

DATE: April 14, 2017
TO: SAA Board of Directors
FROM: Tim Rogers and Shelli Swanson
SUBJECT: **April 19, 2017 Regular Board Meeting**

Enclosed are items for your review prior to Wednesday's meeting. Please note that the meeting will be held in the **second-floor conference room, Hangar 600, 2720 Arnold Ct.** A map showing the location of Hangar 600 is enclosed in your board meeting packet. City of Salina staff have installed new street signs for the renamed segments of Arnold Avenue.

An executive session of the Airport Authority board of directors is on the agenda. The executive session will be for the purpose discussing confidential data related to the financial affairs or trade secrets of a corporation because public discussion of the information would unfairly disadvantage the business in relation to its competitors.

Board of directors' action is expected following the executive session.

Please note the following agenda comments.

Agenda Item #5 – Review of Airport Activity and Financial Reports for the Month Ending March 31, 2017 (Rogers and Swanson)

50 Years Ago – April, 1967 (Rogers)

The Airport Authority board of directors approved the first set of Airport Rules and Regulations for the Salina Regional Airport. The most recent update to the Airport Rules and Regulations was completed in February, 2017.

Airport Activity – Air Traffic (Rogers)

The Salina air traffic control tower (ATCT) recorded 5,329 operations during March 2017 which was a 33% decrease as compared to the March 2016 total of 7,962. For the year-to-date, a total of 15,466 operations have occurred at the Salina Airport which is 23% less than the March 2106 YTD total of 20,173. Total itinerant traffic is down slightly as compared to March 2016 YTD totals. The 2017 decrease in air traffic count is a result of less local, helicopter training flights.

Airport Activity – Fuel Flowage (Rogers)

The March 2017 fuel flowage came in at 203,387 gallons which was 55% more than the March 2016 total of 130,991. For the year-to-date a total of 906,533 gallons has been delivered on the Airport which is 160% more than the 2016 YTD total of 347,974. Consistent military and corporate jet activity will result in increased fuel sales during the remainder of 2017.

Included in your meeting packet is a copy of the monthly summary of fuel delivered on the Airport. Of specific interest is the comparison of reported fuel delivered and fuel pumped from storage tanks at pump house P305.

Airport Activity – Passenger Counts (Rogers)

Great Lakes again exceeded all estimates by recording 1,465 total passengers during March 2017. The total subsidy per passenger for March was \$114, which is the lowest amount to date. GLA completed 100% of scheduled flights during March, 2017.

Financial Reports – Comments and Notes (Swanson)

As we ended the first quarter of 2017, total operating income arrived 12% over budget and \$147,716 ahead of the same period last year. The significant contributors included airfield revenue to include fuel flowage fees and hangar rental, up 48% over the prior year due to Jaded Thunder, as well as an increase in building rental which was up by \$48,438 over 2016.

Total administrative expenses during the first quarter arrived 6% under budget or 1% less than the prior period in 2016. Total maintenance expenses came in 25% over budget due to several one-time annual costs associated with building maintenance which included termite control contract renewal and annual fire extinguisher servicing on several buildings. In addition, professional cleaning was completed in Hangar 600 to include carpet cleaning, tile scrubbing, wax removal and replacement and deep restroom cleaning. Professional carpet and restroom cleaning was also completed in Hangar 509. After several years of significant traffic and FOL activity, both large bay hangars required heavy, professional cleaning.

The above activity brought net operating income before depreciation to \$67,661 at the end of Q1 and \$106,810 ahead of 2016.

Financial Reports – March, 2017 Capital Additions/Payables Report Enclosed (Swanson)

The following represents the March activity in our two bond proceed improvement fund accounts:

Account QuickReport
As of March 31, 2017

Type	Date	Num	Name	Memo	Split	Amount	Balance	
Cash in Bank - Bond Funds							12,500.39	
UMB Series 2015-A Proj Fund							12,500.39	
Bill Pmt -Check	03/01/2017	1048	Lowe's Business Acc...		Accounts payable	-63.00	12,437.39	
Bill Pmt -Check	03/10/2017	1049	Design Central, Inc.		Accounts payable	-1,590.00	10,847.39	
Check	03/31/2017			Service Charge	Other administrative expense	-42.00	10,805.39	
Deposit	03/31/2017			Interest	Interest income on deposits	0.49	10,805.88	
Total UMB Series 2015-A Proj Fund							-1,694.51	10,805.88
Total Cash in Bank - Bond Funds							-1,694.51	10,805.88
TOTAL							-1,694.51	10,805.88

Account QuickReport
As of March 31, 2017

Type	Date	Num	Name	Memo	Split	Amount	Balance	
Cash in Bank - Bond Funds							553,099.22	
108-FBK Imp Fund Temp Note 2016							553,099.22	
Bill Pmt -Check	03/10/2017	1013	Jviation, Inc.		Accounts pa...	-22,594.45	530,504.77	
Check	03/13/2017	14872	First Bank Kansas	Funds Transfer - AIP 36 RFR No. 3 (FAA share)	SFB - Cash ...	20,335.00	550,839.77	
Deposit	03/31/2017			Interest	Interest incom...	93.96	550,933.73	
Total 108-FBK Imp Fund Temp Note 2016							-2,165.49	550,933.73
Total Cash in Bank - Bond Funds							-2,165.49	550,933.73
TOTAL							-2,165.49	550,933.73

Short-term Leasing Activity

The 1st Combat Aviation Brigade (CAB) of the 1st ID, Fort Riley, KS entered into a 12-day lease agreement for a portion of Hangar 509 to accommodate the rebuild of two rotorcraft. Rental income consists of \$3,300 for hangar space, \$900 for use of SAA ground support equipment and \$50 for one phone line. This lease represents the 4th short-term agreement with the CAB in the last 12 months.

Financial Reports – Accounts Receivable Past Due 31 days or more as of April 14, 2017 (Swanson)

<u>Account</u>	<u>Amount</u>	<u>Days</u>	<u>Comments</u>
757 th Airlift Squadron	\$1,890	>90	Hangar 606 rental
Alltel	\$200	31-60	Mowing charge
Tischlerei	\$4,548	31-60	Property Insurance

Agenda Item #6 – Review of the March 31, 2017 Ten (10) Year Financial Trend Analysis Report (Swanson)

Following the end of each quarter of the calendar year, a ten (10) year financial trend analysis is prepared for SAA board review and discussion. The report summarizes current quarterly revenue and expenses as compared to the same period over the past nine (9) years. Shelli and I will provide additional information for you at the meeting and be prepared to answer your questions.

Agenda Item #7 – Consideration of an Engineering and Consulting Agreement with H.W. Lochner, Inc. (Rogers and Bieker)

The Airport Authority’s 2014 Airport Master Plan Update identified the need to reconstruct a portion of Beechcraft Road from Scanlan Avenue west to Avflight Salina. Beechcraft Road is the only route to and from Avflight Salina which is a gateway for people accessing Salina and Saline County via general and business aviation aircraft. Attached is the proposed agreement with H.W. Lochner, Inc. for the preparation of an engineer’s design report that will provide options for the reconstruction of the west portion of Beechcraft. Also attached is an area map on which Beechcraft Road is listed as Project #18.

Beechcraft Road is a City of Salina street and the Lochner engineer’s design report will be shared with City staff to advance the project within the City’s capital improvement program (CIP). The Lochner report will also be used to apply for possible Federal Aviation Administration, Kansas Department of Transportation and Economic Development Administration grant funding.

As an Airport Master Plan Update subcontractor, Lochner completed preliminary cost estimates for Beechcraft Road reconstruction. Lochner’s preliminary work will be the basis of a more focused look at one or more reconstruction alternatives. City of Salina staff will be involved in selecting an alternative that best meets City design standards and the needs for gateway access to Salina and Saline County.

The Airport Authority and City of Salina have partnered on multiple street and transportation projects. Most recently the City and Airport Authority worked together to successfully completed the reconstruction of the south segment of Centennial Road.

The proposed agreement provides for a negotiated lump sum, not-to-exceed fee of \$12,300. The details of the lump sum fee calculation are attached to the agreement. If approved, the final engineer's design report will be completed by May 31, 2017.

Recommendation: Approval of the proposed agreement with H.W. Lochner, Inc. for preparation of an engineer's design report for the reconstruction of the west portion of Beechcraft Road at a not-to-exceed cost of \$12,300.

Agenda Item #8 - Fossett Plaza Design and Budget Discussion (Rogers and Bieker)

At the meeting Kenny and I will review the final design and budget for the Fossett Plaza project work to be completed by B&B Metal Arts, LLC of Hoisington, KS. The B&B Metals portion of the project includes:

1. Park benches
2. Picnic tables
3. Interpretive stands (story boards)
4. Waste containers
5. Global Flyer and Globe sculpture
6. Fencing
7. Story circles incorporated into the fencing
8. Bollards
9. Temporary fencing
10. Fence removal
11. Installation costs

We'll also review the cost submitted by Sharkey Construction of Otis, KS for all concrete work associated with the Fossett Plaza sidewalks, fencing and sculpture installation. The Sharkey price quote is \$55,584.

Total cost for Fossett Plaza construction based upon current design is \$266,845. I have yet to obtain pricing for Fossett Plaza landscaping. A reasonable estimate for landscaping is \$25,000. Total project costs are estimated to be \$291,845. Project funds on deposit at the Greater Salina Community Foundation total \$341,231.

To move forward and not miss this construction season I would like board approval to expend no more than \$266,845 on Fossett Plaza work to be completed by B&B Metals and Sharkey Construction. A final landscaping budget will be presented to you at a later date.

Recommendation: Approval of an initial not to exceed expenditure of \$266,845 for Fossett Plaza construction.

STAFF REPORTS

Minimum Terms for New Aircraft Storage Hangar Construction (Rogers, Swanson and Bieker)

Enclosed are copies of information provided to aircraft owners interested in having the Airport Authority construct new aircraft storage hangars. The monthly rental quoted is based upon a 20-year amortization of construction cost for two sizes of hangars. The T-hangar is for small single engine piston aircraft. A Box hangar houses large single engine or small twin engine aircraft. At the meeting, I'll provide you with an updated lease pro forma detailing revenue and expenses for each type of new hangar construction.

T-Hangar Lease Agreement Revisions (Rogers and Swanson)

Enclosed is a copy of the Airport Authority's standard T-Hangar lease agreement that shows recommended changes to the tenant's release, indemnification and hold harmless provisions of the agreement. A recent windstorm at a Kansas airport resulted in significant damage to aircraft storage hangars and aircraft in the hangars. After learning about the insurance subrogation issues that developed after the windstorm event, Lockton's aviation specialist reviewed the SAA's T-hangar lease agreement. Greg Bengtson reviewed Lockton's work and drafted the changes in the attached revised T-hangar lease agreement. The changes are intended to better position the SAA in the event a tenant's insurance carrier attempts to subrogate a claim.

Airport and Airport Industrial Center Building and Hangar Leasing Activity (Rogers and Swanson)

At the meeting Shelli and I will review current leasing activity. We'll summarize the projects that are in the letter of intent or draft lease stages. This will give you an idea of the number of projects we're working on and when to expect a request for board action.

FAA Project AIP No. 36 – Taxiway Echo Rehabilitation (Bieker)

The project will start back up on April 17th and is planned to be finished May 16th. This will finish the Taxiway Echo (E) rehabilitation. The work will require the closure of Runway 17/35 for 15 days, starting on April 24 and ending on May 8. The runway closure has been coordinated with Airport tenants and users.

Runway 17-35 Slurry Seal and Rubber Removal (Bieker)

During the Runway 17/35 closure, McConnell & Associates, out of Kansas City, will be placing a slurry seal coat on the south 7,500 feet of Runway 17/35. The north 4,800 feet of Runway 17/35 has a more recent asphalt overlay and is not in need of the slurry coat. Both the contractor and SAA maintenance staff will repaint Runway 17/35 markings during the runway closure. SAA staff will complete other needed runway maintenance tasks during the closure.

Cillessen & Sons, out of Wichita, will be removing rubber on the north 4,000 feet of Runway 17/35. The rubber removal will prepare the north portion of the runway for upcoming Bombardier Global 7000 runway performance testing.

FAA Project AIP No. 38 – Taxiway Bravo Reconstruction (Bieker)

The Airport Authority's airport engineering and consulting firm, Jviation, is currently working with us and the FAA on the final project design. FAA approval of the project's design will include authorization to advertise for construction bids. A FAA AIP (Airport Improvement Program) grant offer will be based on bids received. Project bids will be held until late Summer or early Fall when the FAA will be able to issue a grant offer for the project.

Fly Salina Marketing (Windhorst)

Marketing efforts for Great Lakes Airlines continue to progress and increase awareness. Recent google analytics reports on the Salina Airport Authority website noted that almost 75% of all users are new visitors and over 31% are viewing the Fly Salina page. The top five locations using the site include; Salina, Kansas City, Wichita, Manhattan and Chicago. The recent update to make the site responsive allowing users to view from all devices (desktops, tablets, and phones) has resulted in an increased usage by 42% for mobile users.

Great Lakes Airlines, Salina Airport Authority and 99KG partnered in a Flyaway promotion during the month of April. Roundtrip airfare was provided by Great Lakes Airlines with nonstop service to Denver. Winners also received a prepaid market card for The Market @ SLN, hotel stay at the Curtis, tickets to see Eric Church at the Pepsi Center and money to blow from Comfort Heating & Air.

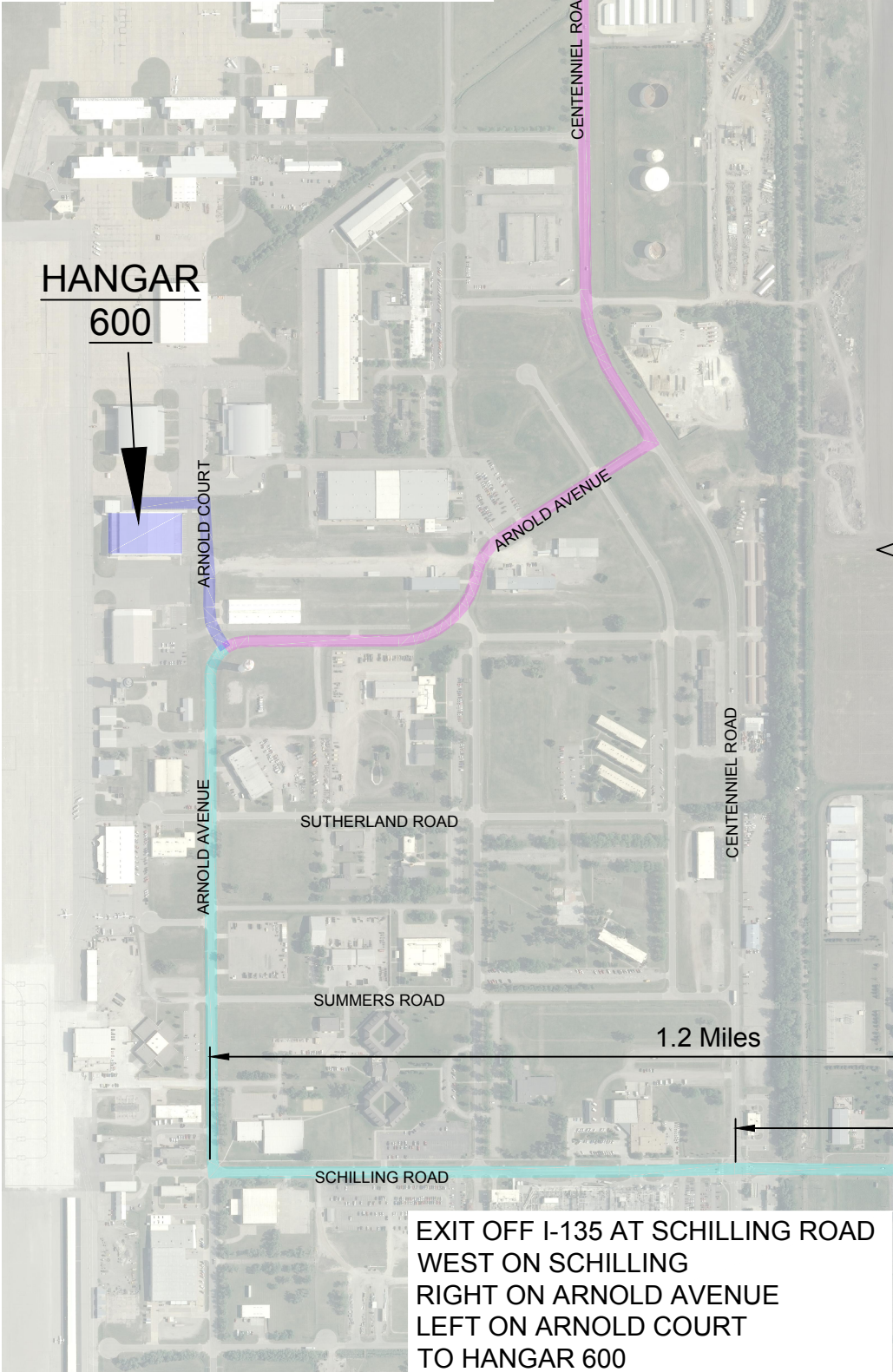
Internship Opportunity (Windhorst)

The Salina Airport Authority is accepting applications for a Management Internship for the upcoming fall semester. Students from Kansas State University Polytechnic campus who are majoring in Airport Management, Technology Management, Professional Pilot, Aviation Maintenance and Engineering Technology are encouraged to apply.

Please contact me if you have any questions or comments.

DIRECTIONS TO HANGAR 600 (2720 ARNOLD COURT)

EXIT OFF I-135 AT MAGNOLIA ROAD
WEST ON MAGNOLIA
LEFT ON CENTENNIAL
RIGHT ON ARNOLD AVENUE
RIGHT ON ARNOLD COURT
TO HANGAR 600



EXIT OFF I-135 AT SCHILLING ROAD
WEST ON SCHILLING
RIGHT ON ARNOLD AVENUE
LEFT ON ARNOLD COURT
TO HANGAR 600



SALINA AIRPORT AUTHORITY REGULAR BOARD MEETING
Hangar H600, Second Floor Conference Room
2720 Arnold Court
April 19, 2017 – 8:00 AM

AGENDA

Action Items

1. Call to order and determine a quorum is present. (Platten)
2. Recognition of guests. (Platten)
3. Additions to the agenda. (Rogers)
4. Approval of the minutes of the March 15, 2017 annual board meeting and April 5, 2017 special board meeting. (Platten)
5. Review of airport activity and financial reports for the month ending March 31, 2017. (Rogers and Swanson)
6. Review of the March 31, 2017, ten (10) year financial trend analysis report. (Swanson)
7. Consideration of an engineering and consulting agreement with H.W. Lochner, Inc. for Beechcraft Rd. rehabilitation design services. (Rogers and Bieker)
8. Discussion of Fossett Plaza design and construction costs. (Rogers and Bieker)

Directors' Forum (Platten)

Visitor's Questions and Comments (Platten)

Staff Reports (Rogers)

- Review minimum lease terms for new aircraft storage hangar construction at the Salina Regional Airport. (Rogers and Swanson)
- Review revised T-hangar lease agreement terms for insurance and hold harmless requirements. (Swanson and Bengtson)
- Review of current Airport and Airport Industrial Center building and hangar leasing activity. (Rogers and Swanson)

Announcements (Windhorst)

Executive Session (Platten)

Adjournment (Platten)



**MINUTES OF THE ANNUAL MEETING OF THE BOARD OF
DIRECTORS OF THE SALINA AIRPORT AUTHORITY
MARCH 15, 2017
HANGAR 600 SECOND FLOOR CONFERENCE ROOM**

Call to Order

The meeting was called to order at 8:00 AM by Chairman Vancil.

Attendance

Attendance was taken. Chairman Vancil, Directors Buer, Eichelberger, Platten (via conference call), and Weisel were present. Also present were Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker; Business and Communications Manager Kasey Windhorst; Administrative Assistant Catarino Porras and Board Attorney Greg Bengtson. Karl Ryan, City Commissioner; Bob Vidricksen, Saline County Commissioner; Mitch Robinson, Salina Community Economic Development Organization; Eric Wiley, Salina Journal; James Charlesworth, Owner/Partner Charlesworth & Associates and Julie Yager-Zucker, General Manager Avflight Salina were guests.

Acceptance of Appointment

Executive Director Rogers announced that Kent Buer and Alan Eichelberger have been appointed by the City of Salina to serve three-year terms on the Salina Airport Authority Board of Directors. Directors Buer and Eichelberger executed their respective Acceptance of Appointment and Oath of Office documents.

Additions to the Agenda

Chairman Vancil asked if there were any additions to the agenda. Executive Director Rogers added an executive session to discuss confidential data relating to financial affairs or trade secrets of a corporation for the reason that public discussion of that information would unfairly disadvantage the business in relation to its competitors.

Minutes

Chairman Vancil asked if the board members had additions or corrections to the minutes of the February 15, 2017 regular board meeting. Director Platten moved, seconded by Director Weisel, to approve the minutes of the February 15, 2017 regular board meeting. Motion passed unanimously.

50 Years Ago

The Airport Authority board of directors approved several leases for Airport and Airport Industrial Center buildings. The growing list of new tenants included the U. S. Army, Canada Dry Bottling Co., Long Oil Co., and multiple agricultural land leases.

Effective April 1, 1967, the Airport Authority's offices were relocated from Room 905 at the United Building to the current M.J. Kennedy Air Terminal.

Airport Activity and Financial Reports

Executive Director Rogers reported on airport activity for the month of February 2017. Air traffic decreased to 6,598 operations during the month of February 2017 as compared to 7,789 during February 2016. Avflight reported a total of 588,072 gallons of fuel sold during the month of February 2017 as compared to a total of 136,763 gallons during February 2016. The large increase in fuel sales was a result of the recent Jaded Thunder training exercise. Rogers commented on enplanements for the month of February 2017. Great Lakes recorded 1,317 total passengers enplaned and deplaned during the month. Great Lakes Airlines completed 100% of scheduled flights and the total subsidy per passenger was \$126 for the month. The target number for total passengers is 1,600 per month.

Director of Administration and Finance Swanson reported on the financials for the month ending February 28, 2017. Total operating income arrived 16% over budget or \$55,734 for February 2017. Total operating expenses came in under budget \$1,020 for February 2017. Net operating income before depreciation totaled \$83,520. Swanson commented on a short-term lease with AAL Organic Matters, Inc. for building 724. The lease term is for 90 days at a monthly rate of \$4675 plus utility costs. Chairman Vancil directed staff to file the financials for audit.

Airport Authority Insurance Coverages and Commercial Property Inspections

Executive Director Rogers introduced James Charlesworth with Charlesworth & Associates. Charlesworth & Associates provides the Airport Authority insurance consulting and risk management services. Charlesworth briefed the board on the risk management process and partnerships with Lockton and F.M. Global. F.M. Global is a leader in loss prevention and is a primary insurer of industrial and aerospace commercial property.

Former Schilling AFB Project Briefing Update

Executive Director Rogers gave an overview of the Former Schilling AFB Project. Matt Schroeder and Dr. Michael Sklash with Dragun Corporation attended the meeting via conference call and gave an update on the status of the Schilling Project's Remedial Investigation (RI) and Feasibility Study (FS). The Remedial Investigation is completed and the Feasibility study will be completed by the end of March 2017. The Feasibility Study will define options and recommendations for site cleanup and will be the basis for KDHE to issue their Corrective Action Decision (CAD) by the end of 2017. As of March 2017, the project is ahead of schedule and under budget. Once KDHE issues their CAD, the Salina Public Entities will be able to request another round of U.S. District Court supervised mediation.

Election of SAA Board of Directors Officers and Board Assignments

Director Vancil reviewed the recommended slate of officers and committee assignments for 2017-2018.

The recommended slate of officers for 2017-2018 is as follows:

Chairman	Katie Platten
Vice-Chairman	Brian Weisel
Secretary	Kent Buer
Treasurer	Alan Eichelberger
Past Chairman	Troy Vancil

The recommended committee assignments for 2017-2018 are as follows:

Salina Area Chamber of Commerce Board of Directors	Katie Platten
SAA Finance and Audit Committee	Kent Buer Alan Eichelberger
Air Service Working Group	Brian Weisel Troy Vancil

Director Buer moved to approve the slate of officers and committee assignments for 2017-2018, seconded by Director Weisel. Motion passed unanimously.

SAA Resolution No. 17-03

Executive Director Rogers presented SAA Resolution 17-03, designating the banks used by the Airport Authority, specifying individuals authorized to sign SAA checks, and defining the number of signatures required on each check. **A RESOLUTION DESIGNATING THE DEPOSITORIES FOR FUNDS OF THE SALINA AIRPORT AUTHORITY AND DESIGNATING THE INDIVIDUALS AUTHORIZED TO SIGN CHECKS ON SAID ACCOUNTS AN DIRECTING HOW SAID CHECKS ARE TO BE SIGNED.** Director Weisel moved, seconded by Director Eichelberger, to approve Resolution 17-03. Motion carried unanimously.

Staff Reports

- Executive Director Rogers updated the board on the Steve Fossett Plaza concept design and preliminary cost estimate. Director of Facilities and Construction Bieker is working closely with B & B Metals to finalize the project design and budget.
- Rogers reviewed the proposed layout plan for new T-hangar and Box hangar construction. Estimated cost to construct new hangars is estimated at \$41,000 per T-hangar and \$80,000 per Box hangar. The rental rate for a newly constructed T-hangar would be \$295 per month and \$550 per month for a new Box hangar. The Salina Airport Authority would be able to fund new hangar construction by using either SAA operating funds or debt financing.

Executive Session

At 9:40 A.M. Director Weisel moved to recess the open meeting until 9:50 A.M. for an executive session for the purpose of discussing confidential data relating to financial affairs or trade secrets of a corporation for the reason that public discussion of that information would unfairly disadvantage the business in relation to its competitors. Director Eichelberger seconded the motion. Motion carried unanimously.

The open meeting resumed at 9:50 A.M.

Upon a motion duly made, the meeting adjourned at 9:51 A.M.

Minutes approved at the April 19, 2017 Board Meeting.

Secretary

(SEAL)

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF
DIRECTORS OF THE SALINA AIRPORT AUTHORITY
APRIL 5, 2017
HANGAR 600 SECOND FLOOR CONFERENCE ROOM**

Call to Order

The meeting was called to order at 8:00 AM by Chairman Platten.

Attendance

Attendance was taken. Chairman Platten, Directors Buer (via conference call), Eichelberger, Vancil (via conference call), and Weisel were present. Also present were Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker; Business and Communications Manager Kasey Windhorst Administrative Assistant Catarino Porras and Board Attorney Greg Bengtson. Trent Davis, City Commissioner; Bob Vidricksen, Saline County Commissioner and Eric Wiley, Salina Journal were guests.

Additions to the Agenda

Chairman Platten asked if there were any additions to the agenda. Executive Director Rogers stated that there were no additions to the agenda.

Universal Forest Products, B620 Lease Addendum No. 2

Executive Director Rogers provided an overview of Universal Forest Products (UFP) located at 1940 Arnold Ave (B620). The Airport Authority entered in to a lease with UFP subsidiary, UFP Harrisonville, LLC, for Unit A of Building B620 on February 29, 2012. Unit A consists of 15,000 SF of space used by UFP to build engineered industrial packaging for sale to regional manufacturers.

UFP's expansion requires an additional 4,215 SF of space at B620. The work required includes adding exterior concrete paving and fencing at a total cost of \$14,219. The cost of the B620 modifications includes a SAA administration fee of 7.89% and will be recovered over the 36-month term of option period #3. Lease option period #3 will be from May 1, 2017 to April 30, 2020. Rogers recommended approval of Addendum #2 lease terms as listed below:

Term: 36 months, May 1, 2017 to April 30, 2020

Rental: \$5,620 per month
\$67,440 per year
\$3.50 per SF per year

Improvement Rental: \$395 per month

\$4,740 per year for three (3) years

CPI Adjustment: November 1, 2018

Options: One additional option for three (3) years; May 1, 2020 to April 30, 2023 with a CPI adjustment.

Director Weisel moved to approve lease addendum #2 with UFP, seconded by Director Eichelberger. Motion passed unanimously

B620 Improvements

Executive Director Rogers reviewed bids received for concrete paving and fencing improvements at building B620 as stipulated in addendum No. 2. The improvements will support UFP's expansion into the southeast 4,215 SF of B620. Low bids were obtained from the following contractors:

T Roy Construction	Concrete paving, 231 SY, 6" depth	\$12,390
Dellinger Fencing	Two (2) 8 ft. Swing Gates	\$790

Director Eichelberger moved to approve the expenditure of \$13,180 for concrete paving and fencing improvements at B620, seconded by Director Weisel. Motion passed Unanimously

Upon a motion duly made, the meeting adjourned at 8:18 A.M.

Minutes approved at the April 19, 2017 Board meeting.

Secretary

(SEAL)

**SALINA AIRPORT AUTHORITY
AIRPORT ACTIVITY REPORT
2017**

AIR TRAFFIC/ATCT

March, 2017	5,329 Operations 1,026 Instrument Operations 443 Peak Day
March, 2016	7,962 Operations 708 Instrument Operations 486 Peak Day
January 2017 - March 2017	15,466 Operations
January 2016 - March 2016	20,173 Operations
January 2015 - March 2015	22,608 Operations

FUEL FLOWAGE

March, 2017	203,387 Gallons
March, 2016	130,991 Gallons
January 2017 - March 2017	906,533 Gallons
January 2016 - March 2016	347,974 Gallons
January 2015 - March 2015	655,622 Gallons

		Avflight	
		Military/Gov't Portion	Self-fuel Station Portion
KSU-S	Avflight Salina		
7,489	195,898	48,176	261
10,548	120,443	22,173	659
25,904	880,629	525,779	1,470
28,646	319,328	37,494	1,968
29,558	626,064	152,529	1,784

Great Lakes

March, 2017	731 Passengers
March, 2016	0 Passengers
January 2017 - March 2017	1,933 Passengers
January 2016 - March 2016	36 Passengers
January 2015 - March 2015	331 Passengers

ENPLANEMENTS

DEPLANEMENTS
734 Passengers

TOTAL
1,465

ENPLANEMENTS - Charter Flights

March, 2017	0 Passengers
March, 2016	0 Passengers
January 2017 - March 2017	862 Passengers
January 2016 - March 2016	0 Passengers
January 2015 - March 2015	4,854 Passengers

TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights

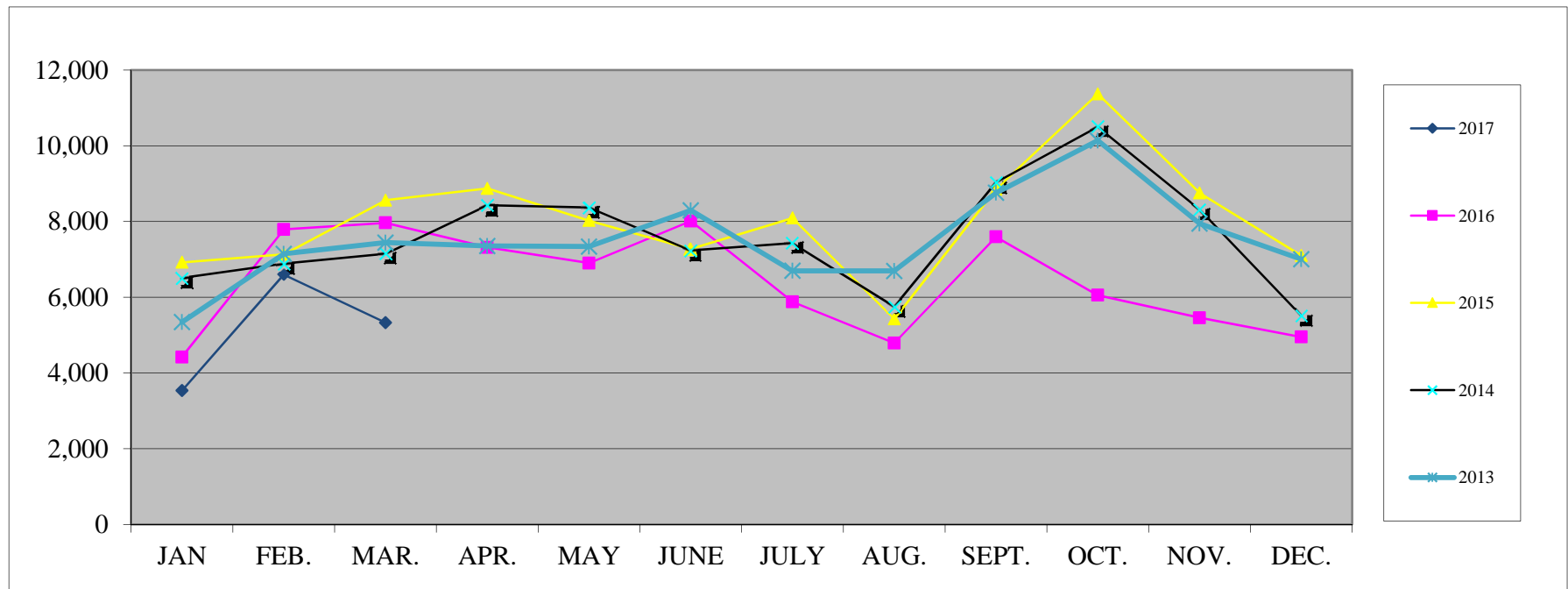
March, 2017	731 Passengers
March, 2016	0 Passengers
January 2017 - March 2017	2,795 Passengers
January 2016 - March 2016	36 Passengers
January 2015 - March 2015	5,185 Passengers

AIRPORT TRAFFIC RECORD
2016 - 2017

	ITINERANT					LOCAL			Total Operations
	AC	AT	GA	MI	Total Itinerant	Civil	Military	Total Local	
2017									
January, 17	5	1,154	585	141	1,885	1,438	216	1,654	3,539
February, 17	25	2,062	751	831	3,669	2,553	376	2,929	6,598
March, 17	2	1,426	805	260	2,493	2,518	318	2,836	5,329
April, 17									
May, 17									
June, 17									
July, 17									
August, 17									
September, 17									
October, 17									
November, 17									
December, 17									
Totals January - March	32	4,642	2,141	1,232	8,047	6,509	910	7,419	15,466
2016									
January, 16	5	941	676	88	1,710	2,502	210	2,712	4,422
February, 16	78	2,171	1,038	208	3,495	4,064	230	4,294	7,789
March, 16	21	1,830	869	234	2,954	4,644	364	5,008	7,962
April, 16									
May, 16									
June, 16									
July, 16									
August, 16									
September, 16									
October, 16									
November, 16									
December, 16									
Totals January - March	104	4,942	2,583	530	8,159	11,210	804	12,014	20,173
Difference	-72	-300	-442	702	-112	-4,701	106	-4,595	-4,707
YTD % Change	-69%	-6%	-17%	132%	-1%	-42%	13%	-38%	-23%

AIR TRAFFIC

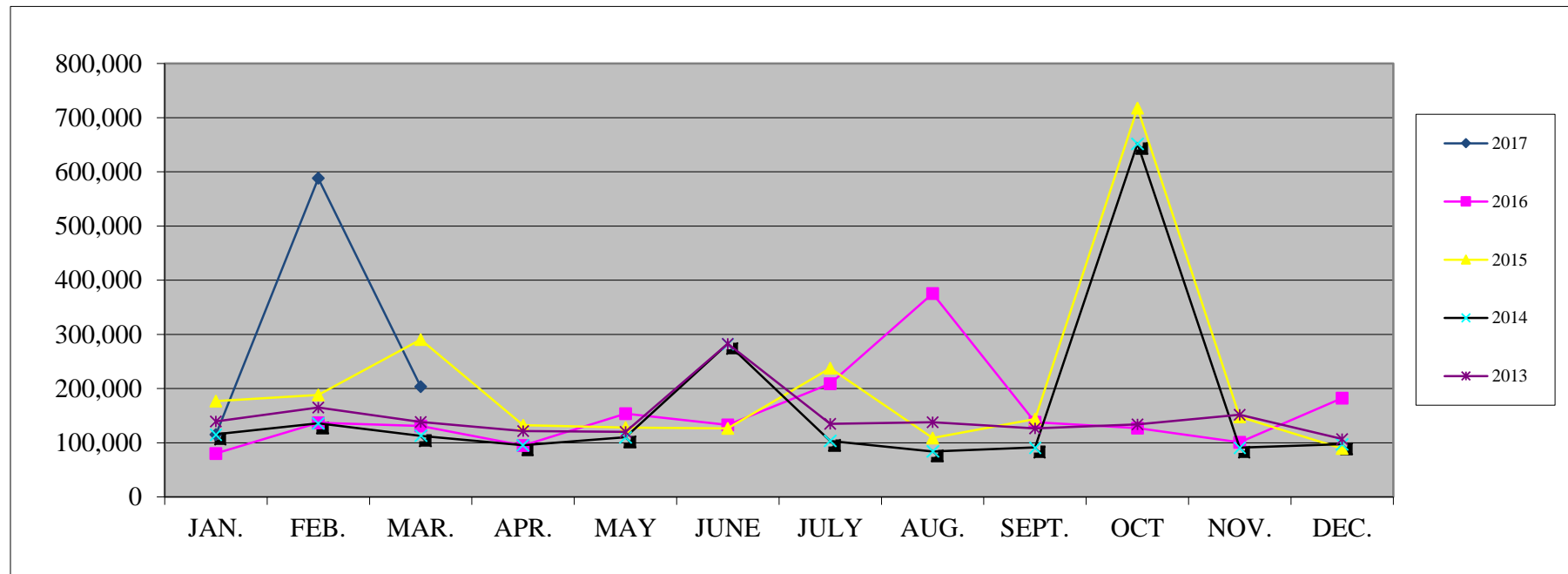
	<u>JAN</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2017	3,539	6,598	<u>5,329</u>										<u>15,466</u>
2016	4,422	7,789	7,962	7,312	6,898	8,011	5,877	4,789	7,593	6,052	5,458	4,948	77,111
2015	6,918	7,133	8,557	8,870	8,022	7,268	8,089	5,426	8,846	11,367	8,753	7,101	96,350
2014	6,511	6,887	7,143	8,426	8,365	7,234	7,423	5,756	9,035	10,496	8,316	5,509	91,101
2013	5,341	7,146	7,440	7,349	7,336	8,291	6,696	6,694	8,755	10,136	7,946	7,001	90,131
2012	4,642	6,700	8,189	8,002	11,819	7,532	7,635	7,802	10,478	10,292	8,838	5,409	97,338
2011	3,088	3,880	4,632	5,671	5,418	6,379	5,639	4,804	9,355	9,249	6,138	4,954	69,207
2010	2,760	4,430	5,743	5,964	4,611	4,572	4,364	4,009	6,816	7,653	5,100	4,429	60,451
2009	4,345	6,822	5,675	5,888	6,209	5,883	5,082	3,860	6,470	5,258	5,775	3,795	65,062
2008	4,233	6,749	6,063	6,291	5,530	6,345	5,356	4,112	7,425	8,125	6,571	4,775	71,575
2007	5,606	5,726	6,005	7,264	6,087	6,788	6,232	5,531	8,637	7,425	7,498	3,680	76,479



FUEL FLOWAGE

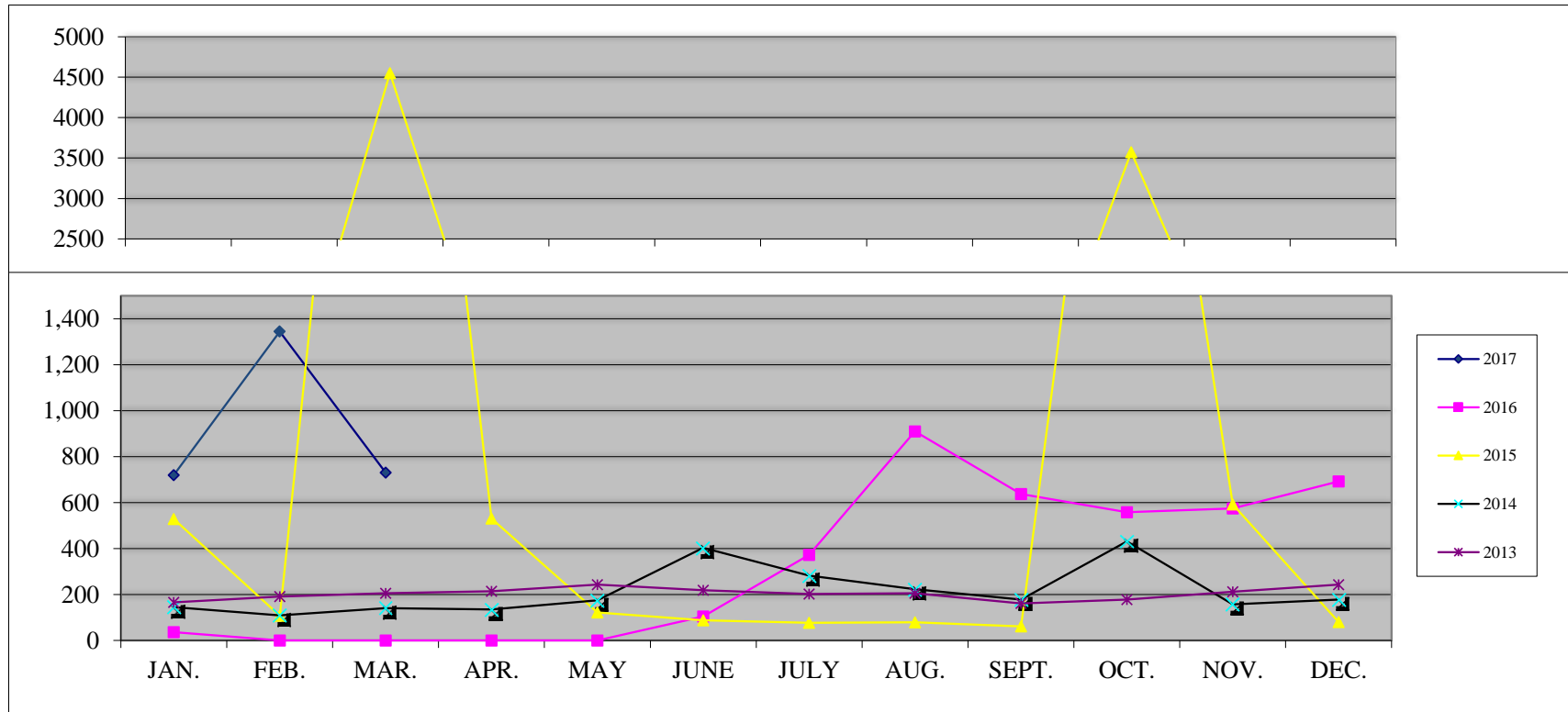
Gallons of Fuel Sold at SLN

	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2017	115,075	588,072	203,387										906,534
2016	80,221	136,763	130,990	94,673	153,410	132,964	208,846	375,330	137,906	126,983	100,764	182,062	1,860,912
2015	176,746	188,406	290,470	132,543	128,100	126,428	237,782	108,581	143,816	717,601	147,853	89,277	2,487,603
2014	115,573	135,651	112,694	95,549	110,387	282,468	103,108	83,757	91,423	652,207	90,948	97,295	1,971,061
2013	139,227	165,167	138,056	121,295	120,083	282,743	134,677	137,840	126,523	134,024	151,427	106,917	1,757,981
2012	136,995	163,253	303,472	142,770	307,541	365,938	162,584	169,534	163,515	149,404	287,619	241,424	2,594,049
2011	158,199	175,703	311,254	168,490	141,986	261,097	246,687	202,390	178,133	172,586	203,684	166,461	2,386,670
2010	140,149	174,668	276,837	195,019	195,859	333,684	271,029	212,013	170,735	209,067	315,010	269,921	2,763,991
2009	202,765	239,649	182,205	183,738	192,029	306,421	222,991	145,268	171,251	216,190	256,904	162,174	2,481,585
2008	240,060	298,097	293,841	231,396	212,675	319,814	218,666	236,294	245,330	374,857	236,718	206,767	3,114,515
2007	301,504	331,456	315,827	300,209	306,483	433,448	292,410	317,909	323,365	294,420	327,122	234,641	3,778,794



ENPLANEMENTS

	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>FAA</u> <u>Adjustment</u>	<u>TOTAL</u>
2017	720	1,344	731											2,795
2016	36	0	0	0	0	104	372	910	637	558	574	692		3,883
2015	528	107	4,550	531	122	88	77	79	61	3,574	592	80	-310	10,079
2014	145	109	140	135	175	403	282	223	178	431	157	178	-158	2,398
2013	166	191	205	214	243	218	202	205	161	178	212	243	391	2,829
2012	237	249	247	216	287	213	174	198	151	187	229	335	803	3,526
2011	146	156	205	181	254	258	261	234	225	287	264	234	152	2,857
2010	81	97	139	116	668	166	162	154	178	436	234	510	203	3,144
2009	224	227	275	223	232	210	225	242	439	190	223	129	29	2,868
2008	228	147	224	283	372	396	393	450	524	930	309	398	516	5,170
2007	109	81	133	107	185	226	221	285	241	325	679	353	1,182	4,127



**Adjustment based on Nonscheduled/On-Demand Air Carrier Filings FAA Form 1800-31

2017 ~ Avgas / Jet A Fuel Delivered at SLN

	Avflight Salina		SLN Self-Fuel Station		KSUS Avgas	Blue Beacon International			Total
	Avgas	Jet A Civilian	Jet A Military	Avgas		Avgas	Jet A	Total	
January	2,249	90,157	16,232	283	108,921	6,153		0	115,075
February	3,498	110,015	461,371	926	575,810	12,262		0	588,072
March	4,247	143,214	48,176	261	195,898	7,489		0	203,387
April					0			0	0
May					0			0	0
June					0			0	0
July					0			0	0
August					0			0	0
September					0			0	0
October					0			0	0
November					0			0	0
December					0			0	0
TOTAL	9,994	343,386	525,779	1,470	880,629	25,905	0	0	906,533
TOTAL	26.74%	39.51%	60.49%	3.93%	97.14%	69.32%	0.00%	0.00%	0.00%

Total Avgas=	37,368	4.12%
Total JetA=	869,165	95.88%
	906,533	100.00%

Comparison to PH 305 outflow totalizers

869,165

	Avflight Avgas	Avflight Jet A
Gallons pumped from tanks as per totalizer values	11,927	902,461
Gallons returned to tanks from mobile refuelers	-	31,509
Gallons delivered to aircraft that did not flow through PH		19,690
Gallon variance	(463)	(21,477)
% variance	-3.9%	-2.4%

Avflight Trucks (as of 7-27-15)

	Avgas	Jet A Trucks
Truck 1		5,000
Truck 2		2,200
Truck 3		2,200
Truck 4		5,000
Truck 5	1,200	
Truck 6		5,000
Truck 9		10,000
Avgas AST	1,000	

Fuel Storage Tank Capacity

2,200	29,400	31,600
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(in gallons)

Salina Airport Authority
Statement of Net Assets Prev Year Comparison
As of March 31, 2017

04/12/17

	Mar 31, 17	Feb 28, 17	\$ Change	Mar 31, 16	\$ Change	% Change
ASSETS						
Current Assets						
Checking/Savings						
Cash in Bank - Bond Funds	561,740	565,600	-3,860	238,118	323,622	136%
Cash in bank & Petty Cash-Op	889,922	860,175	29,747	898,354	-8,432	-1%
Total Checking/Savings	1,451,661	1,425,774	25,887	1,136,472	315,190	28%
Accounts Receivable						
Accounts Receivable	183,987	229,243	-45,256	148,261	35,727	24%
Total Accounts Receivable	183,987	229,243	-45,256	148,261	35,727	24%
Other Current Assets						
Agri Land Receivable	56,000	56,000	0	58,000	-2,000	-4%
Mill Levy receivable	946,938	1,001,767	-54,829	887,891	59,047	7%
Other current assets	144,906	138,159	6,747	139,811	5,096	4%
Total Other Current Assets	1,147,844	1,195,926	-48,082	1,085,702	62,143	6%
Total Current Assets	2,783,493	2,850,943	-67,450	2,370,434	413,059	17%
Fixed Assets						
Fixed assets at cost	83,584,266	83,569,597	14,669	82,205,493	1,378,774	2%
Less accumulated depreciation	-40,079,843	-39,855,278	-224,565	-37,424,685	-2,655,158	-7%
Total Fixed Assets	43,504,423	43,714,319	-209,896	44,780,807	-1,276,384	-3%
Other Assets						
Other assets	20,980	22,928	-1,947	4,225	16,755	397%
Total Other Assets	20,980	22,928	-1,947	4,225	16,755	397%
TOTAL ASSETS	46,308,896	46,588,190	-279,294	47,155,466	-846,570	-2%
LIABILITIES & EQUITY						
Liabilities						
Current Liabilities						
Accounts Payable						
Accounts payable	82,417	150,897	-68,480	62,774	19,642	31%
Total Accounts Payable	82,417	150,897	-68,480	62,774	19,642	31%
Credit Cards						
Sam's Club Discover	1,015	3,159	-2,144	-233	1,248	536%
Total Credit Cards	1,015	3,159	-2,144	-233	1,248	536%
Other Current Liabilities						
Accrued debt interest payable	87,939	10,053	77,886	80,091	7,848	10%
Debt, current portion	1,065,000	1,065,000	0	1,109,894	-44,894	-4%
Deferred Agri Land Revenue	42,000	46,667	-4,667	44,000	-2,000	-5%
Deferred Mill Levy revenue	1,560,469	1,733,125	-172,656	1,493,353	67,115	5%
Other current liabilities	207,823	191,691	16,132	219,597	-11,774	-5%
Total Other Current Liabilities	2,963,231	3,046,535	-83,305	2,946,935	16,295	1%
Total Current Liabilities	3,046,663	3,200,592	-153,929	3,009,477	37,186	1%
Long Term Liabilities						
Capital Lease Payable	0	0	0	28,301	-28,301	-100%
Debt - Long Term	22,423,656	22,423,656	0	22,821,794	-398,138	-2%
Less current portion	-1,065,000	-1,065,000	0	-1,109,894	44,894	4%
Security Deposits Returnable	49,579	44,904	4,675	40,452	9,127	23%
Total Long Term Liabilities	21,408,235	21,403,560	4,675	21,780,653	-372,418	-2%
Total Liabilities	24,454,898	24,604,152	-149,254	24,790,130	-335,232	-1%
Equity						
Invested in Capital Assets net	21,080,767	21,290,263	-209,496	21,916,819	-836,052	-4%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	982,739	773,243	209,496	784,847	197,892	25%
Net Income	-299,508	-169,468	-130,040	-426,330	126,822	30%
Total Equity	21,853,998	21,984,038	-130,040	22,365,336	-511,337	-2%
TOTAL LIABILITIES & EQUITY	46,308,896	46,588,190	-279,294	47,155,466	-846,570	-2%

Salina Airport Authority Profit & Loss Budget Performance March 2017

	Mar 17	Budget	\$ Over Budget	% of Budget	Jan - Mar 17	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense									
Income									
Airfield revenue									
Fuel Flowage Fees	15,437	10,000	5,437	154%	69,380	37,000	32,380	188%	158,000
Hangar rent	19,253	45,000	-25,747	43%	133,484	155,000	-21,516	86%	520,000
Landing fees	876	542	334	162%	5,105	1,625	3,480	314%	6,500
Ramp rent	4,816	4,167	649	116%	13,654	12,500	1,154	109%	50,000
Total Airfield revenue	40,382	59,708	-19,327	68%	221,622	206,125	15,497	108%	734,500
Building and land rent									
Agri land rent	4,667	4,667	0	100%	14,000	14,000	-0	100%	56,000
Building rents									
Short-term leasing	22,453	7,445	15,008	302%	63,683	22,335	41,348	285%	89,340
Building rents - Other	63,051	65,375	-2,323	96%	190,126	196,124	-5,998	97%	784,494
Total Building rents	85,504	72,820	12,685	117%	253,809	218,459	35,350	116%	873,834
Land rent									
Basic Land Rent	8,175	8,096	79	101%	25,319	24,288	1,032	104%	97,150
Property tax - tenant share	10,000	10,000	0	100%	30,000	30,000	0	100%	120,000
Total Land rent	18,175	18,096	79	100%	55,319	54,288	1,032	102%	217,150
Tank rent	808	792	16	102%	2,424	2,375	49	102%	9,500
Total Building and land rent	109,154	96,374	12,780	113%	325,552	289,121	36,431	113%	1,156,484
Other revenue									
Airport Marketing	1,528	4,000	-2,472	38%	13,435	12,000	1,435	112%	48,000
Commissions	63	1,917	-1,854	3%	18,667	5,750	12,917	325%	23,000
Other income	1,476	3,750	-2,274	39%	5,805	11,250	-5,445	52%	45,000
Total Other revenue	3,066	9,667	-6,601	32%	37,907	29,000	8,907	131%	116,000
Total Income	152,601	165,749	-13,147	92%	585,081	524,246	60,834	112%	2,006,984
Gross Profit	152,601	165,749	-13,147	92%	585,081	524,246	60,834	112%	2,006,984
Expense									
Administrative expenses									
A/E, consultants, brokers	0	1,250	-1,250	0%	0	3,750	-3,750	0%	15,000
Airport promotion	35	4,833	-4,798	1%	1,127	14,500	-13,373	8%	58,000
Computer/Network Admin.	3,340	1,125	2,215	297%	6,208	3,375	2,833	184%	13,500
Dues and subscriptions	4,402	2,083	2,319	211%	7,289	6,250	1,039	117%	25,000
Employee retirement	4,914	5,583	-669	88%	14,630	16,750	-2,120	87%	67,000
FICA and medicare tax expense	4,325	4,667	-342	93%	12,931	14,000	-1,069	92%	56,000
Industrial development	0	0	0	0%	6,250	6,250	0	100%	25,000
Insurance, property	13,050	12,500	550	104%	31,600	37,500	-5,900	84%	150,000
Insurance, medical	16,684	14,167	2,517	118%	49,207	42,500	6,707	116%	170,000
Kansas unemployment tax	169	83	86	203%	169	250	-81	68%	1,000
Legal and accounting	717	2,667	-1,949	27%	4,460	8,000	-3,540	56%	32,000
Office salaries	32,705	37,387	-4,682	87%	98,159	112,161	-14,002	88%	448,645
Office Supplies	244	567	-323	43%	1,379	1,700	-321	81%	6,800
Other administrative expense	440	417	23	106%	2,317	1,250	1,067	185%	5,000
Postage	28	250	-222	11%	460	750	-290	61%	3,000
Property tax expense	13,333	13,333	0	100%	40,000	40,000	-0	100%	160,000
Special Events	0	83	-83	0%	0	250	-250	0%	1,000
Telephone	3,518	1,378	2,139	255%	6,337	4,135	2,202	153%	16,538
Training	40	667	-627	6%	40	2,000	-1,960	2%	8,000
Travel and meetings	190	833	-643	23%	777	2,500	-1,723	31%	10,000
Total Administrative expenses	98,135	103,874	-5,739	94%	283,341	317,871	-34,531	89%	1,271,483
Maintenance expenses									
Airfield maintenance	1,672	2,083	-412	80%	2,890	6,250	-3,360	46%	25,000
Airport Security	0	42	-42	0%	0	125	-125	0%	500
Building maintenance	19,916	3,750	16,166	531%	37,263	11,250	26,013	331%	45,000
Equipment fuel and repairs	10,192	4,542	5,650	224%	16,332	13,625	2,707	120%	54,500
Fire Services	0	1,250	-1,250	0%	0	3,750	-3,750	0%	15,000
Grounds maintenance	270	292	-22	93%	1,189	875	314	136%	3,500
Maintenance salaries	24,819	27,117	-2,297	92%	73,752	81,350	-7,598	91%	325,400
Other maintenance expenses	672	1,458	-786	46%	4,109	4,375	-266	94%	17,500
Snow removal expense	0	1,667	-1,667	0%	514	5,000	-4,486	10%	20,000
Utilities	17,920	16,667	1,253	108%	83,844	50,000	33,844	168%	200,000
Total Maintenance expenses	75,461	58,867	16,594	128%	219,894	176,600	43,294	125%	706,400
Total Expense	173,595	162,740	10,855	107%	503,235	494,472	8,763	102%	1,977,883
Net Ordinary Income	-20,994	3,009	-24,002	-698%	81,846	29,775	52,071	275%	29,101

Salina Airport Authority
Profit & Loss Budget Performance
March 2017

	<u>Mar 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Jan - Mar 17</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Other Income/Expense									
Other Income									
Capital contributed	20,335	340,723	-320,388	6%	20,335	1,022,169	-1,001,834	2%	4,088,677
Gain on sale of assets	0	0	0	0%	0	0	0	0%	15,000
Interest income									
Interest income on deposits	111	83	28	134%	285	250	35	114%	1,000
Interest income - Other	0	0	0	0%	0	0	0	0%	0
Total Interest income	<u>111</u>	<u>83</u>	<u>28</u>	<u>134%</u>	<u>285</u>	<u>250</u>	<u>35</u>	<u>114%</u>	<u>1,000</u>
Mill levy income	<u>172,656</u>	<u>172,656</u>	<u>0</u>	<u>100%</u>	<u>519,066</u>	<u>517,968</u>	<u>1,097</u>	<u>100%</u>	<u>2,071,873</u>
Total Other Income	<u>193,102</u>	<u>513,462</u>	<u>-320,360</u>	<u>38%</u>	<u>539,685</u>	<u>1,540,388</u>	<u>-1,000,702</u>	<u>35%</u>	<u>6,176,550</u>
Other Expense									
Debt interest expense net									
Interest Expense on Debt	77,886	77,886	0	100%	233,659	233,659	0	100%	934,635
Total Debt interest expense net	<u>77,886</u>	<u>77,886</u>	<u>0</u>	<u>100%</u>	<u>233,659</u>	<u>233,659</u>	<u>0</u>	<u>100%</u>	<u>934,635</u>
Depreciation expense	<u>224,565</u>	<u>224,565</u>	<u>0</u>	<u>100%</u>	<u>673,695</u>	<u>673,695</u>	<u>0</u>	<u>100%</u>	<u>2,694,780</u>
Total Other Expense	<u>302,451</u>	<u>302,451</u>	<u>0</u>	<u>100%</u>	<u>907,354</u>	<u>907,354</u>	<u>0</u>	<u>100%</u>	<u>3,629,415</u>
Net Other Income	<u>-109,349</u>	<u>211,011</u>	<u>-320,360</u>	<u>-52%</u>	<u>-367,668</u>	<u>633,034</u>	<u>-1,000,702</u>	<u>-58%</u>	<u>2,547,135</u>
Net Income	<u>-130,343</u>	<u>214,020</u>	<u>-344,362</u>	<u>-61%</u>	<u>-285,822</u>	<u>662,808</u>	<u>-948,631</u>	<u>-43%</u>	<u>2,576,236</u>

Salina Airport Authority
Capital Additions Budget vs. Actual
As of March 31, 2017

4:17 PM
04/12/2017
Accrual Basis

	<u>Mar 17</u>	<u>Jan - Mar 17</u>	<u>Annual Budget</u>	<u>+/- Annual Budget</u>	<u>% of Annual Budget</u>
ASSETS					
Fixed Assets					
Fixed assets at cost					
Airfield					
AIP-36 Txy E Rehab Const. Ph 1		22,594	1,644,825	-1,622,231	1%
AIP-37 Txy B & E Rehab Design		0	53,133	-53,133	0%
AIP-38 Txy B Rehab Const. Ph 2		0	1,998,250	-1,998,250	0%
Airfield Improvements	12,078	18,319	40,500	-22,181	45%
Rwy 17/35 Improvements		0	180,000	-180,000	0%
Total Airfield	12,078	40,913	3,916,708	-3,875,795	1%
Buildings & Improvements					
Building improvements					
Bldg. Imps. Other		8,067	17,500	-9,433	46%
Bldg. Roofing Systems		0	10,000	-10,000	0%
Hangar #509 Imps.		0	10,000	-10,000	0%
Hangar 600 Development					
Hangar 600 - Other		3,680	10,000	-6,320	37%
Total Hangar 600 Development	0	3,680	10,000	-6,320	37%
Hangar 606 Rehabilitation		5,007	10,000	-4,993	50%
Hangar 959 Rehabilitation	2,679	8,029	31,000	-22,971	26%
Total Building improvements	2,679	24,783	88,500	-63,717	28%
FBO Improvements					
Avflight North	0	0	5,000	-5,000	0%
Total FBO Improvements	0	0	5,000	-5,000	0%
Terminal building improvements					
2015 Terminal Bldg. Remodel		3,374	5,000	-1,626	67%
2nd Floor Remodel-SAA Admin Ofc		526	2,500	-1,974	21%
Terminal Bldg. Other		0	47,000	-47,000	0%
Total Terminal building improvements	0	3,900	54,500	-50,600	7%
Total Buildings & Improvements	2,679	28,683	148,000	-119,317	19%
Equipment					
Communications equipment	0	0	5,000	-5,000	0%
Computer equipment		11,220	15,000	-3,780	75%
Total Equipment	0	11,220	20,000	-8,780	56%
Land					
Airport Indust. Cent. Imps.		-356	500	-856	-71%
Environmental					
Environmental - SAFB	204	581	20,000	-19,419	3%
Total Environmental	204	581	20,000	-19,419	3%
Rail Spur Imps.	0	0	30,000	-30,000	0%
West Beechcraft Road Imps.	0	0	25,000	-25,000	0%
Total Land	204	225	75,500	-75,275	0%
Total Fixed assets at cost	14,961	81,041	4,160,208	-4,079,167	2%

Salina Airport Authority
Significant Capital Expenditures Detail
March 2017

Type	Date	Name	Memo	Amount	Balance
Fixed assets at cost					
Airfield					
Airfield Improvements					
Bill	03/31/2017	Standard Signs Inc.(Lumacu...	Replacement airfield signs for the airfield	12,078.52	12,078.52
Total Airfield Improvements				12,078.52	12,078.52
Total Airfield				12,078.52	12,078.52
Buildings & Improvements					
Building improvements					
Hangar 959 Rehabilitation					
Bill	03/20/2017	Interstates Engineering	H595 - Power Factor Correction - Evaluation and Recomme...	2,678.54	2,678.54
Total Hangar 959 Rehabilitation				2,678.54	2,678.54
Total Building improvements				2,678.54	2,678.54
Total Buildings & Improvements				2,678.54	2,678.54
Land					
Environmental					
Environmental - SAFB					
Bill	03/31/2017	Clark, Mize & Linville	Env. legal fees - Mar 2017	203.75	203.75
Total Environmental - SAFB				203.75	203.75
Total Environmental				203.75	203.75
Total Land				203.75	203.75
Total Fixed assets at cost				14,960.81	14,960.81
TOTAL				14,960.81	14,960.81

Salina Airport Authority
Profit & Loss YTD Comparison
Ten Year Trend Analysis - Q1 - 2008 through 2017

	Jan - Mar 08	Jan - Mar 09	Jan - Mar 10	Jan - Mar 11	Jan - Mar 12	Jan - Mar 13	Jan - Mar 14	Jan - Mar 15	Jan - Mar 16	Jan - Mar 17
Ordinary Income/Expense										
Income										
Airfield revenue										
Fuel Flowage Fees	56,171.20	41,565.65	41,163.58	44,933.11	44,888.86	31,144.50	27,555.81	49,410.78	27,557.18	69,379.69
Hangar rent	99,680.00	90,380.66	152,260.43	116,519.04	116,897.20	97,291.22	92,169.00	119,210.00	108,809.84	133,484.00
Landing fees	1,123.89	2,438.12	1,723.16	926.95	865.08	789.15	696.10	2,860.27	208.12	5,104.56
Ramp rent	16,460.64	22,934.64	22,037.49	22,251.00	12,816.00	12,000.00	13,164.00	12,288.00	12,922.00	13,654.00
Total Airfield revenue	173,435.73	157,319.07	217,184.66	184,630.10	175,467.14	141,224.87	133,584.91	183,769.05	149,497.14	221,622.25
Building and land rent										
Agri land rent	10,473.00	10,473.00	10,473.00	4,377.75	10,473.00	13,749.99	14,249.99	14,999.99	14,499.99	14,000.01
Building rents										
Short-term leasing								3,330.00	12,160.65	63,682.82
Building rents - long term	273,841.46	272,705.00	299,721.64	293,939.49	281,452.85	279,667.80	226,365.27	184,891.09	193,210.46	190,125.81
Total Building rents	273,841.46	272,705.00	299,721.64	293,939.49	281,452.85	279,667.80	226,365.27	188,221.09	205,371.11	253,808.63
Land rent										
Basic Land Rent	26,300.57	26,536.64	30,914.25	30,048.64	28,440.25	28,410.12	36,576.51	18,064.84	17,073.75	25,319.11
Property tax - tenant share	32,358.00	33,157.65	33,157.65	33,157.65	42,445.51	32,295.00	35,292.00	39,000.00	32,499.00	30,000.00
Total Land rent	58,658.57	59,694.29	64,071.90	63,206.29	70,885.76	60,705.12	71,868.51	57,064.84	49,572.75	55,319.11
Tank rent	2,561.52	2,561.52	1,875.44	2,096.08	2,427.81	2,427.81	2,146.86	2,371.86	2,424.00	2,424.00
Total Building and land rent	345,534.55	345,433.81	376,141.98	363,619.61	365,239.42	356,550.72	314,630.63	262,657.78	271,867.85	325,551.75
Other revenue										
Airport Marketing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,434.70
ARFF Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Avgas	0.00	0.00	0.00	0.00	0.00	0.00	8,037.22	0.00	0.00	0.00
Commissions	4,091.22	3,186.81	2,837.94	5,029.68	3,107.57	1,819.57	4,824.96	4,000.08	4,792.12	18,668.93
Other income	5,499.76	1,690.30	9,548.44	9,141.39	11,175.73	15,462.78	7,767.70	12,028.13	11,217.41	5,812.90
Total Other revenue	9,590.98	4,877.11	12,386.38	14,171.07	14,283.30	17,282.35	20,629.88	16,028.21	16,009.53	37,916.53
Total Income	528,561.26	507,629.99	605,713.02	562,420.78	554,989.86	515,057.94	468,845.42	462,455.04	437,374.52	585,090.53
Cost of Goods Sold										
Cost of Goods Sold	0.00	0.00	2,630.17	1,964.35	3,272.49	13,590.42	7,653.09	0.00	0.00	0.00
Total COGS	0.00	0.00	2,630.17	1,964.35	3,272.49	13,590.42	7,653.09	0.00	0.00	0.00
Gross Income	528,561.26	507,629.99	603,082.85	560,456.43	551,717.37	501,467.52	461,192.33	462,455.04	437,374.52	585,090.53
Expense										
Administrative expenses										
A/E, consultants, brokers	8,700.00	10,750.00	14,623.50	19,693.75	4,800.00	814.94	0.00	0.00	12,403.50	0.00
Airport promotion	19,699.87	12,883.95	14,695.14	10,432.35	1,564.89	7,510.57	4,269.12	3,381.91	6,736.46	15,172.82
Bad Debt Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Computer/Network Admin.	3,140.40	4,385.78	3,397.53	1,872.38	5,575.77	1,112.78	2,193.91	2,399.75	3,599.98	6,208.06
Dues and subscriptions	5,261.25	7,413.71	7,693.12	7,232.51	11,470.83	12,283.45	5,734.45	5,105.54	5,333.39	7,289.08
Employee retirement	9,378.20	10,529.22	15,605.94	16,940.88	18,359.89	18,700.73	18,511.21	19,376.35	17,186.27	14,630.34
FICA and medicare tax expense	13,333.09	14,090.42	14,191.49	14,313.99	16,418.46	15,568.08	14,549.19	14,159.16	13,611.96	12,931.32
Industrial development	7,500.00	5,000.00	7,500.00	7,500.00	3,750.00	3,750.00	3,750.00	0.00	3,750.00	6,250.00
Insurance , property	24,542.45	35,501.44	24,507.11	32,758.29	40,059.66	36,822.58	30,224.24	38,750.01	30,903.61	31,599.63
Insurance, medical	58,646.17	49,473.00	52,227.78	50,957.57	47,334.77	42,597.29	29,659.94	46,996.82	42,332.13	49,206.97
Kansas unemployment tax	0.00	0.00	238.65	187.11	214.62	0.00	3,061.98	185.09	177.96	169.04
Legal and accounting	4,806.52	4,625.00	4,443.06	19,723.19	6,581.40	4,659.35	4,114.00	7,525.12	5,538.50	4,460.00
Office salaries										
Force Labor - Contra	0.00	0.00	0.00	0.00	-15,036.00	0.00	0.00	0.00	0.00	0.00
Office salaries - Other	77,252.70	99,722.04	95,840.65	100,647.73	121,526.21	105,149.47	104,516.93	101,741.53	108,444.14	98,159.04
Total Office salaries	77,252.70	99,722.04	95,840.65	100,647.73	106,490.21	105,149.47	104,516.93	101,741.53	108,444.14	98,159.04

Salina Airport Authority
Profit & Loss YTD Comparison
Ten Year Trend Analysis - Q1 - 2008 through 2017

	Jan - Mar 08	Jan - Mar 09	Jan - Mar 10	Jan - Mar 11	Jan - Mar 12	Jan - Mar 13	Jan - Mar 14	Jan - Mar 15	Jan - Mar 16	Jan - Mar 17
Office Supplies	3,398.41	2,497.41	3,207.01	4,249.44	1,797.80	2,485.23	800.65	547.11	2,044.43	1,378.93
Other administrative expense										
Merchant Processing Fees	0.00	0.00	96.41	87.51	131.15	460.98	262.86	86.20	127.11	149.12
Other administrative expense	4,037.67	2,758.88	2,552.15	5,442.97	709.95	6,399.53	736.62	983.42	463.18	2,316.78
Total Other administrative expense	4,037.67	2,758.88	2,648.56	5,530.48	841.10	6,860.51	999.48	1,069.62	590.29	2,465.90
Postage	1,073.44	777.90	1,035.67	1,341.52	465.24	554.16	900.60	545.96	539.41	460.43
Property appraisal expense	0.00	0.00	0.00	0.00	0.00	0.00	6,750.00	0.00	0.00	0.00
Property tax expense	35,837.74	38,770.83	39,388.88	38,770.83	38,770.83	36,692.25	36,692.25	38,750.01	41,250.00	39,999.99
Special Events	17,667.31	1,345.99	710.00	907.49	5,450.00	0.00	0.00	0.00	0.00	0.00
Telephone	2,158.09	5,859.76	5,261.29	6,922.84	3,950.46	3,694.83	4,513.02	4,121.28	4,116.70	6,336.68
Training	0.00	0.00	0.00	0.00	0.00	0.00	225.00	335.90	0.00	40.00
Travel and meetings	6,744.56	7,064.06	3,922.91	8,948.93	3,457.28	2,305.41	1,618.43	1,268.33	1,756.32	777.25
Total Administrative expenses	303,177.87	313,449.39	311,138.29	348,931.28	317,353.21	301,561.63	273,084.40	286,259.49	300,315.05	297,535.48
Maintenance expenses										
Airfield maintenance	4,327.52	4,546.66	3,538.69	2,776.16	4,239.38	3,546.00	8,375.07	4,489.17	13,844.08	2,890.32
Airport Security	1,800.00	3,491.00	-1,518.55	204.00	501.18	0.00	0.00	0.00	0.00	0.00
Building maintenance	43,711.77	11,780.57	10,092.42	11,246.11	10,573.74	13,646.55	12,225.08	9,271.90	8,527.94	37,263.07
Equipment fuel and repairs	30,799.77	37,450.28	27,711.41	27,327.31	16,192.02	45,199.53	24,168.25	15,733.38	10,341.27	16,332.49
Fire Services	2,250.00	61.06	141.36	283.38	0.00	0.00	0.00	0.00	0.00	0.00
Grounds maintenance	0.00	286.37	251.29	48.88	509.44	36.00	0.00	534.05	1,006.14	1,189.09
Maintenance salaries	89,028.31	87,459.79	90,070.45	87,730.20	96,105.87	100,854.23	89,202.72	86,033.37	71,260.46	73,751.65
Other maintenance expenses	5,123.01	5,574.29	8,315.47	6,545.19	4,855.16	4,909.17	4,159.36	3,722.94	2,067.91	4,109.47
Snow removal expense	7,289.87	5,003.14	0.00	28,934.27	0.00	11,909.57	4,476.00	0.00	540.00	514.36
Utilities	82,806.91	59,621.15	84,006.73	60,798.50	67,495.21	104,394.46	127,635.75	97,688.06	68,620.69	83,843.92
Total Maintenance expenses	267,137.16	215,274.31	222,609.27	225,894.00	200,472.00	284,495.51	270,242.23	217,472.87	176,208.49	219,894.37
Total Expense	570,315.03	528,723.70	533,747.56	574,825.28	517,825.21	586,057.14	543,326.63	507,732.36	476,523.54	517,429.85
Net Ordinary Income	-41,753.77	-21,093.71	69,335.29	-14,368.85	33,892.16	-84,589.62	-82,134.30	-41,277.32	-39,149.02	67,660.68
Other Income/Expense										
Other Income										
Capital contributed	1,900.00	110,838.00	210,082.00	70,418.36	627,055.00	88,783.00	94,640.50	63,873.00	14,270.00	20,335.00
Gain on sale of assets	0.00	0.00	7,838.60	0.00	6,305.80	0.00	0.00	0.00	0.00	0.00
Interest income										
Finance lease income	16,647.90	14,051.01	14,051.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest income on deposits	71,703.92	965.28	952.93	2,396.29	537.55	198.76	133.90	59.28	120.09	284.84
Total Interest income	88,351.82	15,016.29	15,003.94	2,396.29	537.55	198.76	133.90	59.28	120.09	284.84
Mill levy income	309,114.00	320,353.23	368,529.30	462,489.24	415,799.49	447,671.74	498,216.51	499,563.75	498,814.41	519,065.63
Total Other Income	399,365.82	446,207.52	601,453.84	535,303.89	1,049,697.84	536,653.50	592,990.91	563,496.03	513,204.50	539,685.47
Other Expense										
Debt interest expense net										
Amortization of bond issue cost	6,388.47	6,388.47	7,018.03	5,971.89	7,248.06	7,248.06	0.00	0.00	0.00	0.00
Interest Expense on Debt	246,383.91	240,755.28	240,755.28	178,862.28	289,042.89	278,406.51	270,164.76	266,455.50	239,898.07	233,658.75
Total Debt interest expense net	252,772.38	247,143.75	247,773.31	184,834.17	296,290.95	285,654.57	270,164.76	266,455.50	239,898.07	233,658.75
Depreciation expense	334,998.00	375,000.00	450,000.00	375,000.00	609,999.00	618,750.00	622,083.00	641,250.00	660,487.50	673,695.00
Total Other Expense	587,770.38	622,143.75	697,773.31	559,834.17	906,289.95	904,404.57	892,247.76	907,705.50	900,385.57	907,353.75
Net Other Income	-188,404.56	-175,936.23	-96,319.47	-24,530.28	143,407.89	-367,751.07	-299,256.85	-344,209.47	-387,181.07	-367,668.28
Net Income	-230,158.33	-197,029.94	-26,984.18	-38,899.13	177,300.05	-452,340.69	-381,391.15	-385,486.79	-426,330.09	-300,007.60
Notes: Agri land rental income was reported under "land rental" until 2005										
Property tax collected as additional land rental was reported under total land rental until 2007										
The SAA did not begin selling avgas until 2010; therefore this was the first year for COGS and merchant processing fees										
In 2015, the operation and sale of avgas (self-fuel station) was transferred to Avflight.										
2012 was the first year in the past ten for the SAA to utilize an FAA grant for in-house construction observation providing the contra account under office salaries.										
The KSU Direct Finance Lease was paid off in 2010.										
During 2013, the SAA began segregating the expenditures associated with employee training in a separate g/l account.										

**AGREEMENT FOR SERVICES
FOR IMPROVEMENTS TO THE
SALINA REGIONAL AIRPORT INDUSTRIAL CENTER
SALINA, KANSAS**

THIS AGREEMENT made and entered into this _____ day of _____, 20____ by and between the Salina Airport Authority, with offices located at 3237 Arnold Ave., Salina, KS 67401, hereinafter referred to as the "Sponsor", and H.W. Lochner, Inc. (Lochner), with offices located at 16105 W. 113th Street, Suite 107, Lenexa, KS 66219, hereinafter called the "Consultant."

WITNESSETH:

WHEREAS, the Sponsor is desirous of making the following improvements, hereinafter called the "Project", for the Salina Regional Airport Industrial Center:

- Rehabilitate Beechcraft Road from Bldg 723/724 to FBO Parking Lot (Reference Attached Exhibit I)

WHEREAS, the Sponsor has agreed to employ the Consultant to provide the engineering services required for performing field investigations and for preparing engineer's report, tabulation of construction quantities, and engineer's opinion of probable construction cost and project budget for multiple rehabilitation options. The Sponsor may add to this Agreement by Supplement the additional services for providing engineering designs, preparation of construction plans and contract documents/technical specifications, bidding services, administrative services, construction administration, construction observation, and materials acceptance testing services for the proposed Project upon completion of the Engineer's Report phase services.

NOW, THEREFORE, in consideration of these premises and the mutual covenants herein contained, the parties hereto agree as follows:

**ARTICLE I
SCOPE OF SERVICES**

The Consultant, in consideration of the payment on the part of the Sponsor, agrees to perform the engineering services enumerated as follows:

All services will be performed in accordance with good engineering practice and applicable published design criteria of the American Association of State Highway and Transportation Officials (AASHTO) and the City of Salina Standard Plans and Specifications.

The following is a detailed description of the specific services that are a duty of this Agreement.

A. BASIC SERVICES

1. Preliminary Phase
 - a. Coordination with the Sponsor regarding Project scope and schedule.
 - b. Contact Kansas One-Call to request a locate of all existing public utilities within the project limits.
 - c. Conduct field investigation to document location of all marked utilities.

2. Engineer's Report

- a. Prepare Preliminary Engineer's Report: The Report will include a narrative regarding the proposed Beechcraft Road rehabilitation project, photos of existing conditions, pavement design alternatives (concrete versus asphalt), pavement rehabilitation alternatives (three anticipated), drainage improvements, street lighting improvements, utility modifications if applicable, and engineer's opinion of probable construction cost and Project budget for all alternatives. Submit Preliminary Engineer's Report to the Sponsor for review and comment. PDF copies will be submitted electronically with hard copies provided upon request.

- 1) Conduct a Preliminary Engineer's Report Review teleconference at the 90% preliminary submittal level with the Sponsor.

- b. Finalize Engineer's Report with consideration of preliminary (90%) review comments and submit Final Engineer's Report to the Sponsor for final approval. PDF copies will be submitted electronically with hard copies provided upon request.

- 1) Attend and conduct a Final Engineer's Report Review meeting in Salina, KS with the Sponsor.

3. Design Phase – Plans and Specifications

- a. The Scope of Services required for preparation of Plans and Specifications for the Project may be added to this Agreement by Supplement.

4. Bidding Phase

- a. The Scope of Services required for Bidding Phase services for the Project may be added to this Agreement by Supplement.

B. SPECIAL SERVICES

1. Field Survey – Engineering Design

- a. The Scope of Services required for Field Survey services for the Project may be added to this Agreement by Supplement.

2. Geotechnical and Pavement Investigation

- a. The Scope of Services required for Geotechnical and Pavement Investigation services for the Project may be added to this Agreement by Supplement.

C. CONSTRUCTION SERVICES

1. The Scope of Services required for construction administration, construction observation, and materials acceptance testing for the Project may be added to this Agreement by Supplement.

**ARTICLE II
SPONSOR'S RESPONSIBILITIES**

The Sponsor, as a part of this Agreement, shall provide the following:

1. Arrange for access to and make all provisions for the Consultant to enter upon public and private property as required for the Consultant to perform his/her services.
2. Assist in approvals and permits from all governmental entities having jurisdiction over the project and such approvals and consents from others as may be necessary for completion of the project.
3. Designate in writing a person to act as Sponsor representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, and interpret and define Sponsor policies and decisions.
4. Give prompt written notice to the Consultant whenever Sponsor observes or knows of any development that affects the scope or timing of Consultant's services.
5. Pay publishing cost for advertisements of notices, public hearings, request for bids, and other similar items. The Sponsor shall pay for all permits and licenses that may be required by local, state or federal authorities; and shall secure the necessary land, easements and rights-of-way required for the project.
6. One (1) copy of existing plans, reports, or other data the Sponsor may have on file with regard to this project.
7. Available information relating to environmental conditions at the property, including any permits, clearances, investigations, and remediation required for federal, state, and local agencies identified by environmental consultants for the Sponsor in currently available reports.

**ARTICLE III
TIME SCHEDULE**

The Consultant agrees to proceed with the services immediately upon receipt of a written Notice to Proceed (NTP) by the Sponsor and to employ such personnel as required to complete the Scope of Services in accordance with the following time schedule:

SCHEDULED PERFORMANCE IN CALENDAR DAYS

A. BASIC SERVICES

1. Preliminary Phase..... As Required
2. Engineer's Report
 - a. Submit Preliminary Engineer's Report..... 14 Calendar Days After Receipt of NTP
 - b. Submit Final Engineer's Report 7 Calendar Days After Receipt of Review Comments for Item A.2.a.
3. Design Phase – Plans and Specifications May be Added by Supplement
4. Bidding Phase May be Added by Supplement

B. SPECIAL SERVICES

- 1. Field Survey – Engineering Design..... May be Added by Supplement
- 2. Geotechnical and Pavement Investigation..... May be Added by Supplement

C. CONSTRUCTION SERVICES

- 1. Construction Services..... May be Added by Supplement

The schedule presented above does not include review time by the Sponsor or other interested agencies.

**ARTICLE IV
COMPENSATION**

The Sponsor agrees to compensate the Consultant for performing engineering services as described herein on the following basis:

COMPENSATION SCHEDULE

A. BASIC SERVICES

- 1. Preliminary Phase..... \$1,800.00
- 2. Engineer’s Report..... \$10,500.00
- 3. Design Phase – Plans and Specifications May be Added by Supplement
- 4. Bidding Phase..... May be Added by Supplement

Total Basic Services	\$12,300.00 Not-To-Exceed
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B. SPECIAL SERVICES

- 1. Field Survey – Engineering Design..... May be Added by Supplement
- 2. Geotechnical and Pavement Investigation..... May be Added by Supplement

C. CONSTRUCTION SERVICES

- 1. Construction Services May be Added by Supplement

The Consultant shall not proceed with the services described herein until written authorization in the form of a Notice to Proceed is received from the Sponsor.

The fixed payment to the Consultant for services outlined in Item A., Parts 1. through 2., Basic Services, shall be \$1,560.14, and the total payment to the Consultant for Item A., Parts 1 through 2. shall not exceed \$12,300.00.

Travel on and off the Project site required of Consultant personnel will be compensated at the current rate allowed by the Internal Revenue Service.

For engineering services applicable to Item A., Parts 1. and 2., the Consultant will submit monthly statements to the Sponsor for payroll costs times a factor for labor and general administrative overhead (2.8248) and all other expenses incurred on the Project. A pro rata share of the fixed payment in proportion of the statement amount to the not-to-exceed amount will be included on the monthly statement.

SH
3-21-17

For Item A. Basic Services, Parts 3. and 4., Item B. Special Services, and Item C. Construction Services, the method of payment may be added to this Agreement by Supplement upon completion of Item A.2. Engineer's Report phase.

Progress payments shall be made to the Consultant within thirty (30) calendar days of receipt of proper billing statement.

ARTICLE V MISCELLANEOUS PROVISIONS

1. Change in Scope. The Scope of Services described herein shall be subject to modification or supplement upon the written Agreement of the contracting parties. Any such modification in the Scope of Services shall be incorporated in this Agreement by Supplemental Agreement executed by both parties.
2. Ownership of Drawings and Contract Documents. Original documents, tracings, plans specifications and maps prepared or obtained under the terms of the Contract shall be delivered to and become the property of the Sponsor and basic survey notes and sketches, charts, computations, and other data shall be made available upon request by the Sponsor without restriction or limitation on their use. In the event any of the above documents are re-used by the Sponsor, the nameplates will be removed and the Consultant will be released and held harmless of subsequent liabilities. There shall be no legal limitations upon the Sponsor in the subsequent use of plans or ideas developed in this project and incorporated in the preliminary or final reports or plans for the subsequent preparation of construction plans.
3. Electronically Produced Documents. Electronically produced documents will be submitted in data files compatible with AutoCAD Release 2011. The Consultant makes no warranty as to the compatibility of the data files beyond the above specified hardware and release or version of the stated software.

Because data stored on electronic media can deteriorate undetected or be modified without the Consultant's knowledge, the electronic data files submitted to the Sponsor or other Agencies will have an acceptance period of thirty (30) days. If during that period the Sponsor or other Agencies find any errors or omissions in the files, the Consultant will correct the errors or omissions as a part of the basic Agreement. The Consultant will not be responsible for maintaining copies of the submitted electronic data files after the acceptance period.

Any changes requested after the acceptance period will be considered additional services for which the Consultant shall be reimbursed including the cost of materials.

The data on the electronic media shall not be considered the Consultant's instrument of service. Only the submitted hard copy documents will be considered the instrument of service. The Consultant's nameplate shall be removed from all electronic media provided to the Sponsor or other Agencies.

4. Engineer's Opinion of Probable Project Cost and Construction Cost. Since the Consultant has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s) methods of determining prices, or over competitive bidding or market conditions, his opinions of probable Project Cost and Construction Cost provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but the Consultant cannot and does not guarantee that proposals, bids or actual Project or Construction Cost will not vary from opinions of probable cost prepared by him. However, the Consultant represents that he will use reasonable engineering care and judgment commonly exercised by an engineer in the same or similar circumstances in making and transmitting such cost estimates to the Sponsor.

5. Remedies. In the event of a claim, dispute and other matters in question arising out of or relating to this Agreement or the services to be rendered hereunder, the Consultant and the Sponsor agree to attempt to resolve such disputes in the following manner:

First, the parties agree to attempt to resolve such claims, disputes and other matters in question through direct negotiations between the appropriate representatives of each party.

Second, if such negotiations are not fully successful, the parties agree to attempt to resolve any remaining claim, dispute or other matter in question by formal nonbinding mediation conducted in accordance with rules and procedures to be agreed upon by the parties.

Third, if the claim, dispute or other matter in question, or any issues remain unresolved after the above steps, then such unresolved issues may, with the consent of both parties, be settled by binding arbitration in accordance with the rules of the American Arbitration Association current as of the date of this Agreement then pertaining.

6. Insurance. The Consultant shall procure and maintain at its expense during the effective period of this Contract the following insurance from insurance companies authorized to do business in Kansas covering all operations and services under this Contract performed by Engineer.
- a. Workers' Compensation Insurance in accordance with the provisions of the Kansas Workers' Compensation Act.
 - b. Commercial General Liability in amounts not less than \$1 million combined single limit per occurrence and \$1 million aggregate for bodily injury, personal injury and property damage with endorsements to include broad form contractual, and broad form property damage.
 - c. Automobile Liability, Bodily Injury and Property Damage with a limit of \$1 Million for occurrence, combined single limit including owned, hired and non-owned autos.
 - d. Professional Liability Insurance in amounts not less than \$1 million per claim and annual aggregate.

Upon request, the Consultant shall furnish to the Sponsor a certificate or certificates of insurance showing compliance with this paragraph.

7. Liability. Each party will defend and indemnify and hold harmless the other party from and against third party claims for liability, damage, loss, costs and expenses, including attorney's fees, on account of injury or damage to persons or property occurring on or occasioned by facilities owned or controlled by such indemnifying party, unless such injury or damage resulted from the sole negligence of the other party. In the event negligence is attributable to both parties, each party shall be responsible for the resulting damages attributable to the negligence of such party whether such proportionate share is arrived at through agreement between the parties or as a result of litigation.
8. Force Majeure. Any delay or failure of Consultant in the performance of its required obligations hereunder shall be excused if and to the extent caused by acts of God, war, riot, strike, fire, storm, flood, windstorm, discovery or uncovering of hazardous or toxic materials or causes beyond the reasonable control of Consultant, provided that prompt written notice of such delay or suspension be given by Consultant to the Sponsor. Upon receipt of said notice, if necessary, the time for performing shall be extended for a period of time reasonably necessary to overcome the effect of such delays and Consultant shall be reimbursed for the cost of such delays.

9. Binding Upon Successors. This Agreement shall be binding upon the undersigned parties, their successors, partners, assigns, and legal representatives.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized officers on the day and year first above-written.

SPONSOR:

SALINA AIRPORT AUTHORITY

ATTEST:

By: _____

By: _____

Title: _____

Title: _____

CONSULTANT:

H.W. LOCHNER, INC.

ATTEST:

By: Matthew J. Jacobs
Matthew J. Jacobs, P.E.

By: Steven D. Harris
Steven D. Harris, P.E.

Title: Associate Vice-President

Title: Vice-President, Director of Gen Aviation



Bldg. 704

Bldg. 714

Bldg. 724

FBO
Parking Lot

Beechcraft Rd.

Bldg. 703

Bldg. 713

Bldg. 723



ST
3-21-17

DERIVATION OF CONSULTANT PROJECT COSTS

REHABILITATE BEEHCRAFT ROAD FROM BLDG. 723/724 TO FBO PARKING LOT

SALINA REGIONAL AIRPORT INDUSTRIAL CENTER

SALINA, KANSAS

BASIC SERVICES

March 21, 2017

1. DIRECT SALARY COSTS:

<u>TITLE</u>	<u>HOURS</u>	<u>RATE/HOUR</u>	<u>COST (\$)</u>
Principal	0	\$65.00	\$ -
Project Manager	11	\$60.00	\$ 660.00
Design Engineer II	29	\$40.00	\$ 1,160.00
Design Engineer I	42	\$36.00	\$ 1,512.00
Technician	6	\$25.00	\$ 150.00
Administrative Asst.	10	\$20.00	\$ 200.00
Total Direct Salary Costs			= \$ 3,682.00

2. LABOR AND GENERAL ADMINISTRATIVE OVERHEAD:

Percentage of Direct Salary Costs @ 182.48% = \$ 6,718.91

3. SUBTOTAL:

Items 1 and 2 = \$ 10,400.91

4. PROFIT:

15% of Item 3 Subtotal = \$ 1,560.14

Subtotal of Items 3 and 4 \$ 11,961.05

5. OUT-OF-POCKET EXPENSES:

a. Mileage 350 miles @ \$0.535/mile = \$ 187.25
b. Meals (Lunch) 2 @ \$12.00/day = \$ 24.00
c. Motel 0 days @ \$91.00/day = \$ -
d. Mailing & Misc. Expenses = \$ 127.70

Total Out-of-Pocket Expenses = \$ 338.95

6. SUBCONTRACT COST:

a. None \$ -

7. TOTAL FEE:

Items 3, 4, 5 and 6 \$ 12,300.00

SH
3-21-17

ENGINEERING BASIC SERVICES - COST BREAKDOWN
REHABILITATE BEECHCRAFT ROAD FROM BLDG. 723/724 TO FBO PARKING LOT

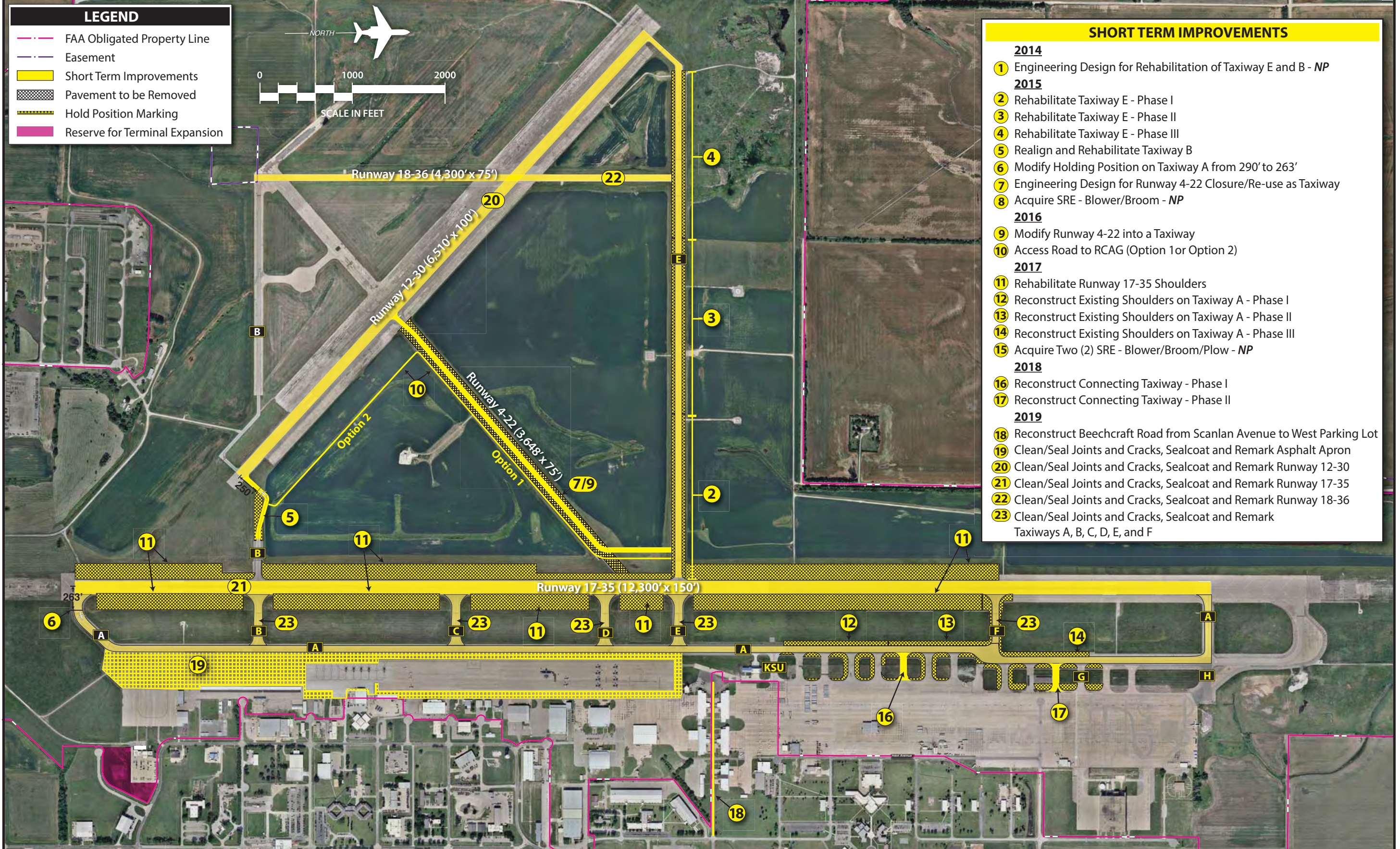
SALINA REGIONAL AIRPORT INDUSTRIAL CENTER
SALINA, KANSAS

March 21, 2017

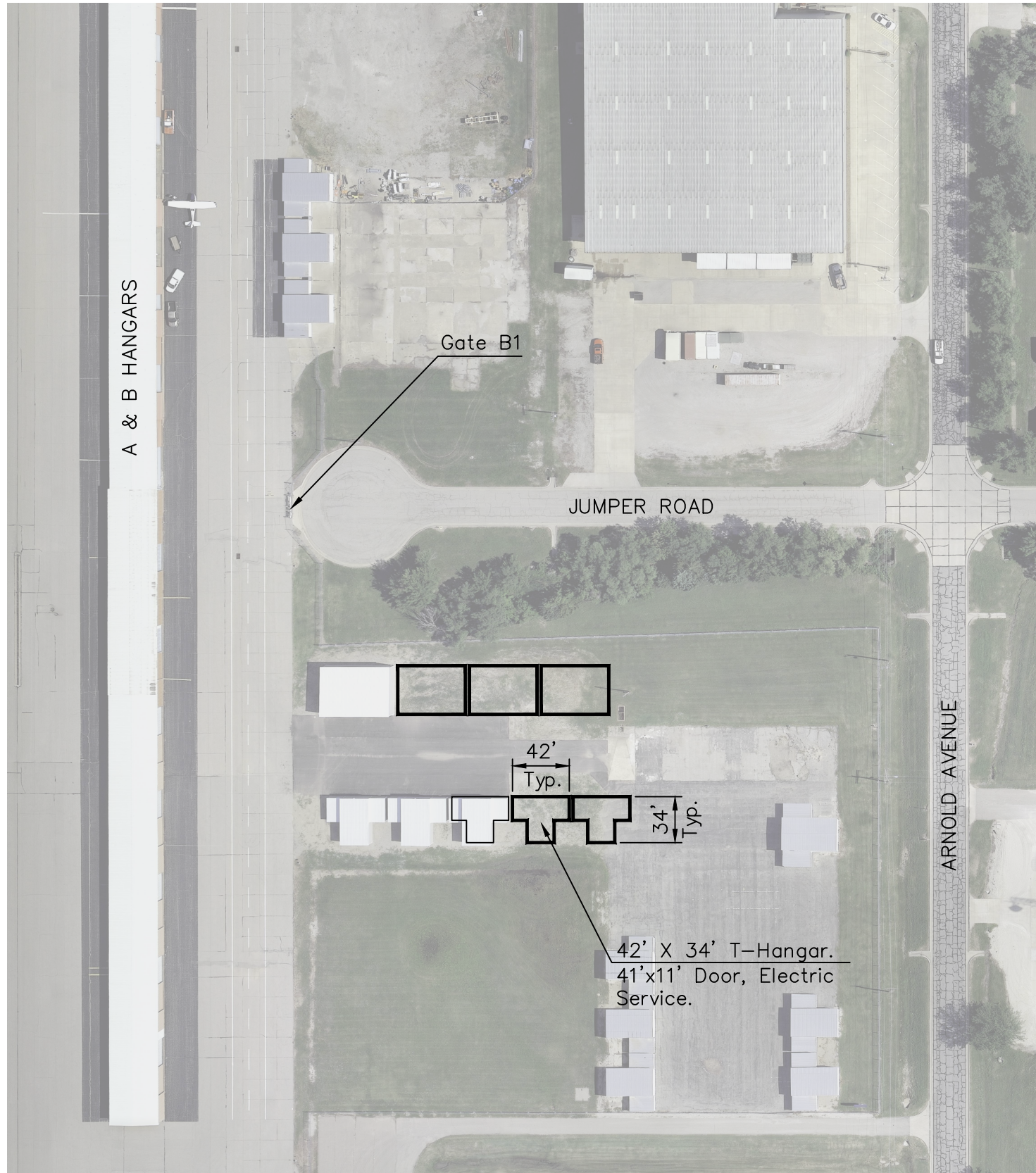
Classification:		Principal	Project Manager	Design Engineer II	Design Engineer I	Technician	Admin. Assistant	Other Costs
Hourly Rate:		\$211.15	\$194.91	\$129.94	\$116.95	\$81.21	\$64.97	
A. BASIC SERVICES								
1. Preliminary Phase:		0	6	4	0	0	1	(2)
<i>Labor Subtotal =</i>	\$ 1,754.20	\$0.00	\$1,169.47	\$519.76	\$0.00	\$0.00	\$64.97	
<i>Expense Subtotal =</i>	\$ 45.80							\$ 45.80
<i>Subconsultant Subtotal =</i>	\$ -							\$ -
Subtotal =	\$ 1,800.00							
2. Engineer's Report:		0	5	25	42	6	9	(1,2)
<i>Labor Subtotal =</i>	\$ 10,206.85	\$0.00	\$974.56	\$3,248.52	\$4,911.76	\$487.28	\$584.73	
<i>Expense Subtotal =</i>	\$ 293.15							\$ 293.15
<i>Subconsultant Subtotal =</i>	\$ -							\$ -
Subtotal =	\$ 10,500.00							
TOTAL =	\$ 12,300.00							

- (1) Mileage, Motel and Meals
- (2) Equipment, Materials and Supplies
- (3) Vendor Services

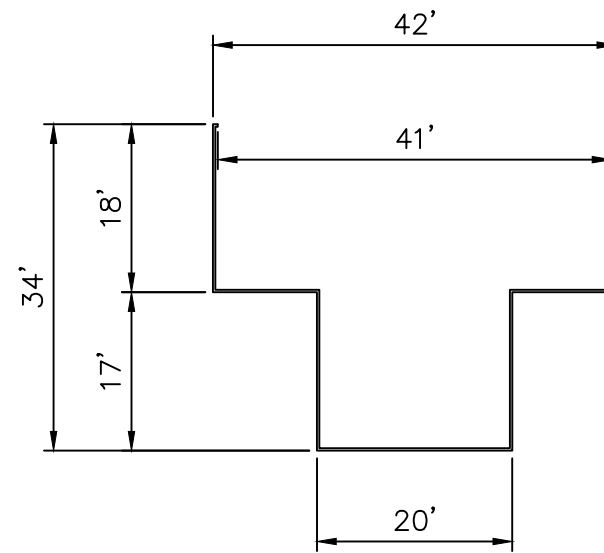
3-21-17



- SHORT TERM IMPROVEMENTS**
- 2014**
- 1 Engineering Design for Rehabilitation of Taxiway E and B - NP
- 2015**
- 2 Rehabilitate Taxiway E - Phase I
 - 3 Rehabilitate Taxiway E - Phase II
 - 4 Rehabilitate Taxiway E - Phase III
 - 5 Realign and Rehabilitate Taxiway B
 - 6 Modify Holding Position on Taxiway A from 290' to 263'
 - 7 Engineering Design for Runway 4-22 Closure/Re-use as Taxiway
 - 8 Acquire SRE - Blower/Broom - NP
- 2016**
- 9 Modify Runway 4-22 into a Taxiway
 - 10 Access Road to RCAG (Option 1 or Option 2)
- 2017**
- 11 Rehabilitate Runway 17-35 Shoulders
 - 12 Reconstruct Existing Shoulders on Taxiway A - Phase I
 - 13 Reconstruct Existing Shoulders on Taxiway A - Phase II
 - 14 Reconstruct Existing Shoulders on Taxiway A - Phase III
 - 15 Acquire Two (2) SRE - Blower/Broom/Plow - NP
- 2018**
- 16 Reconstruct Connecting Taxiway - Phase I
 - 17 Reconstruct Connecting Taxiway - Phase II
- 2019**
- 18 Reconstruct Beechcraft Road from Scanlan Avenue to West Parking Lot
 - 19 Clean/Seal Joints and Cracks, Sealcoat and Remark Asphalt Apron
 - 20 Clean/Seal Joints and Cracks, Sealcoat and Remark Runway 12-30
 - 21 Clean/Seal Joints and Cracks, Sealcoat and Remark Runway 17-35
 - 22 Clean/Seal Joints and Cracks, Sealcoat and Remark Runway 18-36
 - 23 Clean/Seal Joints and Cracks, Sealcoat and Remark Taxiways A, B, C, D, E, and F



Site & Layout
Scale: 1" = 100'



S1 Safe-T-Hangar
Scale 1" = 20'

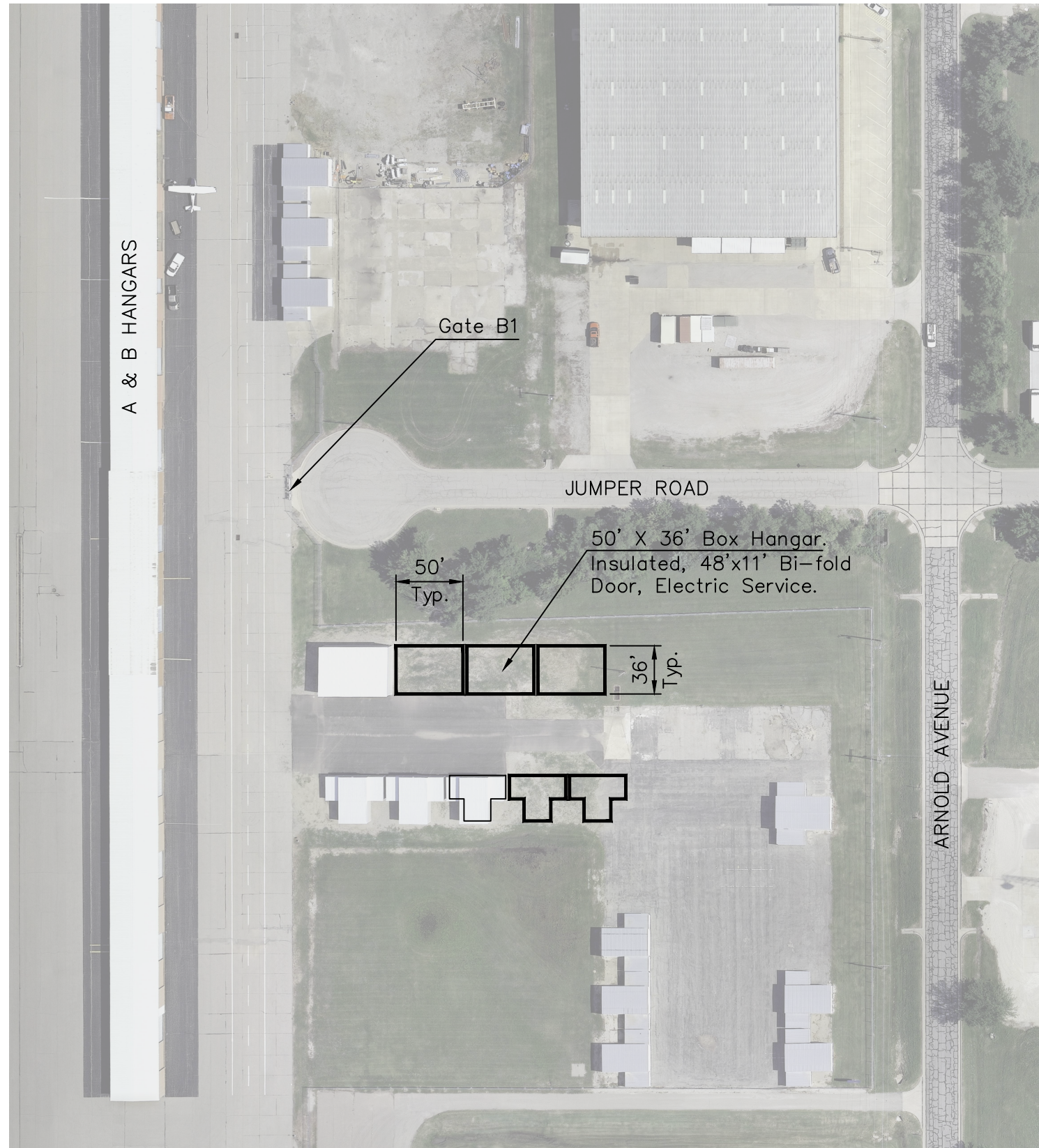
T-hangar Lease Terms and Requirements

- Three (3) year lease
- Monthly rental - \$295 per month
- Security deposit - \$295
- Execution of a lease agreement prior to the start of construction.

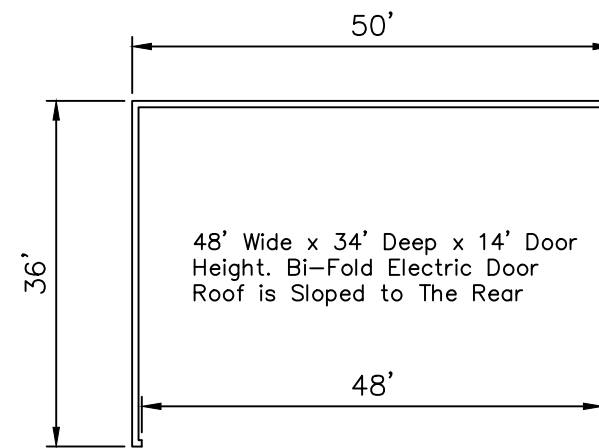
Drawing Number 2296-03-17



3237 ARNOLD, SALINA, KS 67401
(785-827-3914 FAX: 785-827-2221)
None : REVISIONS
KRB : DESIGNED BY
KRB : DRAWN BY
As Shown : SCALE
3/23/17, 16:45 : DATE



Site & Layout
Scale: 1" = 100'



S-II Box Hangar
Scale 1" = 20'



Box Hangar Lease Terms and Requirements:

- Three (3) year lease
- Monthly rental - \$550 per month
- Security deposit - \$550
- Execution of a lease agreement prior to the start of construction.

Drawing Number 2273-02-17



3237 ARNOLD, SALINA, KS 67401
(785-827-3914 FAX: 785-827-2221)
None : REVISIONS
KRB : DESIGNED BY
KRB : DRAWN BY
As Shown : SCALE
3/23/17, 16:46 : DATE

SALINA REGIONAL AIRPORT T-HANGAR AIRCRAFT STORAGE AGREEMENT

Agreement entered into by **SALINA AIRPORT AUTHORITY** (“SAA”), and _____ (“Tenant”):

In consideration of the terms and covenants set forth herein, the SAA rents to Tenant T-Hangar No. _____ (“T-Hangar”) at the Salina Regional Airport (“Airport”) for the sole purpose of storage of the following aircraft:

Make: _____
Model: _____
Number: _____

Upon the following terms and conditions:

1. **Term.** This Lease shall be for a term of one month from the date hereof and thereafter to continue on a month-to-month basis. Either party may, without cause, terminate this Lease upon providing fifteen (15) days written notice via United States Postal Service, first- class mail, served on the other prior to the end of any calendar month. All notices shall be given to the other party at the address listed herein. If such notice to the Tenant shall be returned by the United States Post Office, notice shall be given by posting on the T-Hangar door.

2. **Rental Rate Adjustment.** The monthly rental shall be \$ _____ from _____ until June 30, 2017, payable in advance. Commencing on July 1, 2017, and every 24-months thereafter, the monthly rental shall be adjusted by increasing the monthly rental by the same percentage as the percentage of increase in the U.S. Government Consumer Price Index (C.P.I.) over the prior 24 month period. If the C.P.I. over the same prior 24-month period has not shown a net increase, the monthly rental shall remain the same as the monthly rental for the prior 24-month period. The C.P.I. shall be the statistical report prepared and published by the Bureau of Labor Statistics for the United States for all items for urban wage earners and clerical workers, or such other index or report substituted therefore by the U.S. Government. The reference basis for the C.P.I. shall be 1967 equals 100 or the most current index base as established by the Bureau of Labor Statistics. The difference between such index nearest to the first day of the prior 24-month period and the latest available index to the last day of the prior 24-month period divided by such index nearest to the first day of the prior 24-month period will determine either the percentage of increase in the monthly rental or that the monthly rental will remain the same as the prior 24-month period, as provided above.

3. **Late Charge.** If the rental due hereunder is not received by the Authority within thirty (30) days of due date, a late charge of six percent (6%) of the total amount due and currently owing, or Twenty Dollars (\$20.00), whichever is greater, will be assessed against the Tenant. Failure to pay the rent and the late charge within forty-five (45) days shall be grounds for termination of this agreement, solely at the discretion of the Authority, and not as a termination right for Tenant, in addition to recovery of the unpaid rent and the late charge

4. **Security Deposit.** Upon Tenant’s execution and delivery of this Lease, Tenant agrees to pay a Security Deposit in the amount equal to the first month’s rental. The Security Deposit

shall be held by the Authority without liability for interest and as security for the performance by Tenant of Tenant's covenants and obligations under this Lease, it being expressly understood that the Security Deposit shall not be considered an advance payment of rental or a measure of Authority's damages in case of default by Tenant. The Authority may commingle the Security Deposit with the Authority's other funds. The Authority may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of rent or to satisfy any other covenant or obligation of Tenant hereunder. Following any such application of the Security Deposit, Tenant shall pay to the Authority on demand the amount so applied in order to restore the Security Deposit to its original amount. If Tenant is not in default at the termination of this Lease, the balance of the Security Deposit remaining after any such application shall be returned by the Authority to Tenant.

5. **Obligations of SAA.** The sole obligations of the SAA hereunder shall be to:

- (a) Provide access to T-Hangar, public taxiways, ramps and runways.
- (b) Keep T-Hangar in good state of repair.

6. **Covenants of Tenant.** Tenant agrees to comply with the following restrictions and conditions in use of T-Hangar:

- (a) Use it solely for the storage of airworthy aircraft owned or leased by the tenant, together with necessary aircraft ground handling equipment associated with aircraft. Storage of any other items must have the prior written approval of SAA's Executive Director.
- (b) Storage of gasoline, aviation gasoline, explosives, inflammables, firearms, and ammunition are prohibited in T-Hangar.
- (c) Close the T-Hangar doors promptly after putting the Aircraft in or taking it out of the T-Hangar and coordinate the operation of the doors so as not to unduly or in an untimely fashion, obstruct the access to adjacent T-Hangars.
- (d) Repairing or overhauling of aircraft or equipment in T-Hangar is prohibited.
- (e) Use of high voltage electrical equipment or machinery, defined as requiring greater than 20 amps, in or about the T-Hangar or modification of existing wiring or installation of additional outlets or fixtures is prohibited.
- (f) Not assign, sublet, license or permit any other party to occupy any portion of T-Hangar without prior written approval of SAA.
- (g) Use of T-Hangar for aircraft charter, rental, repair, instructional service, or any commercial activity is prohibited.
- (h) Keep the T-Hangar clean and free of debris and not place any debris on Airport.
- (i) Attaching any hoisting or holding mechanism to any part of the T-Hangar or to pass any such mechanism over the struts or braces therein is prohibited. For purposes of this agreement, a hoisting or holding mechanism shall be deemed to include, but shall not be limited to a chain-ball, block and tackle or other hoisting device.
- (j) Not to paint, remove, deface, modify, bend, drill, cut or otherwise alter or modify any part of the T-Hangar without the prior written permission of SAA.

- (k) Obey all rules, regulations, laws, ordinances and directives of any legally constituted authority now in force or hereafter promulgated with respect to the use of the Airport or the T-Hangar.
- ~~(l) Release SAA from all liabilities associated with activities undertaken by tenant and to indemnify and hold harmless the SAA with respect to any claims or causes of action, which may arise in regards to activities undertaken by tenant in the operation and storage of its aircraft pursuant to this Agreement.~~
- ~~(m)~~(l) Not to use the T-Hangar for social or other gatherings.
- ~~(n)~~(m) Not park or leave aircraft on the taxiway or on the pavement adjacent to the T-Hangar door in a manner, which unduly interferes with or obstructs access to adjacent T-Hangars, or interferes with snow removal operations.
- ~~(o)~~(n) Only perform those specific types of preventive maintenance on aircraft owned or operated by it as permitted by Part 43 of the FAA Regulations or any amendments thereto.
- ~~(p)~~(o) Maintain all interior lights, supplying and replacing light bulbs in the hangar.
- ~~(q)~~(p) Cleaning snow within five (5) feet of the hangar door.
- ~~(r)~~(q) Comply with all FAA, EPA and SAA regulations regarding refueling of aircraft, including bonding and grounding of aircraft and using UL approved containers. Any spills shall be reported immediately to SAA and Salina Fire Department.
- ~~(s)~~(r) Allow SAA access to T-Hangar upon its request.
- ~~(t)~~(s) Flying clubs leasing T-Hangars must comply with FAA Order 5190.6A, Appendix 8.

7. **Insurance.** At all times during this agreement, the tenant shall maintain the following insurance for all aircraft stored within the leased premises:

- (a) At all times during this agreement, the tenant shall maintain the following insurance for all aircraft stored within the leased premises:
 1. Tenant must maintain aircraft liability coverage of not less than \$1,000,000 each occurrence and name the SAA as an additional insured with respect to the operations of the tenant.
 2. Tenant must maintain aviation general liability coverage in an amount not less than \$1,000,000 each occurrence and name the SAA as an additional insured with respect to the operations of the tenant.
 3. Tenant must maintain aircraft physical damage coverage on their aircraft stored within the leased hangar not less than the replacement value of the aircraft. The tenant and their insurer agree to waive rights of subrogation against SAA with respect to aircraft physical damage coverage.
- (b) Tenant shall demonstrate insurance is maintained in accordance with this lease via a certificate of insurance issued to the SAA and the insurer shall agree to provide 30 days written notice of cancellation (ten days for non-payment of premium) to SAA.

8. Tenant's Release, Indemnification, and Hold Harmless. Tenant releases SAA from all liabilities associated with activities undertaken by Tenant and agrees to indemnify and hold harmless SAA with respect to any claims or causes of action in the operation and storage of Tenant's aircraft pursuant to this Agreement.

8.9. Governing Law. This agreement will be interpreted and construed in accordance with the laws of the State of Kansas.

9.10. Fuel Flowage Fees. Tenant agrees to pay SAA the Fuel Flowage Fees as biennially determined by the SAA on all fuel (excluding fuel on which the SAA Fuel Flowage Fee has been paid) loaded into its aircraft at the Airport.

I HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO BE BOUND THEREBY. I WILL NOTIFY THE SAA OR ITS REPRESENTATIVE OF ANY CHANGES IN MY ADDRESS OR AIRCRAFT OWNERSHIP.

Dated this _____ day of _____, 2017.

SALINA AIRPORT AUTHORITY

By _____

Timothy F. Rogers, A.A.E.
3237 Arnold Ave.
Salina, KS 67401

"Tenant"

Address

Phone

**A MOTION TO RECESS FOR AN EXECUTIVE SESSION
OF THE BOARD OF DIRECTORS FOR THE SALINA AIRPORT AUTHORITY**

Madam Chair, I move to recess the Open meeting for an Executive Session for twenty (20) minutes for the purposes of:

Discussing confidential data relating to financial affairs or trade secrets of a corporation for the reason that public discussion of that information would unfairly disadvantage the business in relation to its competitors.

The Open meeting shall resume in the Hangar 600, 2nd Floor Conference Room at _____ A.M. (Twenty (20) minutes after the start of the Executive Session).