to a public or private insurance scheme; rather, the ratings apply to the most junior class of uninsured deposits, but they may in some cases incorporate the possibility that official support might in certain cases extend to the most junior class of uninsured as well as preferred and insured deposits. Foreign currency deposit ratings are subject to Moody's country ceilings for foreign currency deposits. This may result in the assignment of a different (and typically lower) rating for the foreign currency deposits relative to the bank's rating for domestic currency deposits.

CLEARING COUNTERPARTY RATINGS

A Clearing Counterparty Rating (CCR) reflects Moody's opinion of a Central Counterparty Clearing House's (CCP) ability to meet the timely clearing and settlement of clearing obligations by the CCP as well as the expected financial loss in the event the obligation is not fulfilled. A CCR can be assigned at a CCP legal entity or clearing service level to the extent a legal entity operates multiple clearing services.

CORPORATE FAMILY RATINGS

Moody's Corporate Family Ratings (CFRs) are long-term ratings that reflect the relative likelihood of a default on a corporate family's debt and debt-like obligations and the expected financial loss suffered in the event of default. A CFR is assigned to a corporate family as if it had a single class of debt and a single consolidated legal entity structure. CFRs are generally employed for speculative grade obligors, but may also be assigned to investment grade obligors. The CFR normally applies to all affiliates under the management control of the entity to which it is assigned. For financial institutions or other complex entities, CFRs may also be assigned to an association or group where the group may not exercise full management control, but where strong intra-group support and cohesion among individual group members may warrant a rating for the group or association. A CFR does not reference an obligation or class of debt and thus does not reflect priority of claim.

CREDIT DEFAULT SWAP RATINGS

Credit Default Swap Ratings measure the risk associated with the obligations that a credit protection provider has with respect to credit events under the terms of the transaction. The ratings do not address potential losses resulting from an early termination of the transaction, nor any market risk associated with the transaction.

ENHANCED RATINGS

Enhanced Ratings only pertain to US municipal securities. An enhanced rating is Moody's published assessment of a particular obligation's credit quality absent any insurance or wrap from a financial guarantor, but reflecting the underlying issue's standalone credit quality as well as any credit support provided by a state credit enhancement program.

INSURANCE FINANCIAL STRENGTH RATINGS

Insurance Financial Strength Ratings are opinions of the ability of insurance companies to pay punctually senior policyholder claims and obligations and also reflect the expected financial loss suffered in the event of default. Specific obligations are considered unrated unless they are individually rated because the standing of a particular insurance obligation would depend on an assessment of its relative standing under those laws governing both the obligation and the insurance company.

INSURED RATINGS

An insured or wrapped rating is Moody's assessment of a particular obligation's credit quality given the credit enhancement provided by a financial guarantor. Moody's insured ratings apply a credit substitution methodology, whereby the debt rating matches the higher of (i) the guarantor's financial strength rating and (ii) any published underlying or enhanced rating on the security.

ISSUER RATINGS

Issuer Ratings are opinions of the ability of entities to honor senior unsecured debt and debt like obligations.⁵ As such, Issuer Ratings incorporate any external support that is expected to apply to all current and future issuance of senior unsecured financial obligations and contracts, such as explicit support stemming from a guarantee of all senior unsecured financial obligations and contracts, and/or implicit support for issuers subject to joint default analysis (e.g. banks and government-related issuers). Issuer Ratings do not incorporate support arrangements, such as guarantees, that apply only to specific (but not to all) senior unsecured financial obligations and contracts.

While Issuer Ratings reflect the risk that debt and debt-like claims are not serviced on a timely basis, they do not reflect the risk that a contract or other non-debt obligation will be subjected to commercial disputes. Additionally, while an issuer may have senior unsecured obligations held by both supranational institutions and central banks (e.g., IMF, European Central Bank), as well as other investors, Issuer Ratings reflect only the risks faced by other investors.

LONG-TERM AND SHORT-TERM OBLIGATION RATINGS

Moody's assigns ratings to long-term and short-term financial obligations. Long-term ratings are assigned to issuers or obligations with an original maturity of one year or more and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default. Short-term ratings are assigned to obligations with an original maturity of thirteen months or less and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default.

MEDIUM-TERM NOTE PROGRAM RATINGS

Moody's assigns provisional ratings to medium-term note (MTN) programs and definitive ratings to the individual debt securities issued from them (referred to as drawdowns or notes).

MTN program ratings are intended to reflect the ratings likely to be assigned to drawdowns issued from the program with the specified priority of claim (e.g. senior or subordinated). To capture the contingent nature of a program rating, Moody's assigns provisional ratings to MTN programs. A provisional rating is denoted by a (P) in front of the rating and is defined elsewhere in this document.

⁵ Issuer Ratings as applied to US local governments typically reflect an unlimited general obligation pledge, which may have security and structural features in some states that improve credit quality for general obligation bondholders, but not necessarily for other counterparties holding obligations that may lack such features.

The rating assigned to a drawdown from a rated MTN or bank/deposit note program is definitive in nature, and may differ from the program rating if the drawdown is exposed to additional credit risks besides the issuer's default, such as links to the defaults of other issuers, or has other structural features that warrant a different rating. In some circumstances, no rating may be assigned to a drawdown.

Moody's encourages market participants to contact Moody's Ratings Desks or visit www.moodys.com directly if they have questions regarding ratings for specific notes issued under a medium-term note program. Unrated notes issued under an MTN program may be assigned an NR (not rated) symbol.

STRUCTURED FINANCE COUNTERPARTY INSTRUMENT RATINGS

Structured Finance Counterparty Instrument Ratings are assigned to a financial contract and measure the risk posed to a counterparty arising from a special purpose vehicle's (SPV's) default with respect to its obligations under the referenced financial contract.

STRUCTURED FINANCE COUNTERPARTY RATINGS

Structured Finance Counterparty Ratings are assigned to structured financial operating companies and are founded upon an assessment of their ability and willingness to honor their obligations under financial contracts.

STRUCTURED FINANCE INTEREST ONLY SECURITY (IO) RATINGS

A structured finance IO is a stream of cash flows that is a fraction of the interest flows from one or multiple referenced securities or assets in a structured finance transaction. IO ratings address the likelihood and degree to which payments made to the IO noteholders will be impacted by credit losses to the security, securities or assets referenced by the IO. Such IO securities generally do not have a principal balance. Other non-credit risks, such as a prepayment of the referenced securities or assets, are not addressed by the rating, although they may impact payments made to the noteholders.

UNDERLYING RATINGS

An underlying rating is Moody's assessment of a particular obligation's credit quality absent any insurance or wrap from a financial guarantor or other credit enhancement.

For US municipal securities, the underlying rating will reflect the underlying issue's standalone credit quality absent any credit support provided by a state credit enhancement program.

US Municipal Short-Term Debt and Demand Obligation Ratings

SHORT-TERM OBLIGATION RATINGS

While the global short-term ‘prime’ rating scale is applied to US municipal tax-exempt commercial paper, these programs are typically backed by external letters of credit or liquidity facilities and their short-term prime ratings usually map to the long-term rating of the enhancing bank or financial institution and not to the municipality’s rating. Other short-term municipal obligations, which generally have different funding sources for repayment, are rated using two additional short-term rating scales (i.e., the MIG and VMIG scales discussed below).

The Municipal Investment Grade (MIG) scale is used to rate US municipal bond anticipation notes of up to three years maturity. Municipal notes rated on the MIG scale may be secured by either pledged revenues or proceeds of a take-out financing received prior to note maturity. MIG ratings expire at the maturity of the obligation, and the issuer’s long-term rating is only one consideration in assigning the MIG rating. MIG ratings are divided into three levels—MIG 1 through MIG 3—while speculative grade short-term obligations are designated SG.

MIG 1	This designation denotes superior credit quality. Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing.
MIG 2	This designation denotes strong credit quality. Margins of protection are ample, although not as large as in the preceding group.
MIG 3	This designation denotes acceptable credit quality. Liquidity and cash-flow protection may be narrow, and market access for refinancing is likely to be less well-established.
SG	This designation denotes speculative-grade credit quality. Debt instruments in this category may lack sufficient margins of protection.

DEMAND OBLIGATION RATINGS

In the case of variable rate demand obligations (VRDOs), a two-component rating is assigned: a long or short-term debt rating and a demand obligation rating. The first element represents Moody’s evaluation of risk associated with scheduled principal and interest payments. The second element represents Moody’s evaluation of risk associated with the ability to receive purchase price upon demand (“demand feature”). The second element uses a rating from a variation of the MIG scale called the Variable Municipal Investment Grade (VMIG) scale. VMIG ratings of demand obligations with unconditional liquidity support are mapped from the short-term debt rating (or counterparty assessment) of the support provider, or the underlying obligor in the absence of third party liquidity support, with VMIG 1 corresponding to P-1, VMIG 2 to P-2, VMIG 3 to P-3 and SG to not prime. For example, the VMIG rating for an industrial revenue bond with Company XYZ as the underlying obligor would normally have the same numerical modifier as Company XYZ’s prime rating. Transitions of VMIG ratings of demand obligations with conditional liquidity support, as shown in the diagram below, differ from transitions on the Prime scale to reflect the risk that external liquidity support will terminate if the issuer’s long-term rating drops below investment grade.

VMIG 1	This designation denotes superior credit quality. Excellent protection is afforded by the superior short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand.
VMIG 2	This designation denotes strong credit quality. Good protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand.
VMIG 3	This designation denotes acceptable credit quality. Adequate protection is afforded by the satisfactory short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand.
SG	This designation denotes speculative-grade credit quality. Demand features rated in this category may be supported by a liquidity provider that does not have an investment grade short-term rating or may lack the structural and/or legal protections necessary to ensure the timely payment of purchase price upon demand.

US MUNICIPAL SHORT-TERM VS. LONG-TERM RATINGS

NOTES	LONG-TERM RATING	DEMAND OBLIGATIONS WITH CONDITIONAL LIQUIDITY SUPPORT
MIG 1	<div> Aaa Aa1 Aa2 Aa3 A1 A2 </div>	VMIG 1
MIG 2	A3	VMIG 2
MIG 3	<div> Baa1 Baa2 Baa3 Ba1, Ba2, Ba3 B1, B2, B3 Caa1, Caa2, Caa3 Ca, C </div>	<div> VMIG 3* SG </div>

* For VRDBs supported with conditional liquidity support, short-term ratings transition down at higher long-term ratings to reflect the risk of termination of liquidity support as a result of a downgrade below investment grade.

VMIG ratings of VRDBs with unconditional liquidity support reflect the short-term debt rating (or counterparty assessment) of the liquidity support provider with VMIG 1 corresponding to P-1, VMIG 2 to P-2, VMIG 3 to P-3 and SG to not prime.

For more complete discussion of these rating transitions, please see Annex B of Moody's Methodology titled [Variable Rate Instruments Supported by Conditional Liquidity Facilities](#).

National Scale Long-Term Ratings

Moody's long-term National Scale Ratings (NSRs) are opinions of the relative creditworthiness of issuers and financial obligations within a particular country. NSRs are not designed to be compared among countries; rather, they address relative credit risk within a given country. Moody's assigns national scale ratings in certain local capital markets in which investors have found the global rating scale provides inadequate differentiation among credits or is inconsistent with a rating scale already in common use in the country.

In each specific country, the last two characters of the rating indicate the country in which the issuer is located (e.g., Aaa.br for Brazil).

Aaa.n	Issuers or issues rated Aaa.n demonstrate the strongest creditworthiness relative to other domestic issuers.
Aa.n	Issuers or issues rated Aa.n demonstrate very strong creditworthiness relative to other domestic issuers.
A.n	Issuers or issues rated A.n present above-average creditworthiness relative to other domestic issuers.
Baa.n	Issuers or issues rated Baa.n represent average creditworthiness relative to other domestic issuers.
Ba.n	Issuers or issues rated Ba.n demonstrate below-average creditworthiness relative to other domestic issuers.
B.n	Issuers or issues rated B.n demonstrate weak creditworthiness relative to other domestic issuers.
Caa.n	Issuers or issues rated Caa.n demonstrate very weak creditworthiness relative to other domestic issuers.
Ca.n	Issuers or issues rated Ca.n demonstrate extremely weak creditworthiness relative to other domestic issuers.
C.n	Issuers or issues rated C.n demonstrate the weakest creditworthiness relative to other domestic issuers.
Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. National scale long-term ratings of D.ar and E.ar may also be applied to Argentine obligations.	

National Scale Short-Term Ratings

Moody's short-term NSRs are opinions of the ability of issuers in a given country, relative to other domestic issuers, to repay debt obligations that have an original maturity not exceeding thirteen months. Short-term NSRs in one country should not be compared with short-term NSRs in another country, or with Moody's global ratings.

There are four categories of short-term national scale ratings, generically denoted N-1 through N-4 as defined below.

In each specific country, the first two letters indicate the country in which the issuer is located (e.g., BR-1 through BR-4 for Brazil).

N-1	Issuers rated N-1 have the strongest ability to repay short-term senior unsecured debt obligations relative to other domestic issuers.
N-2	Issuers rated N-2 have an above average ability to repay short-term senior unsecured debt obligations relative to other domestic issuers.
N-3	Issuers rated N-3 have an average ability to repay short-term senior unsecured debt obligations relative to other domestic issuers.
N-4	Issuers rated N-4 have a below average ability to repay short-term senior unsecured debt obligations relative to other domestic issuers.
Note: The short-term rating symbols P-1.za, P-2.za, P-3.za and NP.za are used in South Africa. National scale short-term ratings of AR-5 and AR-6 may also be applied to Argentine obligations.	

Moody's currently maintains long-term and short-term NSRs for the following countries:

- » Argentina (.ar)
- » Bolivia (.bo)
- » Brazil (.br)
- » Czech Republic (.cz)
- » Kazakhstan (.kz)
- » Kenya (.ke)
- » Lebanon (.lb)
- » Mexico (.mx)
- » Morocco (.ma)
- » Nigeria (.ng)
- » Slovakia (.sk)
- » South Africa (.za)
- » Tunisia (.tn)
- » Turkey (.tr)
- » Ukraine (.ua)
- » Uruguay (.uy)

Probability of Default Ratings

A probability of default rating (PDR) is a corporate family-level opinion of the relative likelihood that any entity within a corporate family will default on one or more of its long-term debt obligations. For families in default on all of their long-term debt obligations (such as might be the case in bankruptcy), a PDR of D-PD is assigned. For families in default on a limited set of their debt obligations, the PDR is appended by the indicator “/LD”, for example, Caa1-PD/LD.

A D-PD probability of default rating is not assigned (or /LD symbol appended) until a failure to pay interest or principal extends beyond any grace period specified by the terms of the debt obligation.

A D-PD probability of default rating is not assigned (or /LD indicator appended) for distressed exchanges until they have been completed, as opposed to simply announced.

Adding or removing the “/LD” indicator to an existing PDR is not a credit rating action.

Aaa-PD	Corporate families rated Aaa-PD are judged to be of the highest quality, subject to the lowest level of default risk.
Aa-PD	Corporate families rated Aa-PD are judged to be of high quality and are subject to very low default risk.
A-PD	Corporate families rated A-PD are judged to be upper-medium grade and are subject to low default risk.
Baa-PD	Corporate families rated Baa-PD are judged to be medium-grade and subject to moderate default risk and as such may possess certain speculative characteristics.
Ba-PD	Corporate families rated Ba-PD are judged to be speculative and are subject to substantial default risk.
B-PD	Corporate families rated B-PD are considered speculative and are subject to high default risk.
Caa-PD	Corporate families rated Caa-PD are judged to be speculative of poor standing, subject to very high default risk, and may be in default on some but not all of their long-term debt obligations.
Ca-PD	Corporate families rated Ca-PD are highly speculative and are likely in, or very near, default on some but not all of their long-term debt obligations.
C-PD	Corporate families rated C-PD are the lowest rated and are typically in default on some but not all of their long-term debt obligations.
D-PD	Corporate families rated D are in default on all of their long-term debt obligations.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa-PD through Caa-PD (e.g., Aa1-PD). The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Other Permissible Services

Assessments of Infonavit's Third Party Collection Agencies

Moody's Assessments of Infonavit's Third Party Collection Agencies are opinions regarding these agencies' ability to collect on Infonavit's mortgage loans. The assessments are provided to independent collection agencies that are contracted by Infonavit to collect on mortgage loans when the loan cannot be serviced via payroll deduction. They are assigned to agencies that service low delinquency pools or/and high delinquency pools. The assessment to these Infonavit service providers applies only in the context of Infonavit's primary servicing operations. As a result, these assessments are not stand-alone servicer/vendor quality ratings and do not refer to the ability of these third party collection agencies to service other types of loans.

Moody's maintains Assessments of Infonavit's Third Party Collection Agencies only in Mexico.

The Instituto del Fondo Nacional de la Vivienda para los Trabajadores (Infonavit) is the Mexican federal institute for workers housing, which originates and securitizes mortgage loans. While initially Infonavit loans are repaid via payroll deduction, once the borrower ceases to work for a company in the private sector the loan is serviced by Infonavit using a network of independent collection agencies.

- » Strong
- » Above Average
- » Average
- » Below Average
- » Weak

Note: Where appropriate, a "+" or "-" modifier will be appended to the "Above Average", "Average", and "Below Average" category and a "-" modifier will be appended to the "Strong" category. A "+" modifier indicates the agency ranks in the higher end of the designated category. A "-" modifier indicates the agency ranks in the lower end of the designated category.

Bond Fund Ratings

Bond Fund Ratings are opinions of the credit quality of investments within mutual funds and similar investment vehicles which principally invest in medium- and long-term fixed income obligations. As such, these ratings primarily reflect Moody's assessment of the creditworthiness of the assets held by the fund. Other risks, such as liquidity, operational, interest rate, currency and any other market risk, are excluded from the rating. In addition, as the ratings are intended to represent opinions on a fund's underlying assets, they specifically do not consider the historic, current, or prospective performance of a fund with respect to appreciation, volatility of net asset value, or yield.

Aaa-bf	Bond Funds rated Aaa-bf generally hold assets judged to be of the highest credit quality.
Aa-bf	Bond Funds rated Aa-bf generally hold assets judged to be of high credit quality.
A-bf	Bond Funds rated A-bf generally hold assets considered upper-medium credit quality.
Baa-bf	Bond Funds rated Baa-bf generally hold assets considered medium credit quality.
Ba-bf	Bond Funds rated Ba-bf generally hold assets judged to have speculative elements.
B-bf	Bond Funds rated B-bf generally hold assets considered to be speculative.
Caa-bf	Bond Funds rated Caa-bf generally hold assets judged to be of poor standing.
Ca-bf	Bond Funds rated Ca-bf generally hold assets that are highly speculative and that are likely in, or very near, default, with some prospect of recovery of principal and interest.
C-bf	Bond Funds rated C-bf generally hold assets that are in default, with little prospect for recovery of principal or interest.

Common Representative Quality Assessments

Moody's Common Representative Quality (CRQ) Assessments are opinions regarding an organization's ability to represent the interests of investors, relative to other common representatives within a given country. The assessments represent Moody's assessment of a common representative's organizational structure and other management characteristics, including its human resources allocation, information technology, and operational controls and procedures.

The assessment definitions are as follows, with an "nn" modifier signifying the relevant country (e.g. CRQ1.mx for Mexico). Moody's currently maintains common representative assessments for Mexico.

CRQ1.nn	Strong ability to represent interests of the trust certificate holders.
CRQ2.nn	Above-average ability to represent interests of the trust certificate holders. Common representative is judged to have "good" financial and operational stability.
CRQ3.nn	Average ability to represent interests of the trust certificate holders. Common representative is judged to have average financial and operational stability.
CRQ4.nn	Below-average ability to represent interests of the trust certificate holders, and below average financial and operational stability.
CRQ5.nn	Weak ability to represent interests of the trust certificate holders, and weak financial and operational stability.

Note: Where appropriate, a "+" or "-" modifier will be appended to the CRQ2, CRQ3, and CRQ4 assessment category and a "-" modifier will be appended to the CRQ1 rating category (e.g. CRQ1-.nn). A "+" modifier indicates the common representative ranks in the higher end of the designated assessment category. A "-" modifier indicates the common representative ranks in the lower end of the designated assessment category.

Contract Enforceability Indicators for Mexican States

Contract enforceability indicators are opinions of the relative effectiveness of Mexican states in enforcing disputed commercial contracts and mortgages. The indicators provide an ordinal ranking and do not address the absolute effectiveness of state judicial systems. Contract enforceability indicators are assigned to individual states based on a standardized weighting of results generated by independent, questionnaire-based, studies conducted by the Instituto Tecnológico Autonomy de México (ITAM), a Mexican university, and Gaxiola Calvo Sobrino y Asociados (GCSA), a Mexican law firm. As the indicators are derived primarily from public opinion polls, which may vary due to changes in participants and/or perceptions, they are not directly comparable from one study to another. Accordingly, the indicators are point-in-time assessments and are not monitored between studies.

EC1	Highest effectiveness in handling commercial cases and enforcing resolutions in Mexico.
EC2	Above average effectiveness in handling commercial cases and enforcing resolutions in Mexico.
EC3	Average effectiveness in handling commercial cases and enforcing resolutions in Mexico.
EC4	Below average effectiveness in handling commercial cases and enforcing resolutions in Mexico.
EC5	Weakest effectiveness in handling commercial cases and enforcing resolutions in Mexico.

Credit Estimates

A Credit Estimate (CE) is an unpublished point-in-time opinion of the approximate credit quality of individual securities, financial contracts, issuers, corporate families or loans. CEs are not Moody's Credit Ratings and are not assigned by rating committees. Had Moody's conducted an analysis commensurate with a full Moody's Credit Rating, the result may have been significantly different. Additionally, CEs are not monitored but are often updated from time to time.

CEs are widely used in the process of assessing elements of credit risk in transactions for which a traditional Moody's Credit Rating is to be determined. CEs are provided in the context of granular pools (where no one obligor represents an exposure of more than 3% of the total pool), chunky pools (where individual exposures represent 3% or more of the total pool) or single-name exposures.

CEs are typically assigned based on an analysis that uses public information (which at times may be limited) or information supplied by various third parties and usually does not involve any participation from the underlying obligor.

CEs are not expressed through the use of Moody's traditional 21-point, Aaa-C alphanumeric long-term rating scale; rather, they are expressed on a simple numerical 1-21 scale. They are calibrated, however, to be broadly comparable to Moody's alphanumeric rating scale and Moody's Rating Factors, which are used in CDO analysis.

Equity Fund Assessments

Moody's equity fund assessments are opinions of the relative investment quality of investment funds, which principally invest in common stock or in a combination of common stock and fixed-income securities. Investment quality is judged based on the fund's historical performance relative to funds employing a similar investment strategy, as well as on the quality of the fund manager.

The assessments are not opinions on prospective performance of a fund with respect to asset appreciation, volatility of net asset value or yield.

EF-1	Equity funds assessed at EF-1 have the highest investment quality relative to funds with a similar investment strategy
EF-2	Equity funds assessed at EF-2 have high investment quality relative to funds with a similar investment strategy
EF-3	Equity funds assessed at EF-3 have moderate investment quality relative to funds with a similar investment strategy
EF-4	Equity funds assessed at EF-4 have low investment quality relative to funds with a similar investment strategy
EF-5	Equity funds assessed at EF-5 have the lowest investment quality relative to funds with a similar investment strategy

Green Bonds Assessments (GBAs)

Green Bonds Assessments are forward-looking opinions on the relative effectiveness of the approaches adopted by green bond issuers to manage, administer, allocate proceeds to and report on environmental projects financed with proceeds derived from green bond offerings. GBAs are assigned to individual green bonds.

GB1	Green bond issuer has adopted an excellent approach to manage, administer, allocate proceeds to and report on environmental projects financed with proceeds derived from green bond offerings. Prospects for achieving stated environmental objectives are excellent.
GB2	Green bond issuer has adopted a very good approach to manage, administer, allocate proceeds to and report on environmental projects financed with proceeds derived from green bond offerings. Prospects for achieving stated environmental objectives are very good.
GB3	Green bond issuer has adopted a good approach to manage, administer, allocate proceeds to and report on environmental projects financed with proceeds derived from green bond offerings. Prospects for achieving stated environmental objectives are good.
GB4	Green bond issuer has adopted a fair approach to manage, administer, allocate proceeds to and report on environmental projects financed with proceeds derived from green bond offerings. Prospects for achieving stated environmental objectives are fair.
GB5	Green bond issuer has adopted a poor approach to manage, administer, allocate proceeds to and report on environmental projects financed with proceeds derived from green bond offerings. Prospects for achieving stated environmental objectives are poor.

Indicative Ratings

An Indicative Rating is a confidential, unpublished, unmonitored, point-in-time opinion of the potential Credit Rating(s) of an issuer or a proposed debt issuance by an issuer contemplating such a debt issuance at some future date. Indicative Ratings are not equivalent to and do not represent traditional MIS Credit Ratings. However, Indicative Ratings are expressed on MIS's traditional rating scale.

Investment Manager Quality Assessments

Moody's Investment Manager Quality assessments are forward-looking opinions of the relative investment expertise and service quality of asset managers. An MQ assessment provides an additional tool for investors to aid in their investment decision-making process. Moody's MQ assessments provide general insights into the quality of an asset manager, including how it manages its investment offerings and serves its clientele.

MQ assessments do not indicate an asset manager's ability to repay a fixed financial obligation or satisfy contractual financial obligations, neither those entered by the firm nor any that may have been entered into through actively managed portfolios.

The assessments are also not intended to evaluate the performance of a portfolio, mutual fund, or other investment vehicle with respect to appreciation, volatility of net asset value, or yield. Instead, MQ assessments are opinions about the quality of an asset manager's management and client service characteristics as expressed through the symbols below.

Investment Manager Quality assessment definitions are as follows:

MQ1	Investment managers assessed at MQ1 exhibit excellent management characteristics.
MQ2	Investment managers assessed at MQ2 exhibit very good management characteristics.
MQ3	Investment managers assessed at MQ3 exhibit good management characteristics.
MQ4	Investment managers assessed at MQ4 exhibit adequate management characteristics.
MQ5	Investment managers assessed at MQ5 exhibit poor management characteristics.

Market Risk Assessments

Moody's Market Risk Assessments (MRAs) are opinions of the relative degree of historical volatility of a rated fund's NAV. MRAs are not intended to consider prospective performance of funds with respect to price appreciation or yield.

MRA1	Funds rated MRA1 have had very low sensitivity to changes in interest rates and other market conditions
MRA2	Funds rated MRA2 have had low sensitivity to changes in interest rates and other market conditions
MRA3	Funds rated MRA3 have had between low and moderate sensitivity to changes in interest rates and other market conditions
MRA4	Funds rated MRA4 have had moderate sensitivity to changes in interest rates and other market conditions
MRA5	Funds rated MRA5 have had between moderate and high sensitivity to changes in interest rates and other market conditions
MRA6	Funds rated MRA6 have had high sensitivity to changes in interest rates and other market conditions
MRA7	Funds rated MRA7 have had very high sensitivity to changes in interest rates and other market conditions
Note: MRAs are assigned only in Mexico.	

Money Market Fund (mf) Ratings

Moody's Money Market Fund Ratings are opinions of the investment quality of shares in mutual funds and similar investment vehicles which principally invest in short-term fixed income obligations. As such, these ratings incorporate Moody's assessment of a fund's published investment objectives and policies, the creditworthiness of the assets held by the fund, the liquidity profile of the fund's assets relative to the fund's investor base, the assets' susceptibility to market risk, as well as the management characteristics of the fund. The ratings are not intended to consider the prospective performance of a fund with respect to appreciation, volatility of net asset value, or yield.

Aaa-mf	Money market funds rated Aaa-mf have very strong ability to meet the dual objectives of providing liquidity and preserving capital.
Aa-mf	Money market funds rated Aa-mf have strong ability to meet the dual objectives of providing liquidity and preserving capital.
A-mf	Money market funds rated A-mf have moderate ability to meet the dual objectives of providing liquidity and preserving capital.
Baa-mf	Money market funds rated Baa-mf have marginal ability to meet the dual objectives of providing liquidity and preserving capital.
B-mf	Money market funds rated B-mf are unable to meet the objective of providing liquidity and have marginal ability to meet the objective of preserving capital.
C-mf	Money market funds rated C-mf are unable to meet either objective of providing liquidity or preserving capital.

National Scale Stock Ratings

National Scale Stock ("NSSR") ratings provide an ordinal ranking of a company's ability to pay and sustain common stock dividend payments while also providing an assessment of the stock's trading liquidity in its principal market. Moody's currently issues NSSRs for stocks traded on the Argentinean, Bolivian, Colombian, and Uruguayan stock markets. NSSRs are expressed on a 1 through 4 rating scale.

1	Issuers that exhibit a very strong combination of liquidity and dividend sustainability.
2	Issuers that exhibit a strong combination of liquidity and dividend sustainability.
3	Issuers that exhibit a fair combination of liquidity and dividend sustainability.
4	Issuers that exhibit a poor combination of liquidity and dividend sustainability.

Originator Assessments

Moody's Originator Assessments (OAs) are Moody's opinions of the strength of originators' policies and practices as they affect defaults and losses in structured finance securities backed by loans. OAs consider early loan performance, originator ability and originator stability. Originator assessments look to isolate the effects an originator's policies and practices have on loan performance from the effects of external factors such as the macroeconomic environment and the ability of the servicer.

Moody's assigns originators one of the following six assessment levels: Strong, Above Average, Average, Below Average, Weak, Unacceptable.

Q-scores

Q-scores are assessments that are scorecard generated, unpublished, point-in-time estimates of the approximate credit quality of individual sub-sovereign entities (regional & local governments and government related issuers). They provide a granular assessment of individual credit exposures within large pool transactions. Q-scores are not equivalent to and do not represent traditional Moody's Credit Ratings and are not assigned by a rating committee. Q-scores, in large numbers, assist in the analysis of mean portfolio credit risk and provide the distribution of credit risk of a large pool from the underlying exposures.

Q-scores are not expressed through the use of Moody's traditional 21-point, Aaa-C alphanumeric long-term rating scale; rather, they are expressed on a simple numerical 1.q-21.q scale.

Rating Assessment Services

The Rating Assessment Service or RAS is a confidential, unpublished, unmonitored, point-in-time opinion of the potential Credit Rating(s), or the potential impact on the current Credit Rating(s), given one or more hypothetical Scenario(s) (defined below) communicated to MIS in writing by a Rated Entity or other applicant. Rating Assessments are not equivalent to and do not represent traditional MIS Credit Ratings. However, Rating Assessments are expressed on MIS's traditional rating scale.

Scenario

A Scenario is a proposed credit transforming transaction, project and/or debt issuance which materially alters the issuer's current state (including acquisitions, disposals, share buybacks, listings, initial public offerings and material restructurings), or a materially different variation on such a transaction, project and/or debt issuance, including a material change in the overall size of the debt being contemplated.

Servicer Quality Assessments

Moody's Servicer Quality (SQ) assessments are opinions of the ability of a servicer to prevent or mitigate losses in a securitization. SQ assessments are provided for servicers who act as the Primary Servicer (servicing the assets from beginning to end), Special Servicer (servicing only the more delinquent assets), or Master Servicer (overseeing the performance and reporting from underlying servicers). For Primary Servicers, each SQ assessment is assigned to a specific asset type.

SQ assessments represent Moody's assessment of a servicer's ability to affect losses based on factors under the servicer's control. The SQ approach works by separating a servicer's performance from the credit quality of the assets being serviced. In doing this, Moody's evaluates how effective a servicer is at preventing defaults and maximizing recoveries to a transaction when defaults occur.

SQ assessments consider the operational and financial stability of a servicer as well as its ability to respond to changing market conditions. This assessment is based on the company's organizational structure, management characteristics, financial profile, operational controls and procedures as well as its strategic goals.

Moody's SQ assessments are different from traditional debt ratings, which are opinions as to the credit quality of a specific instrument. SQ assessments do not apply to a company's ability to repay a fixed financial obligation or satisfy contractual financial obligations other than, in limited circumstances, the obligation to advance on delinquent assets it services, when such amounts are believed to be recoverable.

SQ1	Strong combined servicing ability and servicing stability
SQ2	Above average combined servicing ability and servicing stability
SQ3	Average combined servicing ability and servicing stability
SQ4	Below average combined servicing ability and servicing stability
SQ5	Weak combined servicing ability and servicing stability

Note: Where appropriate, a "+" or "-" modifier will be appended to the SQ2, SQ3, and SQ4 rating category and a "-" modifier will be appended to the SQ1 rating category. A "+" modifier indicates the servicer ranks in the higher end of the designated rating category. A "-" modifier indicates the servicer ranks in the lower end of the designated rating category. Moody's also assigns National Scale Servicer Quality Assessments. National Scale Servicer Quality Assessments append a suffix of ".nn" to the ratings on the above scale in order to signify the relevant country.

Trustee Quality Assessments

Moody's Trustee Quality (TQ) Assessments are opinions regarding an organization's ability to manage the entrusted assets for the benefit of investors, relative to other trustees within a given country. The assessments represent Moody's assessment of a trustee's organizational structure and other management characteristics, including its monitoring and reporting system, human resources allocation, information technology, operational controls and procedures, and master servicing capability.

The assessment definitions are as follows, with an "nn" modifier signifying the relevant country (e.g. TQ1.ar for Argentina, or TQ4.mx for Mexico). Moody's currently maintains trustee quality assessments for the following countries:

- » Argentina (TQ.ar)
- » Brazil (TQ.br)
- » Mexico (TQ.mx)

TQ1.nn	Strong capability of managing entrusted assets for the benefit of the trust certificate holders.
TQ2.nn	Above-average capability of managing entrusted assets for the benefit of the trust certificate holders. Trustee is judged to have "good" financial and operational stability.
TQ3.nn	Average capability of managing entrusted assets for the benefit of the trust certificate holders. Trustee is judged to have average financial and operational stability.
TQ4.nn	Below-average capability of managing entrusted assets for the benefit of the trust certificate holders, and below-average financial and operational stability.
TQ5.nn	Weak capability of managing entrusted assets for the benefit of the trust certificate holders, and weak financial and operational stability.

Note: Where appropriate, a "+" or "-" modifier will be appended to the TQ2, TQ3, and TQ4 assessment category and a "-" modifier will be appended to the TQ1 rating category (e.g. TQ1-.nn). A "+" modifier indicates the trustee ranks in the higher end of the designated rating category. A "-" modifier indicates the trustee ranks in the lower end of the designated assessment category.

Other Rating Symbols

Expected ratings - e

To address market demand for timely information on particular types of credit ratings, Moody's has licensed to certain third parties the right to generate "Expected Ratings." Expected Ratings are designated by an "e" after the rating code, and are intended to anticipate Moody's forthcoming rating assignments based on reliable information from third party sources (such as the issuer or underwriter associated with the particular securities) or established Moody's rating practices (i.e., medium term notes are typically, but not always, assigned the same rating as the note's program rating). Expected Ratings will exist only until Moody's confirms the Expected Rating, or issues a different rating for the relevant instrument. Moody's encourages market participants to contact Moody's Ratings Desk or visit www.moody's.com if they have questions regarding Expected Ratings, or wish Moody's to confirm an Expected Rating.

Provisional Ratings - (P)

Moody's will often assign a provisional rating to program ratings or to an issuer or an instrument when the assignment of a definitive rating is subject to the fulfilment of contingencies that are highly likely to be completed. Upon fulfillment of these contingencies, such as finalization of documents and issuance of the securities, the provisional notation is removed.⁶ A provisional rating is denoted by placing a (P) in front of the rating.⁷

Refundeds -

Issues that are secured by escrowed funds held in trust, reinvested in direct, non-callable US government obligations or non-callable obligations unconditionally guaranteed by the US Government or Resolution Funding Corporation are identified with a # (hatch mark) symbol, e.g., #Aaa.

Withdrawn - WR

When Moody's no longer rates an obligation on which it previously maintained a rating, the symbol WR is employed. Please see Moody's Guidelines for the Withdrawal of Ratings, available on www.moody's.com.

Not Rated - NR

NR is assigned to an unrated issuer, obligation and/or program.

Not Available - NAV

An issue that Moody's has not yet rated is denoted by the NAV symbol.

Terminated Without Rating - TWR

The symbol TWR applies primarily to issues that mature or are redeemed without having been rated.

⁶ Program ratings for shelf registrations and medium term notes remain provisional while any ratings assigned to issues under these programs are definitive ratings. Provisional ratings may also be assigned to unexecuted credit default swap contracts or other debt-like obligations that define specific credit risk exposures facing individual financial institutions. In such cases, the drafter of the swap or other debt-like obligation may have no intention of executing the agreement, and, therefore, the provisional notation is unlikely to ever be removed.

⁷ Provisional ratings may not be assigned by Moody's de Mexico.

Inputs to Rating Services

Inputs to Rating Services are not Credit Ratings and they are expressed using differentiated symbols to distinguish them from Credit Ratings. Their use in helping to assign Credit Ratings is described in the respective Credit Rating Methodologies where they are used.

Baseline Credit Assessments

Baseline credit assessments (BCAs) are opinions of issuers' standalone intrinsic strength, absent any extraordinary support from an affiliate⁸ or a government. BCAs are essentially an opinion on the likelihood of an issuer requiring extraordinary support to avoid a default on one or more of its debt obligations or actually defaulting on one or more of its debt obligations in the absence of such extraordinary support. As probability measures, BCAs do not provide an opinion on the severity of a default that would occur in the absence of extraordinary support.

Contractual relationships and any expected ongoing annual subsidies from the government or an affiliate are incorporated in BCAs and, therefore, are considered intrinsic to an issuer's standalone financial strength. Extraordinary support is typically idiosyncratic in nature and is extended to prevent an issuer from becoming nonviable.

BCAs are expressed on a lower-case alpha-numeric scale that corresponds to the alpha-numeric ratings of the global long-term rating scale.

⁸ Affiliate includes a parent, cooperative groups and significant investors (typically with a greater than 20 percent voting interest). Government includes local, regional and national governments.

aaa	Issuers assessed aaa are judged to have the highest intrinsic, or standalone, financial strength, and thus subject to the lowest level of credit risk absent any possibility of extraordinary support from an affiliate or a government.
aa	Issuers assessed aa are judged to have high intrinsic, or standalone, financial strength, and thus subject to very low credit risk absent any possibility of extraordinary support from an affiliate or a government.
a	Issuers assessed a are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.
baa	Issuers assessed baa are judged to have medium-grade intrinsic, or standalone, financial strength, and thus subject to moderate credit risk and, as such, may possess certain speculative credit elements absent any possibility of extraordinary support from an affiliate or a government.
ba	Issuers assessed ba are judged to have speculative intrinsic, or standalone, financial strength, and are subject to substantial credit risk absent any possibility of extraordinary support from an affiliate or a government.
b	Issuers assessed b are judged to have speculative intrinsic, or standalone, financial strength, and are subject to high credit risk absent any possibility of extraordinary support from an affiliate or a government.
caa	Issuers assessed caa are judged to have speculative intrinsic, or standalone, financial strength, and are subject to very high credit risk absent any possibility of extraordinary support from an affiliate or a government.
ca	Issuers assessed ca have highly speculative intrinsic, or standalone, financial strength, and are likely to be either in, or very near, default, with some prospect for recovery of principal and interest; or, these issuers have avoided default or are expected to avoid default through the provision of extraordinary support from an affiliate or a government.
c	Issuers assessed c are typically in default, with little prospect for recovery of principal or interest; or, these issuers are benefiting from a government or affiliate support but are likely to be liquidated over time; without support there would be little prospect for recovery of principal or interest.
Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic assessment classification from aa through caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic assessment category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic assessment category.	

Counterparty Risk Assessments

Counterparty risk assessments (CR assessments) are opinions on the likelihood of a default by an issuer on certain senior operating obligations and other contractual commitments. CR assessments are assigned to legal entities in banking groups and, in some instances, other regulated institutions with similar bank-like senior obligations. CR assessments address the likelihood of default and do not take into consideration the expected severity of loss in the event of default.

Obligations and commitments typically covered by CR assessments include payment obligations associated with covered bonds (and certain other secured transactions), derivatives, letters of credit, third party guarantees, servicing and trustee obligations and other similar operational obligations that arise from a bank in performing its essential client-facing operating functions.

Long-term CR assessments reference obligations with an original maturity of one year or more. Short-term CR assessments reference obligations with an original maturity of thirteen months or less. CR assessments are expressed on alpha-numeric scales that correspond to the alpha-numeric ratings of the global long-term and short-term rating scales, with a “(cr)” modifier appended to the CR assessment symbols to differentiate them from our credit ratings.

CR Assessment Long-Term Scale

Aaa(cr)	Issuers assessed Aaa(cr) are judged to be of the highest quality, subject to the lowest level of risk of defaulting on certain senior operating obligations and other contractual commitments.
Aa(cr)	Issuers assessed Aa(cr) are judged to be of high quality and are subject to very low risk of defaulting on certain senior operating obligations and other contractual commitments.
A(cr)	Issuers assessed A(cr) are judged to be upper-medium grade and are subject to low risk of defaulting on certain senior operating obligations and other contractual commitments.
Baa(cr)	Issuers assessed Baa(cr) are judged to be medium-grade and subject to moderate risk of defaulting on certain senior operating obligations and other contractual commitments and as such may possess certain speculative characteristics.
Ba(cr)	Issuers assessed Ba(cr) are judged to be speculative and are subject to substantial risk of defaulting on certain senior operating obligations and other contractual commitments.
B(cr)	Issuers assessed B(cr) are considered speculative and are subject to high risk of defaulting on certain senior operating obligations and other contractual commitments.
Caa(cr)	Issuers assessed Caa(cr) are judged to be speculative of poor standing and are subject to very high risk of defaulting on certain senior operating obligations and other contractual commitments.
Ca(cr)	Issuers assessed Ca(cr) are highly speculative and are likely in, or very near, default on certain senior operating obligations and other contractual commitments.
C(cr)	Issuers assessed C(cr) are the lowest rated and are typically in default on certain senior operating obligations and other contractual commitments.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic assessment classification from Aa(cr) through Caa(cr). The modifier 1 indicates that the issuer ranks in the higher end of its generic assessment category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic assessment category.

CR Assessment Short-Term Scale

P-1(cr)	Issuers assessed Prime-1(cr) have a superior ability to honor short-term operating obligations..
P-2(cr)	Issuers assessed Prime-2(cr) have a strong ability to honor short-term operating obligations.
P-3(cr)	Issuers assessed Prime-3(cr) have an acceptable ability to honor short-term operating obligations.
NP(cr)	Issuers assessed Not Prime(cr) do not fall within any of the Prime rating categories.

Loss Given Default Assessments

Moody's Loss Given Default (LGD) assessments are opinions about expected loss given default expressed as a percent of principal and accrued interest at the resolution of the default.⁹ LGD assessments are assigned to individual loan, bond, and preferred stock issues. The firm-wide or enterprise expected LGD rate generally approximates a weighted average of the expected LGD rates on the firm's liabilities (excluding preferred stock), where the weights equal each obligation's expected share of the total liabilities at default.

The following scale is used in the assignment of LGD assessments:

Assessments	Loss range
LGD1	≥ 0% and < 10%
LGD2	≥ 10% and < 30%
LGD3	≥ 30% and < 50%
LGD4	≥ 50% and < 70%
LGD5	≥ 70% and < 90%
LGD6	≥ 90% and ≤ 100%

⁹ The expected LGD rate is 100% minus the expected value that will be received at default resolution, discounted by the coupon rate back to the date the last debt service payment was made, and divided by the principal outstanding at the date of the last debt service payment.

Structured Credit Assessments (SCAs)

Structured Credit Assessments (SCAs) are opinions of the relative credit quality of financial obligations that are collateral assets within securitizations. SCAs incorporate the credit implications of structural features of the securitization that are not intrinsic to the obligation, such as servicing, liquidity arrangements and tail periods.¹⁰ In contrast, credit ratings on these same instruments do not reflect these structural features, as they would not be available to investors that invest in these assets directly outside of the securitization's structure.

Structured Credit Assessments are opinions of the expected loss associated with the financial obligation in the context of the corresponding securitization transaction and are expressed, with the sca indicator, on a lower-case alpha-numeric scale that corresponds to the alpha-numeric ratings of the global long-term rating scale.

aaa (sca)	Financial obligations assessed aaa (sca) are judged to have the highest credit quality and thus subject to the lowest credit risk, when used as inputs in determining a structured finance transaction's rating.
aa (sca)	Financial obligations assessed aa (sca) are judged to have high credit quality and thus subject to very low credit risk, when used as inputs in determining a structured finance transaction's rating.
a (sca)	Financial obligations assessed a (sca) are judged to have upper-medium credit quality and thus subject to low credit risk, when used as inputs in determining a structured finance transaction's rating.
baa (sca)	Financial obligations assessed baa (sca) are judged to have medium-grade credit quality and thus subject to moderate credit risk, and as such, may possess certain speculative credit elements, when used as inputs in determining a structured finance transaction's rating.
ba (sca)	Financial obligations assessed ba (sca) are judged to have speculative credit quality and subject to substantial credit risk, when used as inputs in determining a structured finance transaction's rating.
b (sca)	Financial obligations assessed b (sca) are judged to have speculative credit quality and subject to high credit risk, when used as inputs in determining a structured finance transaction's rating.
caa (sca)	Financial obligations assessed caa (sca) are judged to have speculative credit quality and subject to very high credit risk, when used as inputs in determining a structured finance transaction's rating.
ca (sca)	Financial obligations assessed ca (sca) are judged to be highly speculative and are likely to be either in, or very near, default, with some prospect for recovery of principal or interest, when used as inputs in determining a structured finance transaction's rating.
c (sca)	Financial obligations assessed c (sca) are typically in default with little prospect for recovery of principal or interest, when used as inputs in determining a structured finance transaction's rating.
<p>Note:</p> <ol style="list-style-type: none"> Moody's appends numerical modifiers 1, 2, and 3 to each generic assessment classification from aa (sca) through caa (sca). The modifier 1 indicates that the obligation ranks in the higher end of its generic assessment category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic assessment category. The modifier pd indicates a probability of default structured credit assessment (for example aaa (sca.pd)). A probability of default structured credit assessment is an opinion of the relative likelihood that the financial instrument will default. 	

¹⁰ Structural features of securitisations often include: servicing of the loans by third party experts, liquidity arrangements to mitigate specific risks or the risk of short term cash flow interruptions, and tail periods between the loan maturity date and the loss calculation date to allow for an orderly sale of the assets upon default.

Other Definitions

Rating Outlooks

A Moody's rating outlook is an opinion regarding the likely rating direction over the medium term. Rating outlooks fall into four categories: Positive (POS), Negative (NEG), Stable (STA), and Developing (DEV). Outlooks may be assigned at the issuer level or at the rating level. Where there is an outlook at the issuer level and the issuer has multiple ratings with differing outlooks, an "(m)" modifier to indicate multiple will be displayed and Moody's written research will describe and provide the rationale for these differences. A designation of RUR (Rating(s) Under Review) indicates that an issuer has one or more ratings under review, which overrides the outlook designation. A designation of RWR (Rating(s) Withdrawn) indicates that an issuer has no active ratings to which an outlook is applicable. Rating outlooks are not assigned to all rated entities. In some cases, this will be indicated by the display NOO (No Outlook).

A stable outlook indicates a low likelihood of a rating change over the medium term. A negative, positive or developing outlook indicates a higher likelihood of a rating change over the medium term. A rating committee that assigns an outlook of stable, negative, positive, or developing to an issuer's rating is also indicating its belief that the issuer's credit profile is consistent with the relevant rating level at that point in time.

The time between the assignment of a new rating outlook and a subsequent rating action has historically varied widely, depending upon the pace of new credit developments which materially affect the issuer's credit profile. On average, after the initial assignment of a positive or negative rating outlook, the next rating action – either a change in outlook, a rating review, or a change in rating – has followed within about a year, but outlooks have also remained in place for much shorter and much longer periods of time. The next rating action subsequent to the assignment of a negative (positive) rating outlook has historically been a downgrade or review for possible downgrade (upgrade or review for possible upgrade) about one half of the time; rating actions in the opposite direction are less common. After the initial assignment of a stable outlook, about 90% of ratings experience no change in rating during the following year.

Rating Reviews

A review indicates that a rating is under consideration for a change in the near term.¹¹ A rating can be placed on review for upgrade (UPG), downgrade (DNG), or more rarely with direction uncertain (UNC). A review may end with a rating being upgraded, downgraded, or confirmed without a change to the rating. Ratings on review are said to be on Moody's "Watchlist" or "On Watch". Ratings are placed on review when a rating action may be warranted in the near term but further information or analysis is needed to reach a decision on the need for a rating change or the magnitude of the potential change.

The time between the origination of a rating review and its conclusion varies widely depending on the reason for the review and the amount of time needed to obtain and analyze the information relevant to make a rating determination. In some cases, the ability to conclude a review is dependent on whether a specific event occurs, such as the completion of a corporate merger or the execution of an amendment to a structured finance security. In these event-dependent cases and other unique situations, reviews can sometimes last 90 to 180 days or even longer. For the majority of reviews, however, where the conclusion of the review is not dependent on an event whose timing Moody's cannot control, reviews are typically concluded within 30 to 90 days.

Ratings on review for possible downgrade (upgrade) have historically concluded with a downgrade (upgrade) over half of the time.

¹¹ Baseline Credit Assessments and Counterparty Risk Assessments may also be placed on review.

Confirmation of a Rating

A Confirmation is a public statement that a previously announced review of a rating has been completed without a change to the rating.

Affirmation of a Rating

An Affirmation is a public statement that the current Credit Rating assigned to an issuer or debt obligation, which is not currently under review, continues to be appropriately positioned. An Affirmation is generally issued to communicate Moody's opinion that a publicly visible credit development does not have a direct impact on an outstanding rating.

Anticipated/Subsequent Ratings Process

The process of assigning Credit Ratings that are derived exclusively from an existing Credit Rating of a program, series, category/class of debt or primary Rated Entity. This includes:

- » An assignment of a Credit Rating to a new issuance, take-down or take-down-like debt within or under an existing rated program, without impact on the program's Credit Rating (including frequent issues from a "shelf registration");
- » Credit Ratings based on the pass-through of a primary Rated Entity's Credit Rating, including monoline or guarantee linked ratings;
- » An assignment of Credit Ratings to securities of the same seniority as previously rated debt when existing Credit Ratings had already contemplated issuance of that debt (including Credit Ratings released from Federal Agency Queue issued by federal agencies or other specialty common queues). This also includes Credit Ratings assigned to new debts or amended and extended credit facilities which replace similarly structured debts or credit facilities at the same rating level;
- » An assignment of a definitive Credit Rating to replace a previously assigned provisional rating (i.e., (P) rating) at the same rating level, or a definitive rating assigned to a security being issued from a program carrying a provisional rating, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive Credit Rating in a manner that would have affected the Credit Rating.

Rating Agency Conditions (RACs)

Parties to a transaction sometimes choose to include clauses in the transaction documents that require a party thereto to obtain an opinion from a rating agency that certain specified actions, events, changes to the structure of, or amendments to the documentation of, the transaction will not result in a reduction or withdrawal of the current rating maintained by that rating agency. Such an opinion is referred to by Moody's as a "RAC" and consists of a letter or other written communication, such as a press release,

from Moody's issued after consideration of a request that Moody's provide a RAC. The decision to issue a RAC remains entirely within Moody's discretion, and Moody's may choose not to provide a RAC even if the transaction documents require it. When Moody's chooses to issue a RAC, the RAC reflects Moody's opinion solely that the specified action, event, change in structure or amendment, in and of itself and as of that point in time, will not result in a reduction or withdrawal of Moody's current rating on the debt. A RAC is not a "confirmation" or "affirmation" of the rating, as those terms are defined elsewhere in this Rating Symbols and Definitions publication, nor should it be interpreted as Moody's "approval of" or "consent to" the RAC subject matter.

Covenant Quality Assessments

Moody's covenant quality assessments measure the investor protections provided by key bond covenants within an indenture. The assessments are unmonitored, point-in-time scores, but may be updated as circumstances dictate. Key covenants assessed include provisions for restricted payments, change of control, limitations on debt incurrence, negative pledges, and merger restrictions, among others.

Speculative Grade Liquidity Ratings

Moody's Speculative Grade Liquidity Ratings are opinions of an issuer's relative ability to generate cash from internal resources and the availability of external sources of committed financing, in relation to its cash obligations over the coming 12 months. Speculative Grade Liquidity Ratings will consider the likelihood that committed sources of financing will remain available. Other forms of liquidity support will be evaluated and consideration will be given to the likelihood that these sources will be available during the coming 12 months. Speculative Grade Liquidity Ratings are assigned to speculative grade issuers that are by definition Not Prime issuers.

SGL-1	Issuers rated SGL-1 possess very good liquidity. They are most likely to have the capacity to meet their obligations over the coming 12 months through internal resources without relying on external sources of committed financing.
SGL-2	Issuers rated SGL-2 possess good liquidity. They are likely to meet their obligations over the coming 12 months through internal resources but may rely on external sources of committed financing. The issuer's ability to access committed sources of financing is highly likely based on Moody's evaluation of near-term covenant compliance.
SGL-3	Issuers rated SGL-3 possess adequate liquidity. They are expected to rely on external sources of committed financing. Based on its evaluation of near-term covenant compliance, Moody's believes there is only a modest cushion, and the issuer may require covenant relief in order to maintain orderly access to funding lines.
SGL-4	Issuers rated SGL-4 possess weak liquidity. They rely on external sources of financing and the availability of that financing is, in Moody's opinion, highly uncertain.

Definition of Default

Moody's definition of default is applicable only to debt or debt-like obligations (e.g., swap agreements). Four events constitute a debt default under Moody's definition:

- a) a missed or delayed disbursement of a contractually-obligated interest or principal payment (excluding missed payments cured within a contractually allowed grace period), as defined in credit agreements and indentures;
- b) a bankruptcy filing or legal receivership by the debt issuer or obligor that will likely cause a miss or delay in future contractually-obligated debt service payments;
- c) a distressed exchange whereby 1) an issuer offers creditors a new or restructured debt, or a new package of securities, cash or assets, that amount to a diminished value relative to the debt obligation's original promise and 2) the exchange has the effect of allowing the issuer to avoid a likely eventual default;
- d) a change in the payment terms of a credit agreement or indenture imposed by the sovereign that results in a diminished financial obligation, such as a forced currency re-denomination (imposed by

the debtor, or the debtor's sovereign) or a forced change in some other aspect of the original promise, such as indexation or maturity.¹²

We include distressed exchanges in our definition of default in order to capture credit events whereby issuers effectively fail to meet their debt service obligations but do not actually file for bankruptcy or miss an interest or principal payment. Moody's employs fundamental analysis in assessing the likelihood of future default and considers various indicators in assessing loss relative to the original promise, which may include the yield to maturity of the debt being exchanged.

Moody's definition of default does not include so-called "technical defaults," such as maximum leverage or minimum debt coverage violations, unless the obligor fails to cure the violation and fails to honor the resulting debt acceleration which may be required. For structured finance securities, technical defaults (such as breach of an overcollateralization test or certain other events of default as per the legal documentation of the issuer), or a temporary missed interest payment on a security whose terms allow for the deferral of such payments together with corresponding interest (such as PIKable securities) prior to its legal final maturity date do not constitute defaults. Also excluded are payments owed on long-term debt obligations which are missed due to purely technical or administrative errors which are 1) not related to the ability or willingness to make the payments and 2) are cured in very short order (typically, 1-2 business days). Finally, in select instances based on the facts and circumstances, missed payments on financial contracts or claims may be excluded if they are the result of legal disputes regarding the validity of those claims.

Definition of Impairment

A security is impaired when investors receive — or expect to receive with near certainty — less value than would be expected if the obligor were not experiencing financial distress or otherwise prevented from making payments by a third party, even if the indenture or contractual agreement does not provide the investor with a natural remedy for such events, such as the right to press for bankruptcy.

Moody's definition of impairment is applicable to debt, preferred stock, and other hybrid securities. A security is deemed to be impaired if:

- a) all events that meet the definition of default (above);
- b) contractually-allowable payment omissions of scheduled dividends, interest or principal payments on debt, preferred stock or other hybrid instruments¹³ or contractually allowable interruptions of interest payments to similar structured finance instruments¹⁴;
- c) downgrades to Ca or C, signalling the near certain expectation of a significant level of future losses;

¹² Moreover, unlike a general tax on financial wealth, the imposition of a tax by a sovereign on the coupon or principal payment on a specific class of government debt instruments (even if retroactive) would represent a default. Targeted taxation on government securities would represent a default even if the government's action were motivated by fairness or other considerations, rather than inability or unwillingness to pay.

¹³ For example, a debt security would become impaired when an obligor exercises a payment-in-kind option on a toggle bond. Examples of impairment events on non-debt securities include dividend omissions on preferred stock (both cumulative and non-cumulative), coupon omissions on other hybrid debt securities, and write downs or conversions to equity of contingent capital securities (CoCos). Excluded from impairment events are 1) missed payments due to purely technical or administrative errors which are not related to the ability or willingness to make the payments and 2) are cured in very short order (typically, 1-2 business days).

¹⁴ Moody's studies of historical impairments are likely to focus on those impairments that are sustained and not cured. Among some structured finance asset classes, where cure rates within a 12-month time frame can be high, many impairments are not likely to be included in impairment studies.

d) write-downs or “impairment distressed exchanges”¹⁵ on debt, preferred stock or other hybrid instruments due to financial distress whereby (1) the principal promise to an investor is reduced according to the terms of the indenture or other governing agreement¹⁶, or (2) an obligor offers investors a new or restructured debt, or a new package of securities, cash or assets and the exchange has the effect of allowing the obligor to avoid a contractually-allowable payment omission as described in b) above¹⁷.

The impairment status of a security may change over time as it migrates from impaired to cured (e.g., if initially deferred cumulative preferred dividends are ultimately paid in full) and possibly back again to impaired.

Definition of Loss-Given-Default

The loss-given-default rate for a security is 100% minus the value that is received at default resolution (which may occur at a single point in time or accrue over an interval of time), discounted by the coupon rate back to the date the last debt service payment was made, divided by the principal outstanding at the date of the last debt service payment.

In the special case of a distressed exchange default, when an investor is given new or modified securities in exchange, the LGD rate is 100% minus the trading value of the new securities received in exchange at the exchange date divided by the par value plus accrued interest of the original securities as of the exchange date.

Long-Term Credit Ratings for Defaulted or Impaired Securities

When a debt instrument becomes impaired or defaults or is very likely to become impaired or to default, Moody's rating on that instrument will reflect our expectations for recovery of principal and interest, as well as the uncertainty around that expectation, as summarized in the table below.¹⁸ Given the usual high level of uncertainty around recovery rate expectations, the table uses approximate expected recovery rates and is intended to present rough guidance rather than a rigid mapping.

¹⁵ Impairment distressed exchanges are similar to default distressed exchanges except that they have the effect of avoiding an impairment event, rather than a default event.

¹⁶ While contractually-allowable principal write-downs on structured finance securities are impairments, failures to pay principal as contractually required are defaults. Once written down, complete cures, in which securities are written back up to their original balances are extraordinarily rare; moreover, in most cases, a write-down of principal leads to an immediate and permanent loss of interest for investors, since the balance against which interest is calculated has been reduced.

¹⁷ Examples of such impairments include mandatory conversions of contingent capital securities to common equity and mandatory write-downs of other hybrid securities that are the direct result of obligor distress.

¹⁸ The approach to impairment is consistent with the approach to default. When an instrument is impaired or very likely to become impaired, the rating will reflect the expected loss relative to the value that was originally expected absent financial distress.

APPROXIMATE EXPECTED RECOVERIES ASSOCIATED WITH RATINGS FOR DEFAULTED OR IMPAIRED SECURITIES

Expected Recovery Rate	Fundamental	Structured Finance
99 to 100%*	B1*	B1 (sf)*
97 to 99%*	B2*	B2 (sf)*
95 to 97%*	B3*	B3 (sf)*
90 to 95%	Caa1	Caa1 (sf)
80 to 90%	Caa2	Caa2 (sf)
65 to 80%	Caa3	Caa3 (sf)
35 to 65%	Ca	Ca (sf)
Less than 35%	C	C (sf)

* For instruments rated B1, B2, or B3, the uncertainty around expected recovery rates should also be low. For example, if a defaulted security has a higher than a 10% chance of recovering less than 90%, it would generally be rated lower than B3.

Additionally, the table may not apply directly in a variety of unusual circumstances. For example, a security in default where the default is likely to be fully cured over the short-term but remain very risky over a longer horizon might be rated much lower than suggested by this table. At the other end of the rating scale, very strong credits that experience temporary default events might be rated much higher than B1.¹⁹ Under very rare circumstances a structured finance debt security may incur a one-time principal write-down that is very small (considerably less than 1% of par) and is not expected to recur.²⁰ In such cases, Moody's will add this small loss amount to its calculations of the expected loss associated with the security and may rate it higher than B1.

Securities in default where recovery rates are expected to be greater than 95% can be rated in the B category as outlined in the table above. In order to be assigned a rating in the single B category, the confidence level regarding the expected recovery rates should also be high. Or in other words, uncertainty should be low. As stated in the footnote to the table, if a security has a higher than a 10% chance of recovering less than 90%, then it would generally be rated lower than B3.

¹⁹ Additionally, payments missed for operational or technical reasons may not be classified as Moody's default events. See "Assessing the Rating Impact of Debt Payments That Are Missed for Operational or Technical Reasons", Moody's Special Comment, April 2013. Also, in certain circumstances an issuer of a structured finance security may delay an interest and/or principal payment beyond the relevant grace period due to a temporary delay in recovery or an operational problem. In such cases, Moody's will consider the potential increase in expected loss should interest not be paid on the delayed payment and may rate the security higher than B1.

²⁰ For example, some master servicers of US RMBS implemented a new loan modification program and divided the cost of its administration across all their transactions, resulting in a loss of a few hundred dollars per security. In other examples some rated synthetic transactions have seen a very small loss attributable to the non payment of a very small CDS premium.

Credit Rating Methodologies

Credit Rating Methodologies describe the analytical framework MIS rating committees use to assign credit ratings. They set out the key analytical factors which MIS believes are the most important determinants of credit risk for the relevant sector. Methodologies are not exhaustive treatments of all factors reflected in MIS' ratings; they simply set out the key qualitative and quantitative considerations used by MIS in determining ratings. In order to help third parties understand MIS' analytical approach, all methodologies are publicly available.

Methodologies governing fundamental credits (e.g., non-financial corporates, financial institutions and governments) generally (though not always) incorporate a scorecard. A scorecard is a reference tool explaining the factors that are generally most important in assigning ratings. It is a summary, and does not contain every rating consideration. The weights shown for each factor and sub-factor in the scorecard represent an approximation of their typical importance for rating decisions, but the actual importance of each factor may vary significantly depending on the circumstances of the issuer and the environment in which it is operating. In addition, quantitative factor and sub-factor variables generally use historical data, but our rating analyses are based on forward-looking expectations. Each rating committee will apply its own judgment in determining whether and how to emphasize rating factors which it considers to be of particular significance given, for example, the prevailing operating environment. As a consequence, assigned ratings may fall outside the range or level indicated by the scorecard, though they will generally be within one to two notches of the scorecard-indicated rating.

Methodologies governing structured finance credits often mention one or more rating models. A structured finance ratings model is a reference tool that explains how certain rating factors are considered in estimating a loss distribution for the collateral assets, or how the interplay between collateral cash flows, capital structure and credit enhancement jointly influence the credit risk of different tranches of securities. While methodologies may contain fixed values for key model parameters to be applied to transactions across an entire sector, individual rating committees are expected to employ judgment in determining model inputs, and rating committee deliberations may fall outside model-indicated outputs.

While most methodologies relate to a particular industry, sector or class of issuers or transactions, a small number — cross-sector methodologies, many originally issued as 'Rating Implementation Guidance' — have implications for a number of (and in some cases all) sectors. Examples include the methodologies which govern:

- » the assignment of short-term ratings across the Fundamental Group;
- » the use of credit estimates in the analysis of structured finance transactions;
- » the linkage between sovereign ratings and related ratings in other Fundamental Groups;
- » the 'notching' guidelines used to assign ratings to different classes of corporate debt;
- » and the determination of country ceilings which cap domestic ratings.

Typically, these are broad commentaries, the output of which may be general guidance to committees on ranges or caps on ratings rather than a specific rating assignment and which, to a greater extent than sector-specific methodologies, set out broad principles and relationships rather than detailed risk factors which can be summarized in a scorecard. However, in other respects cross-sector methodologies are no different from any sector-specific methodology, in providing an analytical framework to promote consistency rather than a set of rules which must be applied rigidly in all circumstances.

Key Rating Assumptions

Methodologies may (but need not) contain separately identifiable key rating assumptions (“KRAs”). KRAs are the fixed inputs (sometimes expressed as a possible range of values) described in Credit Rating Methodologies such as mathematical or correlation assumptions which are common to broad classes of ratings, may be common to multiple Credit Rating Methodologies, and which inform rating committee judgments in assigning ratings across each class. KRAs are considered methodological and are subject to the same governance process as the methodology to which they relate, including the need for any changes to be approved by the relevant Policy Committee within MIS.

KRAs are, by their nature, relatively stable inputs to the analytical process, and because they seek to bring a degree of stability, consistency and transparency to something that may in practice be uncertain, they are intended to be reasonably resilient to change. They may change over time in response to long-term structural changes or as more is learned about long-run relationships between risk factors, but they would be very unlikely to change as a result of a short-run change in economic or financial market conditions.

By contrast, credit judgments reached in rating committees regarding the impact of prevailing credit conditions on ratings within a particular sector, country or region are not KRAs, even where those judgments affect a large number of Credit Ratings (for example because they alter a country ceiling, systemic support indicator or a Timely Payment Indicator). Moreover, rating committees will, from time to time, reach credit judgments in relation to the application of KRAs in the assignment of credit ratings for a particular deal or set of deals which are the subject of that rating committee, to reflect prevailing credit conditions in the relevant region or sub-sector (for example to apply higher or lower correlation assumptions while a given set of credit conditions persist). Such judgments would not be deemed to have amended a KRA, since they were not intended to be applied consistently and systematically across most if not all debt instruments covered by the relevant methodology, and in a manner which was largely insensitive to further changes in credit conditions. Macro-economic or financial market projections which are by definition specific to a particular point in time are not KRAs.

For Structured Finance Credit Rating Methodologies, KRAs are generally assumptions that underlie the overall methodological construct — values assigned to parameters which influence the analysis of a prototypical transaction broadly across the relevant sector. Examples would include:

- » sector correlation assumptions;
- » loss severity assumptions for particular sectors;
- » and idealized default rates when used as a proxy for collateral performance.

Inputs to the rating of structured finance transactions that result from credit judgments reached by rating committees or which reflect analytic deliberations and that are not KRAs include, for example:

- » the credit risk considerations (as reflected in credit ratings or other credit assessments) introduced by third parties, such as guarantors and other support providers, servicers, trust banks, swap providers, etc.;

- » the credit risk introduced by the issuer's operating environment, as reflected, for example, by bond and deposit ceilings;
- » changes in collateral asset risk expectations brought on by changes in the economic environment; and
- » the maximum extent to which a bank's legal and operating environment would enable overcollateralization to provide lift for a covered bond's rating over the bank's own rating, as expressed in the Timely Payment Indicator.

For Fundamental Credit Rating Methodologies, KRAs are intrinsically less common (in part reflecting the less quantitative nature of Fundamental credit analysis), and where they do exist they may be embedded within the underlying Credit Rating Methodology. Generally, they are so deeply embedded in the overlying analytical structure that it would be meaningless and misleading to identify them as distinct from the Credit Rating Methodology itself: a KRA change would almost inevitably involve a corresponding change to the Credit Rating Methodology itself. Examples of deeply embedded KRAs in Fundamental that cannot be viewed distinctly from a Credit Rating Methodology include:

- » the assumption that leverage and access to liquidity are strong drivers of credit risk and appropriate factors to include in Credit Rating Methodologies;
- » the assumptions that there is very strong interdependence between bank and sovereign credit strength (from which MIS concludes that a lower-rated sovereign cannot generally provide ratings lift through support to a higher rated bank);
- » the assumption that legal priority of claim affects average recovery on different classes of debt sufficiently to warrant higher or lower ratings for different classes of debt;
- » and the assumption that sovereign credit risk is strongly correlated with that of other domestic issuers.

Examples of assumptions in Fundamental Credit Rating Methodologies that would be considered KRAs distinct from (though perhaps stated in) the Credit Rating Methodology to which each relates would include:

- » loss severity assumptions for different sectors;
- » and idealized loss rates when used as a proxy for the ability of a sovereign to support its banking system;

Inputs to the fundamental ratings process that result from credit judgments reached by rating committees or which reflect analytic deliberations which are not KRAs include:

- » the credit risk considerations (as reflected in credit ratings or other credit assessments) introduced by third parties, such as guarantors and other support providers or affiliates;
 - » the credit risk introduced by the issuer's operating environment, as reflected, for example, by bond and deposit ceilings; and
 - » the ability a sovereign to provide support to, for example, banks, as expressed in a systemic support indicator.
- » Such inputs may incorporate underlying assumptions which may be KRAs.

Special Comments

MIS may from time to time issue Special Comments relating to particular industries, sectors, commodities, regions or issuers. Special Comments are not methodological either in content or in intent and do not modify the analytical approach described in rating methodologies. Rather, Special Comments are generally intended (i) to set out MIS's views on issuer-specific concerns or developments (ii) to describe macroeconomic or sector trends (such as changing industry demand conditions, new legislation or regulatory developments) and to comment on their directional impact on ratings, and (iii) to explain certain rating processes to help investors better understand how MIS's analysts do their work, including explaining how MIS will assess the impact of specific or broader trends

Country Ceilings for Bonds and Other Foreign Currency Obligations

Moody's assigns long-term and short-term ceilings for foreign-currency bonds and notes to every country (or separate monetary area) in which there are rated obligors. The ceilings generally indicate the highest ratings that can be assigned to a foreign-currency denominated security issued by an entity subject to the monetary sovereignty of that country or area. Ratings that pierce the country ceilings may be permitted, however, for foreign-currency denominated securities benefiting from special characteristics that are judged to give them a lower risk of government interference than is indicated by the ceilings. Such characteristics may be intrinsic to the issuer and/or related to Moody's view regarding the government's likely policy actions during a foreign currency crisis. The country ceilings for foreign-currency bonds and notes are expressed on Moody's long-term and short-term global scales.

Country Ceilings for Foreign Currency Bank Deposits

Moody's assigns long-term and short-term ceilings for foreign-currency bank deposits to every country (or distinct monetary area) in which there are rated bank deposits. The ceilings specify the highest ratings that can be assigned to foreign-currency denominated deposit obligations of 1) domestic and foreign branches of banks headquartered in that domicile (even if subsidiaries of foreign banks); and 2) domestic branches of foreign banks. The country ceilings for foreign-currency bank deposits are expressed on Moody's long-term and short-term global scales.

Country Ceiling for Bonds and Other Local Currency Obligations

Moody's assigns a local currency ceiling for bonds and notes to every country (or distinct monetary areas) in order to facilitate the assignment of local currency ratings to issues and/or issuers. Local currency ratings measure the credit performance of obligations denominated in the local currency and therefore exclude the transfer risk relevant for foreign-currency obligations. They are intended to be globally comparable.

The local currency country ceiling for bonds summarizes the general country-level risks (excluding foreign-currency transfer risk) that should be taken into account in assigning local currency ratings to locally domiciled obligors or locally originated structured transactions. They indicate the rating level that will generally be assigned to the financially strongest obligations in the country, with the proviso that obligations benefiting from support mechanisms based outside the country (or area) may on occasion be rated higher. The country ceiling for local currency bonds and notes is expressed on the long-term global scale.

Local Currency Deposit Ceiling

Moody's Local Currency Deposit Ceiling for a country or monetary region is the highest rating that can be assigned to the local currency deposits of a bank or other deposit taking institution domiciled within that rated jurisdiction. It reflects the risk that governmental authorities might impose a freeze on all local currency bank deposits in the system in response to a systemic run on deposits or a heightened risk of such a run. The local currency deposit ceiling is expressed on the long-term global scale.

Hybrid Security Baskets

In determining equity credit for a hybrid security, Moody's analyzes the instrument along three dimensions of equity: No Maturity, No Ongoing Payments, and Loss Absorption. For each of these dimensions, Moody's ranks the instrument's features as either None, Weak, Moderate, or Strong, where None represents more debt-like and Strong represents more equity-like. The equity credit assigned to the instrument — expressed in baskets from A to E — weights the rankings for each dimension depending on the credit quality of the issuer.

CLASSIFICATIONS FOR HYBRID BASKETS

Basket	Debt	Equity
A	100%	0%
B	75%	25%
C	50%	50%
D	25%	75%
E	0%	100%

Timely Payment Indicator (TPI)

A TPI is Moody's assessment of the likelihood that timely payment would be made to covered bondholders following an Issuer Default. TPIs are assigned one of the following six assessment levels: Very High, High, Probable-High, Probable, Improbable, Very Improbable.

Idealized Probabilities of Default and Expected Losses

For some obligations and asset classes we may use benchmark default probabilities and expected losses as input into rating models and other aspects of ratings analytics. These default probabilities and expected loss rates are referred to as Moody's Idealized Probabilities of Default and Moody's Idealized Expected Losses, respectively. Tables containing Moody's Idealized Default Probabilities and Expected Losses can be found here: [Moody's Idealized Default and Loss Rates](#)

These tables were derived from the corporate default and loss experience observed between 1970 and 1989, with several key adjustments, such as interpolation to help fill in gaps arising from lack of alpha-numeric rating (i.e. A2 vs. A3) default and loss rates prior to April 1983.

We note that while we use the idealized default and loss rates in models used in the rating process, the performance of ratings is benchmarked against past performance and rating performance in other sectors rather than against any idealized table.

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