

DATE: June 16, 2017
TO: SAA Board of Directors
FROM: Tim Rogers and Shelli Swanson
SUBJECT: **June 21, 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.

Please note the following agenda comments.

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

50 Years Ago – June, 1967 (Rogers)

City manager Norris Olson started the process to build an 18-hole golf course at the closed municipal airport located off East Crawford. Now known as the East Crawford Recreation Center, the former municipal airport site is home to the Salina Municipal Golf Course, The First Tee of Salina, James Matson Field and Dean Evans Stadium.

Airport Activity – Air Traffic (Rogers)

The Salina air traffic control tower (ATCT) recorded 4,253 operations during May 2017 which was a 38% decrease as compared to the May 2016 total of 6,898. A contributing factor to the May 2017 decrease was the Runway 17/35 closure during the two weeks of May. For the year-to-date, a total of 25,059 operations have occurred at the Salina Airport which is 27% less than the May 2016 YTD total of 34,383.

Airport Activity – Fuel Flowage (Rogers)

The May 2017 fuel flowage came in at 143,801 gallons which was 6% less than the May 2016 total of 153,410. For the year-to-date a total of 1,199,468 gallons has been delivered on the Airport which is 101% more than the 2016 YTD total of 596,056. May 2017 results were exceptional given the fact that Runway 17/35 was closed during the first two weeks of May.

Airport Activity – Passenger Counts (Rogers)

Great Lakes recorded 1,517 total passengers during May 2017. May 2017 was a new peak month for DEN flights. The total subsidy per passenger for May was \$109 – a new monthly low. GLA had to cancel three flights due to aircraft mechanical problems. The airline made every effort to accommodate passengers. To avoid canceling one flight, Great Lakes substituted two 19-seat aircraft for one 30-seat plane.

Financial Reports – Comments and Notes (Swanson)

At the end of May, total operating income came in 8% over budget and 15% ahead of the same period of 2016. Fuel flowage fee revenue is ahead of budget by 47% and nearly double the same period last year.

Short-term leasing continues in a favorable direction pulling ahead of budget by \$48,328.

Total administrative expenses arrived at 7% under budget and maintenance expenses 14% over bringing total operating expenses slightly over budget by \$2,822. Comparatively, total operating expenses are tracking 8% over the same period in 2016.

Net income before depreciation at the end of May for the YTD equaled \$82,957 and 206% or \$55,861 ahead of 2016.

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

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

**Salina Airport Authority
Account QuickReport
As of May 31, 2017**

Type	Date	Num	Name	Memo	Split	Amount	Balance
Cash in Bank - Bond Funds							8,994.32
107 - UMB Series 2015-A Proj Fund							8,994.32
▶ Deposit	05/31/2017			Interest	810 - Interest ...	0.38	8,994.70 ◀
Total 107 - UMB Series 2015-A Proj Fund						0.38	8,994.70
Total Cash in Bank - Bond Funds						0.38	8,994.70
TOTAL						0.38	8,994.70

**Salina Airport Authority
Account QuickReport
As of May 31, 2017**

Type	Date	Num	Name	Memo	Split	Amount	Balance
Cash in Bank - Bond Funds							515,241.32
108-FBK Imp Fund Temp Note 2016							515,241.32
▶ Bill Pmt -Check	05/11/2017	1016	Cillessen & Sons, Inc.		20 - Account...	-4,943.00	510,298.32 ◀
Bill Pmt -Check	05/30/2017	1017	McConnell & Associates		20 - Account...	-178,976.36	331,321.96
Bill Pmt -Check	05/30/2017	1018	Paving Maintenance Supply...		20 - Account...	-3,807.45	327,514.51
Deposit	05/31/2017			Interest	810 - Interes...	87.09	327,601.60
Total 108-FBK Imp Fund Temp Note 2016						-187,639.72	327,601.60
Total Cash in Bank - Bond Funds						-187,639.72	327,601.60
TOTAL						-187,639.72	327,601.60

Short-term Leasing Activity

In May, two short-term leases were finalized. Both leases are for space within the former SAA fire station/maintenance shop facility commonly known as Bldg. 207. Avflight Salina entered into a one-year agreement for a portion of the facility to utilize three bays for maintenance of their mobile refueler trucks. The one year agreement is \$7,080 per year plus utilities. The second lease is with the Salina Police Department for the remaining 2 vehicle bays at a rental rate of \$9,100 per year.

Financial Reports – Accounts Receivable Past Due 31 days or more as of June 16, 2017 (Swanson)

<u>Account</u>	<u>Amount</u>	<u>Days</u>	<u>Comments</u>
Belcher, Terry	\$251	31-90	Hangar rent
National Airlines	\$560	61-90	Landing Fees
Tischlerei	\$12,625.79	31>90	Rent, insurance, fin. chgs.

Agenda Item #6 – Consideration of Results of the Sale of General Obligation Bonds to Refund Certain Outstanding General Obligation Bonds of the Authority. (Swanson and Edgar)

As you recall, at the May 17, 2017 SAA board meeting, staff along with the Authority’s financial advisor, David Arteberry, with GK Baum, presented a General Obligation Bond refunding opportunity to take advantage of current market interest rates that could result in significant savings and lower the Authority’s existing principal and interest payments. At the May meeting, the Board approved Resolution 17-04 authorizing staff to proceed in obtaining proposals from qualified underwriters to offer and sell the bonds (\$15.1M) necessary to refund the current GO bonds.

On May 18, the SAA received proposals from 8 institutions interested in underwriting the SAA’s 2017-A&B refunding bonds. The proposals were received from the following firms: Commerce Bank (in partnership with Bennington State Bank), Hilltop, Hutchinson Shockey, Piper Jaffray, Raymond James, Robert W. Baird & Co., Stifel, and UMB.

On May 18, the SAA reviewed all proposals with the assistance of GK Baum using evaluation criteria that included the true interest cost, fees and costs and the firm’s relevant experience. The highest-ranking firm for both bond issues (taxable and tax exempt) was Robert W. Baird & Co. Baird has supported 11 out of the 13 bond issues that the Authority or the City has brought to the market since July of 2011, winning or cover bidder on seven of those issues which demonstrates their underwriting platform and access to the investor base that are familiar with and willing to purchase Authority bonds.

On June 6, staff and GK Baum held a rating call with Moody’s and on June 15, Moody’s issued their report and issued a Aa3 rating to the \$15.1M GO Refunding Bonds, Series, 2017.

Due to a recent market influx of similarly rated tax-exempt bonds, we have decided to adjust our bond calendar slightly. The taxable bonds (2017-A) will be offered on the 20th as planned, and the board will be presented with the results of the sale on the 21st along with a resolution and the Bond Purchase Agreement (BPA). The tax-exempt bonds (2017-B) will be offered one week later and a **Special Board Meeting will be held on Wednesday, June 28th at 8:00 a.m.** for staff and GK Baum to present the results of the tax-exempt sale along with the associated resolution and BPA.

Roger Edger with GK Baum will be at the June 21st board meeting and Gina Riekhof, bond counsel with Gilmore and Bell will join us via conference call.

Agenda Item #7 – Presentation of the Preliminary Engineering Design Report for Beechcraft Road Improvements. (Rogers and Bieker)

Enclosed is a copy of the preliminary engineer’s design report for the rehabilitation of Beechcraft Road. The report only addresses the rehabilitation of the street and does not include recommendations for streetscaping. Streetscaping includes tasks such as buried utility lines, sidewalks, bike paths and landscaping. Another consideration for the roadway is how to improve the visual appearance of the hangars on either side of the street. Your thoughts and comments are needed prior to scheduling a meeting with City engineering department staff to discuss construction options. I do recommend that Lochner’s

scope of work be expanded to include streetscape options and associated costs.

Agenda Item #8 – Discuss 2018 to 2022 Airport Capital Improvements and Discuss Funding Options. (Rogers and Swanson)

The Airport Authority has significant airfield capital improvements scheduled for 2018 through 2022. The projects include both airfield improvements and equipment acquisition priorities established by the 2014 Airport Master Plan Update and the SAA’s current Airport Capital Improvement Program (ACIP) on file with the FAA. The projects are eligible for both federal and/or state grant assistance. The requirements for local matching funds is more variable now than in prior years. Federal grants will be in the range of 80% federal share and 20% local share. State grants will be available at 50% state share and 50% local share. The 2018 through 2022 priority projects are:

- **2018** - Reconstruct Taxiway Bravo from Runway 35 to Runway 30; \$1,519,000
- **2018** – Runway 12/30 Joint Sealing, Slurry Seal & Marking; \$205,000
- **2019** – Design and Construct Taxiway Delta Extension; \$3,050,000
- **2020** – Design and rehabilitate Taxiway Alpha between Echo & Golf; \$1,500,000
- **2021** – Acquire a new ARFF vehicle; \$997,750
- **2021** – Acquire new snow removal equipment; \$897,750
- **2022** – Resurface Runway 17/35 full length; \$3,582,000

The total estimated cost for the 2018 through 2022 projects is \$10,853,750. Over the next five years the Airport Authority will need \$450,000 to \$500,000 annually in matching funds to fund \$8 million in FAA and KDOT airport improvement grants over the next five years and complete the projects listed above.

At our meeting, I’ll review the Authority’s options for funding the 2018 through 2022 ACIP.

Agenda Item #9 – Review the Calendar for Preparing and Adopting the Authority’s 2018 Operating Plan and Budget Report. (Rogers and Swanson)

Please consider the following schedule and steps for preparing and adopting the Airport Authority’s 2018 Operating Plan and Budget Report.

- | | |
|------------------------------------|--|
| • Wednesday, July 1, 8:00 AM | SAA board meeting – finalize 2018 capital budget |
| • Wednesday, August 16, 8:00 AM | SAA board meeting- 2018 mill levy resolution |
| • Wednesday, September 6, 4:00 PM | SAA study session – 2018 operating plan goals |
| • Wednesday, September 20, 8:00 AM | SAA board meeting – 2018 revenue projections |
| • Wednesday, October 18, 8:00 AM | SAA board meeting – 2018 operating expenses |
| • Wednesday, November 1, 4:00 PM | SAA board study session – review draft budget report |
| • Wednesday, November 15, 8:00 AM | SAA board meeting – final review and action |

Agenda Item #10 – Update of Prospective Long-term and Short-term Leasing Activity for Airport and Airport Industrial Center Properties. (Rogers and Swanson)

Enclosed is a copy of the update leasing activity dashboard. New to the dashboard are:

- 823d MXS, Nellis AFB – Short-term FOL lease
- Exide Technologies – Short-term warehouse lease

The totals for all leasing activity are:

- Short Term Lease in Process (4)
- Long Term Leasing in Process (2)
- Active Prospects, Long Term Lease (8)
- Active Prospects, Short Term Lease (1)
- Existing Tenant, Expansion (2)

STAFF REPORTS

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

This project is substantially complete. Remaining work items are shoulder grading, seeding and final pavement markings. The contractor needs to fine grade the ground each side of the taxiway for good drainage and seeding.

AIP Project No. 38 – Taxiway Bravo Construction (Bieker)

A pre-bid meeting was held on Wednesday, June 14. Project bids will be received on June 21. With a contractor's bid in place the Airport Authority will apply for FAA Airport Improvement Program (AIP) grant funds. The grant application is due on June 30. The FAA will notify the Airport Authority of a grant award later this summer. The notification could be as late as August 31.

Airfield Projects (Bieker)

The maintenance crew has been sealing joints and cracks along Taxiway Alpha. I'm putting together a plan for pavement repairs throughout the airfield with items such as joint mill and inlay from 12" wide to 6' wide. We have a pavement heave that occurred on June 15 on the aircraft parking apron west of Hangar H600. During the summer heat, additional pavement heaves may occur on aprons, taxiways and runways.

Fly Salina Marketing (Windhorst)

Great Lakes Airlines (GLA) celebrated 1 year of service at the Salina Regional Airport on June 15th. On June 15, 2016 a total of 8 passengers boarded the morning flight out of SLN to DEN. One year later, over 14,250 passengers have flown Great Lakes to and from Denver.

GLA was a Salina Charities Golf Tournament sponsor this year. The airline continues to work with local radio stations such as Rocking M Media and 99KG on air promotions that highlight DEN flights.

The Fly Salina web page continues to be the number one page visited on the Salina Airport Authority website. Google analytics reports that 1,500 visitors viewed the Fly Salina page during the month of May. The top five locations using the site include; Salina, Wichita, Kansas City, Manhattan and Denver. New visits to the site continue to track around 75% per month.

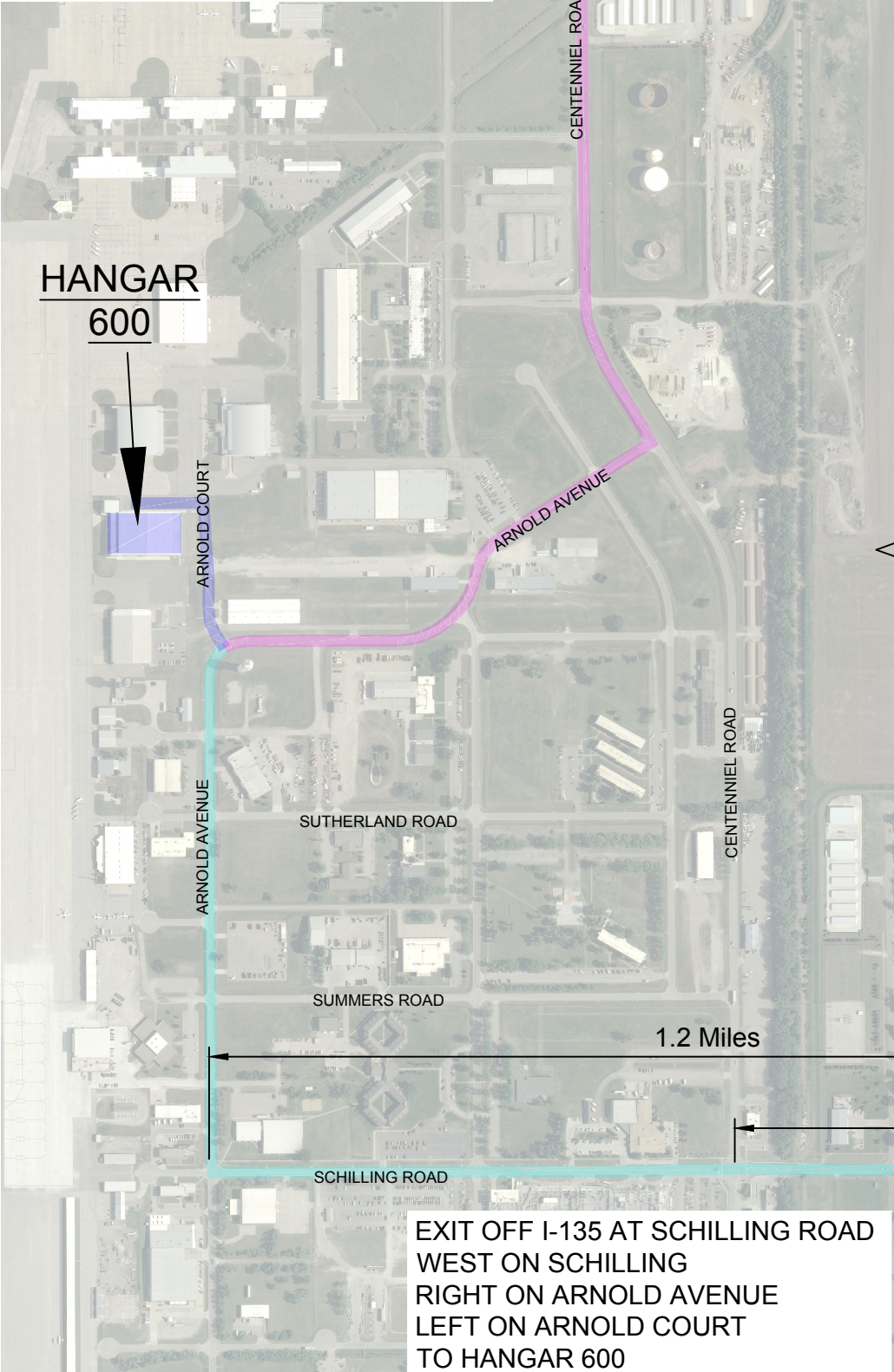
SAA Staff (Windhorst)

The Salina Airport Authority is accepting applications for a full-time Aircraft Rescue and Firefighting (ARFF) and Operations Specialist position. We have received over fifty applications to date and have started the first round of interviews. We are filling a position that has opened with the departure of Alan Kelly.

In addition to the full-time position we are also accepting applications for a Management Internship for the upcoming fall semester. Students from Kansas State University Polytechnic campus are encouraged to apply. The deadline to apply for the internship opportunity is Monday, July 31st.

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
June 21, 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 May 17, 2017 board meeting. (Platten)
5. Review of airport activity and financial reports for the month ending May 31, 2017. (Rogers and Swanson)
6. Consideration of the results of the sale of general obligation bonds for the purpose of refunding certain outstanding general obligation bonds. (Swanson and Edgar)
7. Presentation of the preliminary engineering design report for Beechcraft Road improvements (Rogers and Bieker)
8. Discuss 2018 to 2022 airport capital improvement projects and consider funding options. (Rogers)
9. Review the calendar for preparing and adopting the Authority's 2018 Operating Plan and Budget Report. (Rogers and Swanson)
10. Update of prospective short-term and long-term leasing activity for Airport and Airport Industrial Center properties. (Rogers and Swanson)

Directors' Forum (Platten)

Visitor's Questions and Comments (Platten)

Staff Reports (Rogers)

- Review responses to the Airport Authority's hangar preleasing opportunity and new hangar construction plans. (Rogers)
- Distribute the 2016 audit report for the Salina Community Economic Development Corporation. (Swanson)



Executive Session (Platten)

11. An executive session of the SAA board of directors to discuss matters of non-elected personnel and financial affairs of a corporation. (Bengtson)

Announcements (Windhorst)

Adjournment (Platten)



**MINUTES OF THE REGULAR MEETING OF THE BOARD OF
DIRECTORS OF THE SALINA AIRPORT AUTHORITY
MAY 17, 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, Eichelberger, Vancil, 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; David Arteberry, George K. Baum & Company; Mitch Robinson, Salina Community Economic Development Organization; Cary Adcock, Midwest ATC Salina and Michael Bunn, T-Hangar Tenant were guests.

Additions to the Agenda

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

Minutes

Chairman Platten asked if the board members had additions or corrections to the minutes of the April 19, 2017 regular board meeting. Director Vancil moved, seconded by Director Weisel, to approve the minutes of the April 19, 2017 regular board meeting. Motion passed unanimously.

50 Years Ago

The Airport Authority started work on an Industrial Track Agreement with the Missouri Pacific Railroad Company. The agreement detailed responsibility for maintaining and operating industrial side tracks at the Salina Airport Industrial Center. Today the Airport Authority operates an industrial side track per an agreement with the Union Pacific Railroad. United Suppliers is the Authority's current tenant that uses the side track for crop nutrient trans loading.

Airport Activity and Financial Reports

Executive Director Rogers reported on airport activity for the month of April 2017. Air traffic decreased to 5,340 operations during the month of April 2017 as compared to 7,312 during April 2016. Fuel flowage for the month of April 2017 increased by 57% compared to the same period last year. Avflight reported a total of 149,134 gallons of fuel sold during the month of April 2017 as compared to a total of 94,672 gallons during April 2016. Rogers commented on enplanements for the month of April 2017. Great Lakes recorded 1,330 total enplaned/deplaned passengers during 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 April 30, 2017. Total operating revenue arrived 6% over budget and is \$102,146 or 16% ahead for the same period of 2016. Total operating expenses came in over budget 3% or \$18,272 for the year to date. Swanson noted that total net operating income before depreciation reached \$46,125 and is ahead of budget for the current year by \$22,592 or 196%. Swanson commented

on significant expenditures for the month of April and reviewed the disbursements of bond proceeds. Chairman Platen directed the staff to file the financials for audit.

SAA Resolution No. 17-04

Executive Director Rogers introduced David Arteberry, Senior Vice President of George K. Baum & Company. Arteberry distributed and reviewed the bond refunding analysis, schedule and issuance process. Approval of SAA Resolution No. 17-04 will allow Airport Authority staff and George K. Baum & Company to proceed with obtaining competitive proposals from interested buyers. All proceeds of the bond sale will go towards refunding of the outstanding bonds. Bond principal and interest funds already on deposit in the Authority's debt service account will applied to the refunding. Director Weisel moved, seconded by Director Buer, to approve the SAA Resolution No. 17-04 authorizing the sale of Airport Authority G.O. bonds to refund outstanding G.O. bonds. Motion passed unanimously.

Permanent Warning Siren Easement

Executive Director Rogers stated the City of Salina is replacing civil defense and emergency management warning sirens throughout Salina and the project includes three new sirens at the Salina Airport Industrial Center. Two of the three sirens are in the existing City of Salina right-of-way. The third siren is to be located on the north end of the Airport Industrial Center adjacent to Hein Avenue and is not on the City of Salina right-of-way. The north location needs the Airport Authority's authorization to be located on Authority property within an existing utility easement. The proposed Permanent Warning Siren Easement conveys to the City a permanent easement for the purpose of accessing, locating, constructing, maintaining and operation of a warning siren by the City. Director Eichelberger moved, seconded by Director Vancil, to approve the proposed Permanent Warning Siren Easement. Motion passed unanimously.

Long-term and Short-term Leasing Activity

Executive Director Rogers reported on the list of the Airport and Airport Industrial Center businesses and organizations. The businesses contributed approximately 60% of the total economic activity in Saline County during 2014 with 6,459 jobs or 17.3% of the employment in Saline County. Rogers commented on the current long-term and short-term leasing activity. There are three new long term leases, two new short term leases, eight active prospects for long term, two active prospects for short term and two existing tenant expansions.

Staff Reports

- Rogers reviewed the Taxiway Echo rehabilitation and Runway 17/35 slurry seal projects. Both projects have been completed and all airport runways and taxiways are back in operation.

Upon a motion duly made, the meeting adjourned at 9:19 A.M.

Minutes approved at the June 21, 2017 Board Meeting.

Secretary

(SEAL)

**SALINA AIRPORT AUTHORITY
AIRPORT ACTIVITY REPORT
2017**

AIR TRAFFIC/ATCT

May, 2017	4,253 Operations 794 Instrument Operations 257 Peak Day
May, 2016	6,898 Operations 732 Instrument Operations 547 Peak Day
January 2017 - May 2017	25,059 Operations
January 2016 - May 2016	34,383 Operations
January 2015 - May 2015	39,500 Operations

FUEL FLOWAGE

May, 2017	143,801 Gallons
May, 2016	153,410 Gallons
January 2017 - May 2017	1,199,468 Gallons
January 2016 - May 2016	596,056 Gallons
January 2015 - May 2015	916,264 Gallons

		Avflight	
		Military/Gov't Portion	Self-fuel Station Portion
KSU-S	Avflight Salina		
8,689	135,112	27,646	1,084
9,282	144,128	30,974	996
45,880	1,153,588	616,405	3,323
47,844	548,212	81,136	3,510
53,022	863,242	203,334	3,390

Great Lakes

May, 2017	761 Passengers	756 Passengers	1,517
May, 2016	0 Passengers		
January 2017 - May 2017	3,345 Passengers		
January 2016 - May 2016	36 Passengers		
January 2015 - May 2015	586 Passengers		

ENPLANEMENTS

DEPLANEMENTS

TOTAL

ENPLANEMENTS - Charter Flights

May, 2017	0 Passengers
May, 2016	0 Passengers
January 2017 - May 2017	967 Passengers
January 2016 - May 2016	0 Passengers
January 2015 - May 2015	5,252 Passengers

TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights

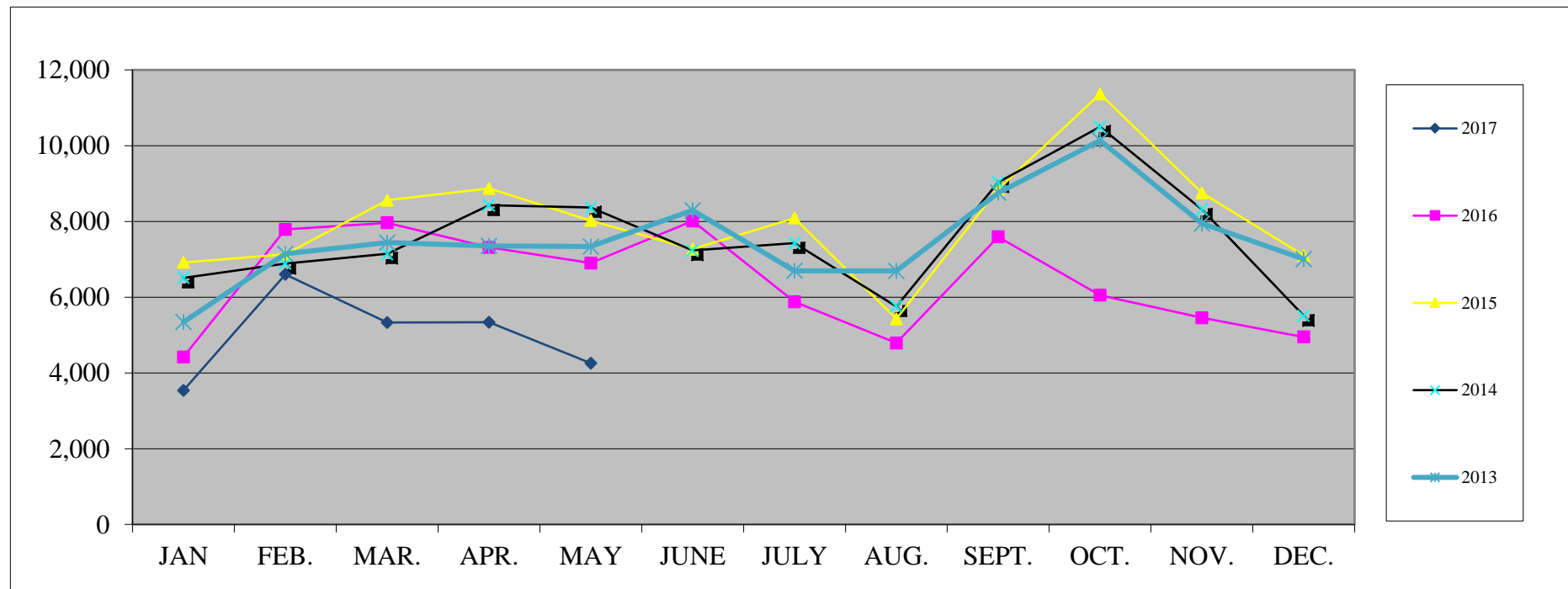
May, 2017	761 Passengers
May, 2016	0 Passengers
January 2017 - May 2017	4,312 Passengers
January 2016 - May 2016	36 Passengers
January 2015 - May 2015	5,838 Passengers

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	6	1,793	688	230	2,717	2,317	306	2,623	5,340
May, 17	2	1,433	823	165	2,423	1,612	218	1,830	4,253
June, 17									
July, 17									
August, 17									
September, 17									
October, 17									
November, 17									
December, 17									
Totals January - May	40	7,868	3,652	1,627	13,187	10,438	1,434	11,872	25,059
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	15	1,799	791	269	2,874	4,110	328	4,438	7,312
May, 16	106	1,610	980	325	3,021	3,473	404	3,877	6,898
June, 16									
July, 16									
August, 16									
September, 16									
October, 16									
November, 16									
December, 16									
Totals January - May	225	8,351	4,354	1,124	14,054	18,793	1,536	20,329	34,383
Difference	-185	-483	-702	503	-867	-8,355	-102	-8,457	-9,324
YTD % Change	-82%	-6%	-16%	45%	-6%	-44%	-7%	-42%	-27%
Legend:	AC: Air Carrier		AT: Air Taxi						
	GA: General Aviation		MI: Military						

AIR TRAFFIC

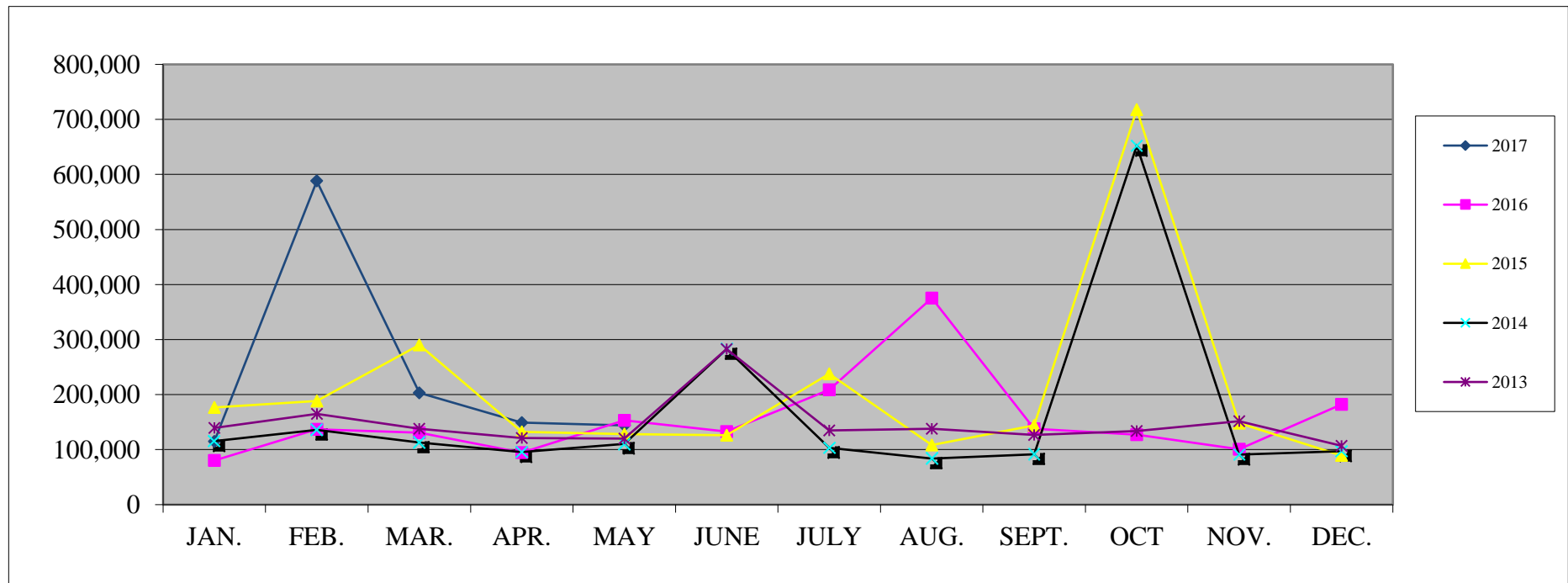
	<u>JAN</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2017	3,539	6,598	5,329	5,340	4,253								25,059
2016	4,422	7,789	7,962	7,312	6,898	8,011	5,877	4,789	7,593	6,052	5,458	4,948	77,111
2015	6,918	7,133	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

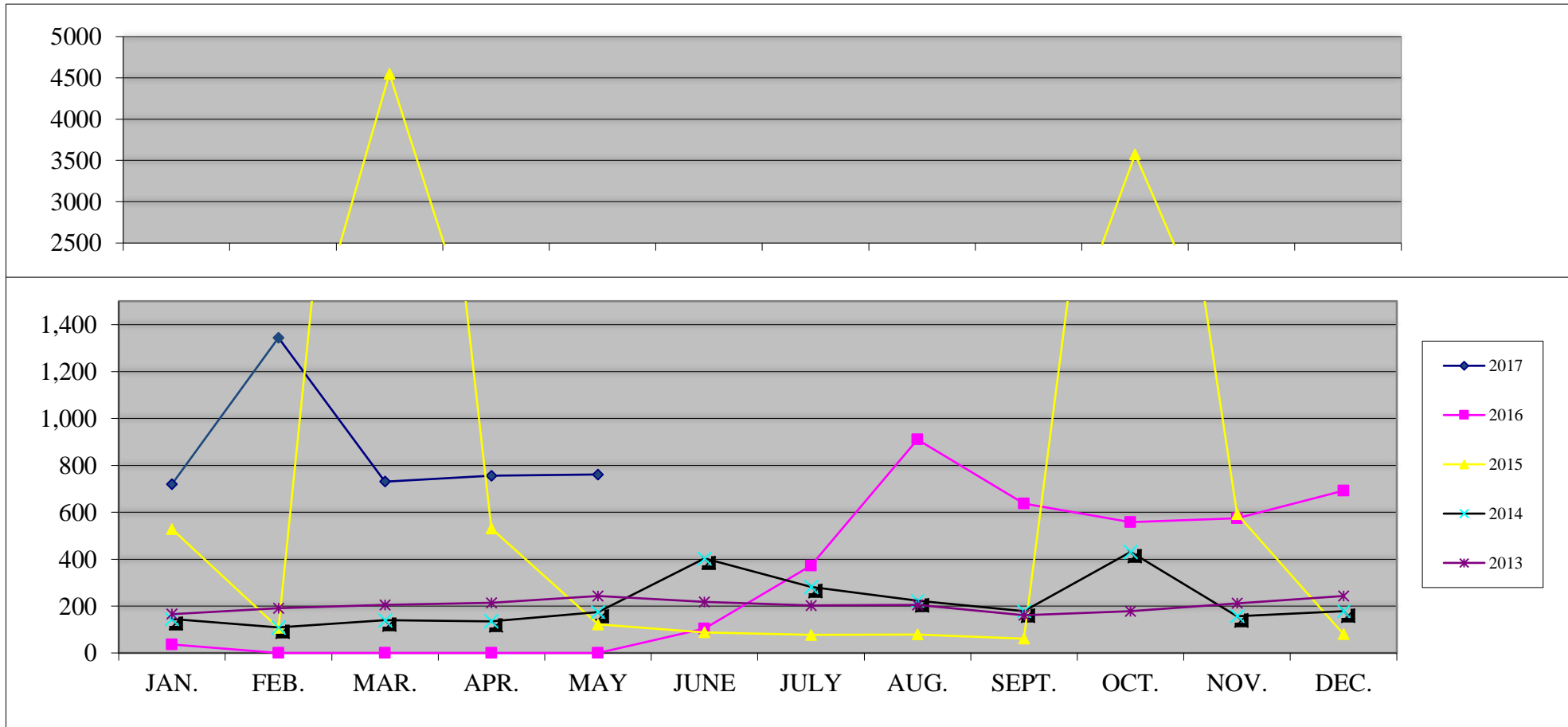
Gallons of Fuel Sold at SLN

	<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	149,134	143,801								
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	756	761									4,312
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

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

	May 31, 17	Apr 30, 17	\$ Change	May 31, 16	\$ Change	% Change
ASSETS						
Current Assets						
Checking/Savings						
Cash in Bank - Bond Funds	336,596	524,236	-187,639	212,021	124,575	59%
Cash in bank & Petty Cash-Op	1,570,270	944,157	626,113	1,564,677	5,593	0%
Total Checking/Savings	1,906,866	1,468,392	438,474	1,776,698	130,168	7%
Accounts Receivable						
Accounts Receivable	92,799	64,210	28,590	173,362	-80,563	-47%
Total Accounts Receivable	92,799	64,210	28,590	173,362	-80,563	-47%
Other Current Assets						
Agri Land Receivable	56,000	56,000	0	58,000	-2,000	-4%
Mill Levy receivable	247,414	946,938	-699,523	179,879	67,536	38%
Other current assets	143,016	141,624	1,391	141,924	1,092	1%
Undeposited Funds	3,235	0	3,235	0	3,235	100%
Total Other Current Assets	449,665	1,144,562	-694,897	379,802	69,863	18%
Total Current Assets	2,449,331	2,677,164	-227,833	2,329,863	119,468	5%
Fixed Assets						
Fixed assets at cost	84,238,859	83,685,770	553,089	82,395,724	1,843,135	2%
Less accumulated depreciation	-40,453,260	-40,228,695	-224,565	-37,789,297	-2,663,963	-7%
Total Fixed Assets	43,785,599	43,457,076	328,524	44,606,427	-820,827	-2%
Other Assets						
Other assets	17,072	19,028	-1,956	3,325	13,747	413%
Total Other Assets	17,072	19,028	-1,956	3,325	13,747	413%
TOTAL ASSETS	46,252,003	46,153,268	98,734	46,939,615	-687,613	-2%
LIABILITIES & EQUITY						
Liabilities						
Current Liabilities						
Accounts Payable						
Accounts payable	415,179	78,681	336,498	202,575	212,604	105%
Total Accounts Payable	415,179	78,681	336,498	202,575	212,604	105%
Credit Cards						
Sam's Club Discover	0	-371	371	1,562	-1,562	-100%
VISA - Sunflower Bank, N.A. - T	0	0	0	363	-363	-100%
Total Credit Cards	0	-371	371	1,925	-1,925	-100%
Other Current Liabilities						
Accrued debt interest payable	243,712	165,825	77,886	239,857	3,854	2%
Debt, current portion	1,065,000	1,065,000	0	1,109,894	-44,894	-4%
Deferred Agri Land Revenue	33,167	37,833	-4,667	34,333	-1,167	-3%
Deferred Mill Levy revenue	1,215,157	1,387,813	-172,656	1,161,497	53,659	5%
Other current liabilities	165,858	216,063	-50,205	144,046	21,812	15%
Total Other Current Liabilities	2,722,893	2,872,534	-149,641	2,689,628	33,265	1%
Total Current Liabilities	3,138,071	2,950,844	187,228	2,894,128	243,944	8%
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	49,110	49,498	-388	44,977	4,133	9%
Total Long Term Liabilities	21,407,766	21,408,154	-388	21,785,178	-377,412	-2%
Total Liabilities	24,545,838	24,358,998	186,840	24,679,306	-133,469	-1%
Equity						
Invested in Capital Assets net	21,361,943	20,974,358	387,585	21,706,564	-344,621	-2%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	798,454	1,186,039	-387,585	1,091,993	-293,539	-27%
Net Income	-544,231	-456,126	-88,106	-628,247	84,016	13%
Total Equity	21,706,165	21,794,270	-88,106	22,260,309	-554,144	-3%
TOTAL LIABILITIES & EQUITY	46,252,003	46,153,268	98,734	46,939,615	-687,613	-2%

Salina Airport Authority
Profit & Loss Budget Performance
May 2017

	May 17	Budget	\$ Over Budget	% of Budget	Jan - May 17	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense									
Income									
Airfield revenue									
Fuel Flowage Fees	10,914	13,512	-2,598	81%	91,613	62,512	29,101	147%	158,000
Hangar rent	49,233	30,000	19,233	164%	202,863	225,000	-22,137	90%	520,000
Landing fees	914	542	372	169%	9,230	2,708	6,522	341%	6,500
Ramp rent	3,586	4,167	-581	86%	21,386	20,833	553	103%	50,000
Total Airfield revenue	64,647	48,221	16,427	134%	325,093	311,054	14,039	105%	734,500
Building and land rent									
Agri land rent	4,667	4,667	0	100%	22,833	23,333	-500	98%	56,000
Building rents - Long Term									
Short-term leasing	10,810	7,445	3,365	145%	85,553	37,225	48,328	230%	89,340
Building rents - Long Term - Other	69,102	65,375	3,727	106%	324,225	326,873	-2,648	99%	784,494
Total Building rents - Long Term	79,912	72,820	7,092	110%	409,778	364,098	45,680	113%	873,834
Land rent									
Basic Land Rent	7,456	8,096	-640	92%	40,884	40,479	405	101%	97,150
Property tax - tenant share	10,000	10,000	0	100%	50,000	50,000	0	100%	120,000
Total Land rent	18,561	18,096	465	103%	93,095	90,479	2,616	103%	217,150
Tank rent	808	792	16	102%	4,040	3,958	82	102%	9,500
Total Building and land rent	103,947	96,374	7,574	108%	529,746	481,869	47,878	110%	1,156,484
Other revenue									
Airport Marketing	217	4,000	-3,783	5%	14,486	20,000	-5,514	72%	48,000
Commissions	1,841	1,917	-75	96%	23,477	9,583	13,893	245%	23,000
Other income	11,617	3,750	7,867	310%	19,180	18,750	430	102%	45,000
Total Other revenue	13,676	9,667	4,010	141%	57,143	48,333	8,809	118%	116,000
Total Income	182,271	154,261	28,010	118%	911,982	841,256	70,726	108%	2,006,984
Gross Profit	182,271	154,261	28,010	118%	911,982	841,256	70,726	108%	2,006,984
Expense									
Administrative expenses									
A/E, consultants, brokers	850	1,250	-400	68%	850	6,250	-5,400	14%	15,000
Airport promotion	419	4,833	-4,414	9%	16,734	24,167	-7,432	69%	58,000
Computer/Network Admin.	482	1,125	-643	43%	6,974	5,625	1,349	124%	13,500
Dues and subscriptions	1,063	2,083	-1,020	51%	12,055	10,417	1,639	116%	25,000
Employee retirement	4,983	5,583	-600	89%	24,571	27,917	-3,346	88%	67,000
FICA and medicare tax expense	4,387	4,667	-279	94%	21,683	23,333	-1,651	93%	56,000
Industrial development	0	0	0	0%	12,500	12,500	0	100%	25,000
Insurance, property	13,050	12,500	550	104%	57,644	62,500	-4,856	92%	150,000
Insurance, medical	17,237	14,167	3,070	122%	83,056	70,833	12,222	117%	170,000
Kansas unemployment tax	0	83	-83	0%	169	417	-248	41%	1,000
Legal and accounting	929	2,667	-1,738	35%	7,753	13,333	-5,581	58%	32,000
Office salaries	33,429	37,387	-3,958	89%	164,248	186,935	-22,688	88%	448,645
Office Supplies	552	567	-15	97%	3,235	2,833	401	114%	6,800
Other administrative expense	219	417	-198	53%	2,853	2,083	770	137%	5,000
Postage	16	250	-234	7%	1,063	1,250	-187	85%	3,000
Property tax expense	13,333	13,333	0	100%	66,667	66,667	-0	100%	160,000
Special Events	0	83	-83	0%	0	417	-417	0%	1,000
Telephone	1,477	1,378	99	107%	7,981	6,891	1,090	116%	16,538
Training	0	667	-667	0%	40	3,333	-3,293	1%	8,000
Travel and meetings	375	833	-458	45%	2,896	4,167	-1,271	70%	10,000
Total Administrative expenses	92,803	103,874	-11,071	89%	492,970	531,868	-38,898	93%	1,271,483

Salina Airport Authority
Profit & Loss Budget Performance
May 2017

	May 17	Budget	\$ Over Budget	% of Budget	Jan - May 17	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Maintenance expenses									
Airfield maintenance	1,931	2,083	-152	93%	8,200	10,417	-2,216	79%	25,000
Airport Security	0	42	-42	0%	0	208	-208	0%	500
Building maintenance	2,318	3,750	-1,432	62%	48,610	18,750	29,860	259%	45,000
Equipment fuel and repairs	4,916	4,542	374	108%	31,320	22,708	8,611	138%	54,500
Fire Services	0	1,250	-1,250	0%	0	6,250	-6,250	0%	15,000
Grounds maintenance	62	292	-230	21%	1,551	1,458	92	106%	3,500
Maintenance salaries	24,982	27,117	-2,135	92%	124,176	135,583	-11,408	92%	325,400
Other maintenance expenses	932	1,458	-527	64%	5,852	7,292	-1,440	80%	17,500
Snow removal expense	0	1,667	-1,667	0%	514	8,333	-7,819	6%	20,000
Utilities	12,601	16,667	-4,066	76%	115,832	83,333	32,499	139%	200,000
Total Maintenance expenses	47,742	58,867	-11,124	81%	336,054	294,334	41,721	114%	706,400
Total Expense	140,545	162,740	-22,195	86%	829,024	826,202	2,822	100%	1,977,883
Net Ordinary Income	41,726	-8,479	50,205	-492%	82,957	15,054	67,903	551%	29,101
Other Income/Expense									
Other Income									
Capital contributed	0	340,723	-340,723	0%	20,335	1,703,615	-1,683,280	1%	4,088,677
Gain on sale of assets	0	7,500	-7,500	0%	0	7,500	-7,500	0%	15,000
Interest income									
Interest income on deposits	110	83	27	132%	502	417	85	120%	1,000
Interest income - Other	0	0	0	0%	0	0	0	0%	0
Total Interest income	110	83	27	132%	502	417	85	120%	1,000
Mill levy income	172,656	172,656	0	100%	864,378	863,280	1,097	100%	2,071,873
Total Other Income	172,766	520,962	-348,196	33%	885,214	2,574,813	-1,689,598	34%	6,176,550
Other Expense									
Debt interest expense net									
Interest Expense on Debt	77,886	77,886	0	100%	389,431	389,431	0	100%	934,635
Total Debt interest expense net	78,033	77,886	147	100%	389,578	389,431	147	100%	934,635
Depreciation expense	224,565	224,565	0	100%	1,122,825	1,122,825	0	100%	2,694,780
Total Other Expense	302,598	302,451	147	100%	1,512,403	1,512,256	147	100%	3,629,415
Net Other Income	-129,832	218,511	-348,343	-59%	-627,189	1,062,556	-1,689,745	-59%	2,547,135
Net Income	-88,106	210,032	-298,138	-42%	-544,231	1,077,610	-1,621,842	-51%	2,576,236

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

8:55 AM
06/16/2017
Accrual Basis

	May 17	Jan - May 17	Annual Budget	+/- Annual Budget	% of Annual Budget
ASSETS					
Fixed Assets					
Fixed assets at cost					
Airfield					
AIP-36 Txy E Rehab Const. Ph 1	359,627	382,222	1,644,825	-1,262,603	23%
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	3,807	44,597	40,500	4,097	110%
Rwy 17/35 Improvements	178,976	199,714	180,000	19,714	111%
Total Airfield	542,410	626,533	3,916,708	-3,290,175	16%
Buildings & Improvements					
Building improvements					
Bldg. Imps. Other	790	8,857	17,500	-8,643	51%
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		10,700	31,000	-20,300	35%
Total Building improvements	790	28,244	88,500	-60,256	32%
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		26,821	5,000	21,821	536%
2nd Floor Remodel-SAA Admin Ofc		3,180	2,500	680	127%
Terminal Bldg. Other		0	47,000	-47,000	0%
Total Terminal building improvements	0	30,001	54,500	-24,499	55%
Total Buildings & Improvements	790	58,245	148,000	-89,755	39%
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	73	956	20,000	-19,044	5%
Total Environmental	73	956	20,000	-19,044	5%
Rail Spur Imps.		0	30,000	-30,000	0%
West Beechcraft Road Imps.	2,365	10,411	25,000	-14,589	42%
Total Land	2,438	11,011	75,500	-64,489	15%
Total Fixed assets at cost	545,638	707,009	4,160,208	-3,453,199	17%

Salina Airport Authority
Significant Capital Expenditures Detail
May 2017

06/16/17

Type	Date	Name	Memo	Amount	Balance
Fixed assets at cost					
Airfield					
AIP-36 Txy E Rehab Const. Ph 1					
Bill	05/31/2017	APAC-Kansas, Inc., Shears ...	AIP 36 - Txy E Rehab Construction (Est. 3)	327,439.96	327,439.96
Bill	05/31/2017	Jviation, Inc.	AIP 36 - Txy E Rehab Construction	32,187.42	359,627.38
Total AIP-36 Txy E Rehab Const. Ph 1				359,627.38	359,627.38
Airfield Improvements					
Bill	05/05/2017	Paving Maintenance Supply,...	Bulk order of Clima Patch (40 Pails with Heat Torch and Th...	3,807.45	3,807.45
Total Airfield Improvements				3,807.45	3,807.45
Fossett Plaza					
Bill	05/31/2017	B&B Metal Arts, LLC	Workers Comp Premium Reimbursement	1,111.00	1,111.00
Bill	05/31/2017	B&B Metal Arts, LLC	Payment Bond Reimbursement	6,338.00	7,449.00
Total Fossett Plaza				7,449.00	7,449.00
Rwy 17/35 Improvements					
Bill	05/10/2017	McConnell & Associates	Sealcoating and Painting	178,976.36	178,976.36
Total Rwy 17/35 Improvements				178,976.36	178,976.36
Total Airfield				549,860.19	549,860.19
Buildings & Improvements					
Building improvements					
Bldg. Imps. Other					
Bill	05/20/2017	Dellinger Fence Co.	B620 Universal Forest Products Expansion work	790.00	790.00
Total Bldg. Imps. Other				790.00	790.00
Total Building improvements				790.00	790.00
Total Buildings & Improvements				790.00	790.00
Land					
Environmental					
Environmental - SAFB					
Bill	05/31/2017	Clark, Mize & Linville	Env. legal fees - May 2017	73.35	73.35
Total Environmental - SAFB				73.35	73.35
Total Environmental				73.35	73.35
West Beechcraft Road Imps.					
Bill	05/31/2017	Lochner - BWR Division	Engineers report for Beechcraft Road Rehabilitation	2,365.00	2,365.00
Total West Beechcraft Road Imps.				2,365.00	2,365.00
Total Land				2,438.35	2,438.35
Total Fixed assets at cost				553,088.54	553,088.54
TOTAL				553,088.54	553,088.54

[G.O. BASIC DOCUMENTS]

- A. Excerpt of Minutes of Meeting approving sale, approving Bond Resolution
- B. Bond Resolution

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
HELD ON JUNE 21, 2017**

The Governing Body met in regular session at the usual meeting place, at [8:00 a.m.], the following members being present and participating, to-wit:

Present: _____.

Absent: _____.

The Chairman declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE SALE, ISSUANCE AND DELIVERY OF TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017-A, OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS), FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND A PORTION OF THE ISSUER'S OUTSTANDING GENERAL OBLIGATION BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

Thereupon, Director _____ moved that said Resolution be adopted. The motion was seconded by Director _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the Governing Body, the vote being as follows:

Aye: _____.

Nay: _____.

Thereupon, the Chairman declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. 17-05 and was signed by the Chairman and attested by the Secretary.

* * * * *

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the Governing Body of the Salina Airport Authority (Salina, Kansas), held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Secretary

RESOLUTION NO. 17-05

OF

SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

ADOPTED

JUNE 21, 2017

**TAXABLE GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-A**

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RESOLUTION NO. 17-05

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE SALE, ISSUANCE AND DELIVERY OF TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017-A, OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS), FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND A PORTION OF THE ISSUER'S OUTSTANDING GENERAL OBLIGATION BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the Salina Airport Authority (Salina, Kansas) (the "Issuer") is a legally constituted public airport authority, duly created, organized and existing under the Constitution and laws of the State, including specifically K.S.A. 27-315 *et seq.*; and

WHEREAS, the Issuer previously issued and has Outstanding the Refunded Bonds and is authorized by K.S.A. 10-427 *et seq.* to issue general obligation refunding bonds of the Issuer for the purpose of refunding the Refunded Bonds; and

WHEREAS, in order to achieve interest cost savings through early redemption of the Refunded Bonds, and provide an orderly plan of finance for the Issuer, it has become desirable and in the best interest of the Issuer and its inhabitants to authorize the issuance and delivery of the Bonds in order to provide funds to refund the Refunded Bonds; and

WHEREAS, in order to provide for the payment of the Refunded Bonds it is desirable to enter into an Escrow Trust Agreement, by and between the Issuer and the Escrow Agent; and

WHEREAS, the Governing Body of the Issuer hereby finds and determines that it is necessary for the Issuer to authorize the issuance and delivery of the Bonds in the principal amount of \$[PRINCIPAL AMOUNT] to refund the Refunded Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS), AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“**Act**” means the Constitution and statutes of the State including K.S.A. 10-101 *et seq.*, K.S.A. 10-427 *et seq.*, and K.S.A. 10-620 *et seq.*, all as amended and supplemented from time to time.

“**Authorized Denomination**” means \$5,000 or any integral multiples thereof.

“**Beneficial Owner**” of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

“**Bond and Interest Fund**” means the Bond and Interest Fund of the Issuer for its general obligation bonds.

“**Bond Counsel**” means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

“**Bond Payment Date**” means any date on which principal of or interest on any Bond is payable.

“**Bond Purchase Agreement**” means the Bond Purchase Agreement dated as of June 21, 2017 between the Issuer and the Purchaser.

“**Bond Register**” means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

“**Bond Registrar**” means the State Treasurer, and any successors and assigns.

“**Bond Resolution**” means this resolution relating to the Bonds.

“**Bonds**” means the Taxable General Obligation Refunding Bonds, Series 2017-A, authorized and issued by the Issuer pursuant to this Bond Resolution.

“**Business Day**” means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“**Cede & Co.**” means Cede & Co., as nominee of DTC and any successor nominee of DTC.

“**Chairman**” means the duly elected and acting Chairman, or in the Chairman’s absence, the duly appointed and/or elected Vice Chairman or Acting Chairman of the Issuer.

“**Costs of Issuance**” means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

“**Costs of Issuance Account**” means the Costs of Issuance Account for Taxable General Obligation Refunding Bonds, Series 2017-A created pursuant to *Section 501* hereof.

“**Dated Date**” means July 12, 2017.

“Debt Service Account” means the Debt Service Account for Taxable General Obligation Refunding Bonds, Series 2017-A created within the Bond and Interest Fund pursuant to *Section 501* hereof.

“Debt Service Requirements” means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

“Defaulted Interest” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“Defeasance Obligations” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“Derivative” means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

“Disclosure Undertaking” means the Issuer's Omnibus Continuing Disclosure Undertaking, as may be amended and supplemented, relating to certain obligations contained in the SEC Rule.

“**DTC**” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

“**DTC Representation Letter**” means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

“**Escrow Agent**” means Security Bank of Kansas City, Kansas City, Kansas, and its successors and assigns.

“**Escrow Agreement**” means the Escrow Trust Agreement, dated as of the Dated Date, between the Issuer and the Escrow Agent.

“**Escrow Fund**” means the Escrow Fund for Refunded Bonds referred to in *Section 501* hereof.

“**Escrowed Securities**” means the direct, noncallable obligations of the United States of America, as described in the Escrow Agreement.

“**Event of Default**” means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution (other than the covenants relating to continuing disclosure requirements contained herein and in the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

“**Fiscal Year**” means the twelve month period ending on December 31.

“**Funds and Accounts**” means funds and accounts created pursuant to or referred to in *Section 501* hereof.

“**Governing Body**” means the Board of Directors of the Issuer.

“**Independent Accountant**” means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

“**Interest Payment Date(s)**” means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2018.

“Issue Date” means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

“Issuer” means the Salina Airport Authority (Salina, Kansas) and any successors or assigns.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“Notice Address” means with respect to the following entities:

(a) To the Issuer at:

Salina Airport Authority (Salina, Kansas)
3237 Arnold Ave
Salina, Kansas 67401
Phone No. 785-827-3914
Fax No. 785-827-2221

(b) To the Paying Agent at:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235
Fax: (785) 296-6976

(c) To the Purchaser:

Robert W. Baird & Co., Incorporated
777 E. Wisconsin Avenue
29th Floor
Milkwaukee, Wisconsin 53202

(d) To the Rating Agency(ies):

Moody’s Municipal Rating Desk
7 World Trade Center
250 Greenwich Street
23rd Floor
New York, New York 10007

(e) To the Escrow Agent at:

Security Bank of Kansas City
Corporate Trust Department
701 Minnesota Avenue
Suite 206, P.O. Box 171297
Kansas City, Kansas 66117
Fax: (913) 279-7960

or such other address as is furnished in writing to the other parties referenced herein.

“Notice Representative” means:

- (a) With respect to the Issuer, the Secretary.
- (b) With respect to the Bond Registrar and Paying Agent, the Director of Bond Services.
- (c) With respect to any Purchaser, the manager of its Municipal Bond Department.
- (d) With respect to any Rating Agency, any Vice President thereof.
- (e) With respect to the Escrow Agent, the Manager of the Corporate Trust Department.

“Official Statement” means the Issuer’s Official Statement relating to the Bonds.

“Outstanding” means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of this Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means the State Treasurer, and any successors and assigns.

“Permitted Investments” shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and

amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located; (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f) all as may be further restricted or modified by amendments to applicable State law.

"Person" means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"Purchase Price" means the amount set forth in the Bond Purchase Agreement.

"Purchaser" means Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin, the original purchaser of the Bonds, and any successor and assigns.

"Rating Agency" means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

"Record Dates" for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

"Redemption Date" means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

"Redemption Price" means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

"Refunded Bonds" means collectively: (a) the Series 2009-B Bonds maturing in the years 2022 to 2026, inclusive, in the principal amount of \$2,140,000; and (b) the Series 2011-A Bonds maturing in the years 2024 to 2030, inclusive, in the principal amount of \$7,340,000.

"Refunded Bonds Paying Agent" means the respective paying agent for each series of the Refunded Bonds as designated in the respective Refunded Bonds Resolution, and any successor or successors at the time acting as paying agent for any of the Refunded Bonds.

"Refunded Bonds Redemption Date" means September 1, 2019.

"Refunded Bonds Resolution" means each resolution which authorized the Refunded Bonds.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Bonds in accordance with *Article II* hereof.

“SEC Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

“Securities Depository” means, initially, DTC, and its successors and assigns.

“Secretary” means the duly appointed and/or elected Secretary or, in the Secretary’s absence, the duly appointed deputy Secretary or acting Secretary of the Issuer.

“Series 2009-B Bonds” means the Issuer’s Taxable General Obligation Bonds, Series 2009-B, dated June 1, 2009.

“Series 2011-A Bonds” means the Issuer’s Taxable General Obligation Bonds, Series 2011-A, dated August 15, 2011.

“Series 2009-B Principal and Interest Account” means the Principal and Interest Account for the Series 2009-B Bonds.

“Series 2011-A Principal and Interest Account” means the Principal and Interest Account for the Series 2011-A Bonds.

“Special Record Date” means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

“Standard & Poor’s” or “S&P” means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“State” means the state of Kansas.

“State Treasurer” means the duly elected Treasurer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

[**“Term Bonds”** means the Bonds scheduled to mature in the year 20___.]

[**“___ Term Bonds”** means the Bonds scheduled to mature in the year _____.]

“Treasurer” means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

“United States Government Obligations” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and

interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

“**Verification Report**” means the verification report referenced in *Article V* hereof relating to the sufficiency of money and obligations deposited in the Escrow Fund to be applied in accordance with the Escrow Agreement.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the Taxable General Obligation Refunding Bonds, Series 2017-A, of the Issuer in the principal amount of \$[PRINCIPAL AMOUNT], for the purpose of providing funds to: (a) refund the Refunded Bonds; and (b) pay Costs of Issuance.

Section 202. Description of the Bonds. The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in *Article III* hereof, and shall bear interest at the rates per annum as follows:

SERIAL BONDS

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>	<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2018			2025		
2019			2026		
2020			2027		
2021			2028		
2022			2029		
2023			2030		
2024					

[TERM BONDS

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
20__	\$_____	_____%]

The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in *Section 204* hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as **EXHIBIT A** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Chairman of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent

for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 206. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Internal Revenue Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its

intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this *Article II*.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Chairman, attested by the manual or facsimile signature of the Secretary and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Chairman and Secretary are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Secretary, which registration shall be evidenced by the manual or facsimile signature of the Secretary with the seal of the Issuer affixed thereto or imprinted thereon, and registered in the office of the Clerk of Saline County, Kansas, which registration shall be evidenced by the manual or facsimile signature of the Clerk of Saline County, Kansas with the seal of Saline County, Kansas affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Chairman and Secretary are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as *EXHIBIT A* hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

Section 208. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such

security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

Section 209. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Book-Entry Bonds; Securities Depository. The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Bond Registrar

shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in an Authorized Denominations and form as provided herein.

Section 211. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 212. Preliminary and Final Official Statement. The Preliminary Official Statement dated [_____, 2017], is hereby ratified and approved. For the purpose of enabling the Purchaser to comply with the requirements of Section (b)(1) of the SEC Rule, the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Section (b)(1) of the SEC Rule, and the appropriate officers of the Issuer are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their

reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the SEC Rule.

The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Chairman or Treasurer of the Issuer are hereby authorized to execute the Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the Issue Date.

The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of the SEC Rule and Rule G-32 of the Municipal Securities Rulemaking Board.

Section 213. Sale of the Bonds – Bond Purchase Agreement. The Chairman is hereby authorized to enter into the Bond Purchase Agreement between the Issuer and the Purchaser in substantially the form submitted to the Governing Body concurrently with the adoption of this Resolution, with such changes therein as shall be approved by the Chairman, such officer's signature thereon being conclusive evidence of the approval thereof. The execution of the Bond Purchase Agreement by the Chairman is hereby ratified and confirmed. Pursuant to the Bond Purchase Agreement, the Issuer agrees to sell the Bonds to the Purchaser for the Purchase Price, upon the terms and conditions set forth therein.

Section 214. Authorization of Escrow Agreement. The Issuer is hereby authorized to enter into the Escrow Agreement and the Chairman and Secretary are hereby authorized and directed to execute the Escrow Agreement with such changes therein as such officials may deem appropriate, for and on behalf of and as the act and deed of the Issuer. The Escrow Agent is hereby authorized to carry out, on behalf of the Issuer, the duties, terms and provisions of the Escrow Agreement, and the Escrow Agent, the Purchaser and Bond Counsel are authorized to take all necessary actions for the subscription and purchase of the Escrowed Securities described therein including the subscription for United States Treasury Securities – State and Local Government Series.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 2026, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on September 1, 2025, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

[**Mandatory Redemption.** [(a) 20__ Term Bonds.] The 20__ Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited

into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 20__ Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$	

*

*Final Maturity

[(b) 20__ Term Bonds. The 20__ Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in *Article IV* hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 20__ Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$	

[____]*

*Final Maturity]

[At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the Issuer under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity as designated by the Issuer, and the principal amount of Term Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.]

Section 302. Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of

less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. [The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Term Bonds hereunder, and Term Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.]

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and
- (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. Further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange

Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for the Bonds. The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 402. Levy and Collection of Annual Tax; Transfer to Debt Service Account. The Governing Body of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Debt Service Account for Taxable General Obligation Refunding Bonds, Series 2017-A (within the Bond and Interest Fund).

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

In addition to the Funds and Accounts described above, the Escrow Agreement establishes the following Funds and Accounts to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement:

- (a) Escrow Fund for Refunded Bonds.
- (b) Costs of Issuance Account for Taxable General Obligation Refunding Bonds, Series 2017-A.

Section 502. Deposit of Bond Proceeds and Other Moneys. The net proceeds received from the sale of the Bonds and certain other funds shall be deposited simultaneously with the delivery of the Bonds as follows:

- (a) All accrued interest received from the sale of the Bonds shall be deposited in the Debt Service Account.
- (b) The sum of \$[_____] from proceeds of the Bonds shall be transferred to the Escrow Agent for deposit in the Escrow Fund and applied in accordance with the Escrow Agreement.
- (c) The sum of \$[_____] representing funds on hand in the Series 2009-A Principal and Interest Account and Series 2011-B Principal and Interest Account shall be transferred to the Escrow Agent for deposit in the Escrow Fund and applied in accordance with the Escrow Agreement.

Section 503. Application of Moneys in the Escrow Fund. Under the Escrow Agreement, the Escrow Agent will apply moneys in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Agreement. The cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely in the manner authorized by the Escrow Agreement. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Refunded Bond Resolution and the Escrow Agreement.

Section 504. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Escrow Agent to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Issuer for deposit into the Debt Service Account.

Section 505. Application of Moneys in Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and

shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

Section 506. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the city of the Issuer; or (b) if no such entity has a main or branch office located in the city of the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account other than the Escrow Fund may be invested in accordance with this Bond Resolution in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account.

Section 507. Verification of Certified Public Accountant. Prior to or concurrently with the issuance and delivery of the Bonds and the creation of the Escrow Fund, the Issuer shall obtain a Verification Report from an independent certified public accountant that such accountant has verified the accuracy of the calculations that demonstrate that the money and obligations required to be deposited with the Escrow Agent pursuant to this *Article V* and the Escrow Agreement, together with the earnings to accrue thereon, will be sufficient for the timely payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds in accordance with the Escrow Agreement.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Remedies. The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall

have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with *Article III* hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

ARTICLE VIII

CONTINUING DISCLOSURE REQUIREMENTS

Section 801. Disclosure Requirements. The Issuer hereby covenants with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking, the provisions of which are incorporated herein by reference. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Section 802. Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its covenants contained in the preceding section, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in the preceding section or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section. Notwithstanding any other provision of this Bond Resolution, failure of the Issuer to comply with its covenants contained in the preceding section shall not be considered an Event of Default under this Bond Resolution.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 901. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Secretary. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the Governing Body of the Issuer shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

Section 902. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Secretary, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the Governing Body of the Issuer at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the Governing Body of the Issuer amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Secretary, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Bond Resolution will be sent by the Secretary to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Secretary a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

Section 903. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person

or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 904. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Section 905. Electronic Transactions. The issuance of the Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Section 906. Further Authority. The officers and officials of the Issuer, including the Chairman, Secretary, Treasurer, and chief financial officer of the Issuer, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 907. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 908. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 909. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body of the Issuer.

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ADOPTED by the Governing Body of the Issuer on June 21, 2017.

(SEAL)

Chairman

ATTEST:

Secretary

**EXHIBIT A
(FORM OF BONDS)**

**REGISTERED
NUMBER** __

**REGISTERED
\$**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF SALINE
SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)
TAXABLE GENERAL OBLIGATION REFUNDING BOND
SERIES 2017-A**

**Interest
Rate:**

**Maturity
Date:**

**Dated
Date: July 12, 2017**

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the Salina Airport Authority (Salina, Kansas), in the County of Saline, State of Kansas (the “Issuer”), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2018 (the “Interest Payment Dates”), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on

the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or, (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

Authorization of Bonds. This Bond is one of an authorized series of Bonds of the Issuer designated “Taxable General Obligation Refunding Bonds, Series 2017-A,” aggregating the principal amount of \$[PRINCIPAL AMOUNT] (the “Bonds”) issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Bonds (the “Bond Resolution”). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 10-101 *et seq.*, K.S.A. 10-427 *et seq.* and K.S.A. 10-620 *et seq.*, all as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Bonds constitute general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Redemption Prior to Maturity. The Bonds are subject to redemption prior to maturity, as set forth in the Bond Resolution.

Book-Entry System. The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Bond Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository’s participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such

participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements among the Issuer, the Bond Registrar and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE BOND RESOLUTION, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its Secretary, and its seal to be affixed hereto or imprinted hereon.

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)**

(Facsimile Seal)

By: _____ (facsimile)
Chairman

ATTEST:

By: _____ (facsimile)
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of a series of Taxable General Obligation Refunding Bonds, Series 2017-A, of the Salina Airport Authority (Salina, Kansas), described in the within-mentioned Bond Resolution.

Registration Date _____

Kansas State Treasurer,
Topeka, Kansas
as Bond Registrar and Paying Agent

By _____

Registration Number _____

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$_____, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint _____ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____

Name

Social Security or
Taxpayer Identification No.

Signature (Sign here exactly as name(s)
appear on the face of Certificate)

Signature guarantee:

By _____

CERTIFICATE OF CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, Secretary of the Salina Airport Authority (Salina, Kansas), does hereby certify that the within Bond has been duly registered in my office according to law as of July 12, 2017.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____
 (facsimile)
 Secretary

CERTIFICATE OF COUNTY CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, County Clerk of Saline County, Kansas, does hereby certify that the within Bond has been duly registered in my office according to law as of _____, 2017.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____
 (facsimile)
 County Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

JAKE LATURNER, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in the office of the State Treasurer, and that this Bond was registered in such office according to law on _____.

WITNESS my hand and official seal.

(Seal)

By: _____
 (manual)
 Treasurer of the State of Kansas

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

GILMORE & BELL, P.C.
Attorneys at Law
2405 Grand Boulevard
Suite 1100
Kansas City, Missouri 64108

(PRINTED LEGAL OPINION)

BOND PURCHASE AGREEMENT

BETWEEN

SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

AND

**ROBERT W. BAIRD & CO., INCORPORATED
MILWAUKEE, WISCONSIN**

**[\$[PRINCIPAL AMOUNT A]
TAXABLE GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-A**

AND

**[\$[PRINCIPAL AMOUNT B]
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-B**

SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
[\$[PRINCIPAL AMOUNT A]
TAXABLE GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-A
AND
[\$[PRINCIPAL AMOUNT B]
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-B

[June 21], 2017

Chairman and Governing Body
Salina Airport Authority (Salina, Kansas)

BOND PURCHASE AGREEMENT

On the basis of the representations, warranties and covenants and upon the terms and conditions contained in this Bond Purchase Agreement, Robert W. Baird & Co., Incorporated, Milwaukee, Wisconsin, (the “Purchaser”), hereby offers to purchase all (but not less than all) of the Taxable General Obligation Refunding Bonds, Series 2017-A (the “Series 2017-A Bonds”) and General Obligation Refunding Bonds, Series 2017-B (the “Series 2017-B Bonds”) (collectively, the “Bonds”) to be issued by the Salina Airport Authority (Salina, Kansas) (the “Issuer”), under and pursuant to Resolutions to be adopted by the Board of Directors of the Issuer (the “Governing Body”) on [this date][June 21, 2017] (the “Bond Resolution”). All capitalized terms not specifically defined herein shall have the same meaning as defined in the Bond Resolution, unless some other meaning is plainly indicated.

This offer is made subject to acceptance of this Bond Purchase Agreement by or on behalf of the Governing Body on or before [____:____] p.m., applicable Central time, on [this date][June 21, 2017] (the “Sale Date”).

SECTION 1. PURCHASE, SALE AND DELIVERY OF THE BONDS

(a) On the basis of the representations, warranties and covenants contained herein and in the other agreements and documents referred to herein, and subject to the terms and conditions herein set forth, the Purchaser agrees to purchase from the Issuer and the Issuer agrees to sell to the Purchaser the Bonds not later than 12:00 Noon, applicable Central time on July 12, 2017, or such other place, time or date as shall be mutually agreed upon by the Issuer and the Purchaser, at the purchase price set forth on *Exhibit A* attached hereto, plus accrued interest from the Dated Date to the Closing Date (the “Purchase Price”). The date of such delivery and payment is herein called the “Closing Date,” the hour and date of such delivery and payment is herein called the “Closing Time” and the transactions to be accomplished for delivery of the Bonds on the Closing Date shall be herein called the “Closing.” The Bonds shall be issued under and secured as provided in the Bond Resolution and the Bonds shall have the maturities and interest rates as set forth therein and on *Exhibit A* attached hereto, which also contains a summary of the redemption provisions of the Bonds. The Bonds shall contain such other provisions as are described in the Bond Resolution and the Official Statement (as hereinafter defined).

(b) The Issuer acknowledges and agrees that: (1) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm’s-length commercial transaction between the Issuer and the Purchaser; (2) in connection with such transaction, the Purchaser is acting solely as a principal

and not as an agent or a fiduciary of the Issuer; (3) the Purchaser has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to the offering of the Bonds or the process leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has advised or is currently advising the Issuer on other matters) or any other obligation to the Issuer except with respect to the obligations expressly set forth in this Bond Purchase Agreement; and (4) the Issuer has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

(c) Payment of the Purchase Price for the Bonds shall be made by federal wire transfer in immediately available federal funds, payable to the order of the Escrow Agent for the account of the Issuer on or before the Closing Time on the Closing Date. Upon such payment, the Bonds shall be delivered and released upon the instructions of the Purchaser to The Depository Trust Company, New York, New York (“DTC”).

(d) The delivery of the Bonds shall be made in “book-entry-only” fully registered form duly executed and authenticated and bearing CUSIP numbers (provided neither the printing of a wrong CUSIP number on any Bond nor the failure to print a number thereon shall constitute cause to refuse delivery of any Bond); provided, however, that the Bonds may be delivered in temporary form. The Bonds shall be available at DTC at least 24 hours prior to the Closing Time.

(e) The Purchaser agrees to offer the Bonds to the public initially at the offering prices or yields set forth in *Exhibit A-1* attached hereto, but may subsequently change such offering prices [**USE ONLY IF HOLD-THE-OFFERING-PRICE RULE OPTION USED:** (except to the extent the Purchaser may have agreed otherwise in *Section 2* by committing to the Hold-The-Offering-Price Rule)]. The Purchaser agrees to notify the Issuer of such changes, if such changes occur prior to the Closing Time, but failure so to notify shall not invalidate such changes.

SECTION 2. ESTABLISHMENT OF ISSUE PRICE

(a) The Purchaser agrees to assist the Issuer in establishing the issue price of the Series 2017-B Bonds and shall execute and deliver to the Issuer at the Closing Time an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Exhibit A-3* with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2017-B Bonds (the “Issue Price Certificate”). The Purchaser confirms that it has offered the Series 2017-B Bonds to the public on or before the Sale Date at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in *Exhibit A-1* attached hereto, except as otherwise set forth therein. The Purchaser acknowledges that it is an “underwriter” as said term is defined in *subsection (c)* hereof.

(b) The Issuer will treat the price at which the first 10% of each maturity of the Series 2017-B Bonds is sold to the public (the “10% Test”) as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). *Exhibit A-2* sets forth, as of the Sale Date, the maturities of the Series 2017-B Bonds for which the 10% Test has been satisfied and the maturities of the Series 2017-B Bonds, if any, for which the 10% Test has not been satisfied and for which the Issuer and the Purchaser agree that the restrictions set forth in the next sentence shall apply. If the 10% Test has not been satisfied as to any maturity of the Series 2017-B Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which it sells the unsold Series 2017-B Bonds of that maturity to the public.

[USE THIS PARAGRAPH (b) ONLY IF THE PURCHASER AGREES TO APPLY THE HOLD-THE-OFFERING-PRICE RULE:

(b) The Issuer will treat the price at which the first 10% of each maturity of the Series 2017-B Bonds is sold to the public (the “10% Test”) as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). *Exhibit A-2* sets forth, as of the Sale Date, the maturities of the Series 2017-B Bonds for which the 10% Test has been satisfied. *Exhibit A-2* also sets forth, as of the Sale Date, the maturities, if any, of the Series 2017-B Bonds for which the 10% Test has not been satisfied and for which the Issuer and the Purchaser agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the Sale Date as the issue price of that maturity (the “Hold-The-Offering-Price Rule”). So long as the Hold-The-Offering-Price Rule remains applicable to any maturity of the Series 2017-B Bonds, the Purchaser will neither offer nor sell unsold Series 2017-B Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) Business Day after the Sale Date; or
- (2) the date on which the Purchaser has sold at least 10% of that maturity of the Series 2017-B Bonds to the public at a price that is no higher than the initial offering price to the public.

The Purchaser shall promptly advise the Issuer when it has sold 10% of that maturity of the Series 2017-B Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) Business Day after the Sale Date.

The Purchaser confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Series 2017-B Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2017-B Bonds of each maturity allotted to it until it is notified by the Purchaser that either the 10% Test has been satisfied as to the Series 2017-B Bonds of that maturity or all Series 2017-B Bonds of that maturity have been sold to the public and (B) comply with the Hold-The-Offering-Price Rule, if applicable, in each case if and for so long as directed by the Purchaser. The Issuer acknowledges that, in making the representation set forth in this subsection, the Purchaser will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2017-B Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the Hold-The-Offering-Price Rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Series 2017-B Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the Hold-The-Offering-Price Rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Issuer further acknowledges that the Purchaser shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the Hold-The-Offering-Price Rule as applicable to the Series 2017-B Bonds.]*

(c) The Purchaser acknowledges that sales of any Series 2017-B Bonds to any person that is a related party to the Purchaser shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (1) “public” means any person other than an underwriter or a related party;

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2017-B Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2017-B Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2017-B Bonds to the public); and

(3) a purchaser of any of the Series 2017-B Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(d) In conjunction with: (1) an audit or inquiry by the Internal Revenue Service (the “IRS”) or the Securities and Exchange Commission (the “SEC”) relating to the pricing of the Bonds, or (2) the implementation of future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority regarding the retention of pricing data for the Bonds, at the request of the Issuer, the Purchaser will provide information explaining the factual basis for the Purchaser’s representations in the Issue Price Certificate relating to the pricing of the Bonds, other than information that would identify customers (e.g., name or account number). This agreement by the Purchaser to provide such information will continue to apply after the Closing Time but shall not extend to any customer data or other confidential or proprietary information of the Purchaser.

SECTION 3. OFFICIAL STATEMENT

(a) The Issuer has previously furnished to the Purchaser the Preliminary Official Statement, dated June [____], 2017, relating to the Bonds, including all appendices thereto and maps and pictorial information included therein, as may have been amended or supplemented (the “Preliminary Official Statement”). For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12 of the SEC (the “Rule”), promulgated under the Securities Exchange Act of 1934, as amended (the “1934 Act”), the Issuer has previously deemed the Preliminary Official Statement “final” as of its date, except for the omission of such information as is permitted by such Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters. The Issuer hereby ratifies and confirms the Purchaser’s use and public distribution of the Preliminary Official Statement in connection with the offering for sale of the Bonds.

(b) The Issuer will cause the Preliminary Official Statement to be amended and supplemented into a final official statement to be dated the Sale Date (the “Official Statement”). The Issuer agrees to provide to the Purchaser within seven business days of the Sale Date or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board (the “MSRB”). The Issuer hereby confirms the authority of the Purchaser to use, and consents to the use of, the Official Statement in connection with the public offering and sale of the Bonds.

(c) The Preliminary Official Statement and Official Statement may be delivered in printed and/or electronic form to the extent permitted by the applicable rules of the MSRB and as may be agreed to by the Issuer and the Purchaser.

(d) If, prior to the earlier of: (1) 90 days after the “end of the underwriting period” (as defined in the Rule); or (2) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, specifically including the MSRB’s Electronic Municipal Market Access system (“EMMA”), but in no case earlier than 25 days after the end of the underwriting period, any event shall occur relating to or affecting the Issuer, as a result of which it is necessary to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances existing when the Official Statement is delivered to a purchaser, not materially misleading, or the Official Statement is required to be amended or supplemented to comply with law, the Issuer shall promptly prepare and furnish, at the expense of the Issuer, to the Purchaser and to the dealers (whose names and addresses the Purchaser will furnish to the Issuer) to which Bonds may have been sold by the Purchaser and to any other dealers upon request, such amendments or supplements to the Official Statement as may be necessary so that the statements in the Official Statement as so amended or supplemented will not, in the light of the circumstances existing when the Official Statement is delivered to a purchaser of the Bonds, be misleading or so that the Official Statement will comply with law.

(e) From the Sale Date until the Closing Time, the Issuer shall furnish the Purchaser with a copy of any proposed amendment or supplement to the Official Statement for review and shall not use any such proposed amendment or supplement to which the Purchaser reasonably objects.

(f) The Issuer authorizes the Purchaser to file, to the extent required by applicable SEC or MSRB rule, and the Purchaser agrees to file or cause to be filed, the Official Statement with: (1) the MSRB or its designee, including EMMA; or (2) other repositories approved from time to time by the SEC (either in addition to or in lieu of the filings referred to above). If an amended Official Statement is prepared in accordance with *Section 3(d)*, the Purchaser also shall make the required filings of the amended Official Statement in the manner set forth in this section.

SECTION 4. REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF THE PURCHASER

By the execution hereof the Purchaser hereby represents, warrants and agrees with the Issuer that as of the date hereof and at the Closing Time the Purchaser is duly authorized to enter into this Bond Purchase Agreement and to take all actions required or contemplated to be performed by the Purchaser under this Bond Purchase Agreement.

SECTION 5. ISSUER’S REPRESENTATIONS AND WARRANTIES

By the Issuer’s acceptance hereof the Issuer hereby represents and warrants to, and agrees with, the Purchaser that as of the date hereof and at the Closing Time:

(a) The Issuer is an instrumentality issuing on behalf of the City of Salina, Kansas, a political subdivision duly organized under the laws of the State of Kansas (the “State”).

(b) The Issuer has complied with all provisions of the Constitution and laws of the State and has full power and authority to consummate all transactions contemplated by the Bond Resolution and this Bond Purchase Agreement, and all other agreements relating thereto.

(c) The Issuer has duly authorized by all necessary action to be taken by the Issuer: (1) the adoption and performance of the Bond Resolution; (2) the execution, delivery and performance of this Bond Purchase Agreement; (3) the execution and performance of the Escrow Trust Agreement between the Issuer and the Escrow Agent; (4) the approval of the Official Statement; (5) the execution and performance of any and all such other agreements and documents as may be required to be executed, delivered and performed by the Issuer in order to carry out, give effect to and consummate the transactions contemplated by the Bond Resolution and this Bond Purchase Agreement; and (6) the carrying out, giving effect to and consummation of the transactions contemplated by the Bond Resolution and this Bond Purchase Agreement. Executed counterparts of the Bond Resolution and all such other agreements and documents specified herein will be made available to the Purchaser by the Issuer at the Closing Time.

(d) The Bond Resolution, the Escrow Trust Agreement and this Bond Purchase Agreement, when executed and delivered by the Issuer, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Issuer and further subject to the availability of equitable remedies.

(e) The Bonds have been duly authorized by the Issuer, and when issued, delivered and paid for as provided for herein and in the Bond Resolution, will have been duly executed, authenticated, issued and delivered and will constitute valid and binding general obligations of the Issuer enforceable in accordance with their terms and entitled to the benefits and security of the Bond Resolution (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Issuer and further subject to the availability of equitable remedies). The Bonds are general obligations of the Issuer, payable as to both principal and interest, if necessary, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer.

(f) The execution and delivery of the Bond Resolution, this Bond Purchase Agreement, the Escrow Trust Agreement, the Official Statement and the Bonds, and compliance with the provisions thereof, will not conflict with or constitute on the part of the Issuer a violation or breach of, or a default under, any existing law, regulation, court or administrative decree or order, or any agreement, ordinance, resolution, mortgage, lease or other instrument to which it is subject or by which it is or may be bound.

(g) The Issuer is not, or with the giving of notice or lapse of time or both would not be, in violation of or in default under its organizational documents or any indenture, mortgage, deed of trust, loan agreement, bonds or other agreement or instrument to which the Issuer is a party or by which it is or may be bound, except for violations and defaults which individually and in the aggregate are not material to the Issuer and will not be material to the beneficial owners of the Bonds. As of the Closing Time, no event will have occurred and be continuing which with the lapse of time or the giving of notice, or both, would constitute an event of default under the Bond Resolution, the Escrow Trust Agreement or the Bonds.

(h) The Preliminary Official Statement did not, and the Official Statement and in any amendment or supplement thereto, will not, as of the Closing Time, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading; provided that, the Issuer makes no statement as to the Excluded Sections (as defined in **Section 7(b)(2)** hereof).

(i) The financial statements of the Issuer attached to the Official Statement as *Appendix C* thereto, except as noted therein, present fairly and accurately the financial condition of the Issuer as of the dates indicated and the results of its operations for the periods specified, and such financial statements are prepared in the method stated therein consistently applied in all material respects for the periods involved.

(j) The Issuer has not, since the date of such financial statements, incurred any material liabilities and there has been no material adverse change in the condition of the Issuer, financial or otherwise, other than as set forth in the Official Statement.

(k) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer (or, to its knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Bond Resolution or the validity of the Bonds, the Bond Resolution, the Escrow Trust Agreement, this Bond Purchase Agreement or any agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Bond Resolution.

(l) The Issuer has adopted an Omnibus Continuing Disclosure Undertaking (the “Disclosure Undertaking”) in which the Issuer covenants to provide and disseminate certain financial information, operating data and event notices in the manner and to the extent required by the Rule. The Bond Resolution contains a covenant of the Issuer to apply the provisions of the Disclosure Undertaking to the Bonds. A copy of the Disclosure Undertaking is attached to the Preliminary Official Statement and Official Statement. Except to the extent disclosed in the Official Statement, at no time in the last five years has the Issuer failed to comply in any material respect with any of the informational reporting undertakings contained in any previous continuing disclosure undertakings made by the Issuer pursuant to the Rule.

Any certificate signed by any of the authorized officials of the Issuer and delivered to the Purchaser in connection with the Closing shall be deemed a representation and warranty by the Issuer to the Purchaser as to the statements made therein.

SECTION 6. COVENANTS AND AGREEMENTS OF THE ISSUER

The Issuer covenants and agrees with the Purchaser for the time period specified, and if no period is specified, for so long as any of the Bonds remain Outstanding, as follows:

(a) The proceeds of the Bonds will be used as provided in the Bond Resolution in accordance with the laws of the State.

(b) The proceeds of the Series 2017-B Bonds shall not be used in a manner which would jeopardize the exclusion of interest on the Series 2017-B Bonds from gross income for federal income tax purposes.

(c) To cooperate with the Purchaser and its counsel in any reasonable endeavor to qualify the Bonds for offering and sale under the securities or “Blue Sky” laws of such jurisdictions of the United States as the Purchaser may reasonably request; provided that nothing contained herein shall require the Issuer to file written consents to suit and file written consents to service of process in any jurisdiction in which such consent may be required by law or regulation so that the Bonds may be offered or sold. The Issuer consents to the use of drafts of the Preliminary Official Statement, the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement, by the

Purchaser in obtaining such qualification. The Purchaser shall pay all expenses and costs (including legal, registration and filing fees) incurred in connection therewith.

SECTION 7. CONDITIONS TO THE PURCHASER'S OBLIGATIONS

The Purchaser's obligations hereunder shall be subject to the due performance by the Issuer of the Issuer's obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the Issuer's representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) The Bond Resolution, the Escrow Trust Agreement and the Bonds shall have been duly authorized, executed and delivered in the form previously approved by the Purchaser with only such changes therein as shall be mutually agreed upon by the Issuer and the Purchaser.

(b) At the Closing Time, the Purchaser shall receive:

(1) Opinions dated as of the Closing Date of Gilmore & Bell, P.C. ("Bond Counsel"), substantially in the form attached hereto as *Exhibits B-1, B-2* and *B-3*.

(2) A certificate of the Issuer, satisfactory in form and substance to the Purchaser, dated as of the Closing Date, to the effect that: (A) since the date of the Official Statement there has not been any material adverse change in the business, properties, financial condition or results of operations of the Issuer, whether or not arising from transactions in the ordinary course of business, from that set forth in the Official Statement, and except in the ordinary course of business or as set forth in the Official Statement, the Issuer has not incurred any material liability; (B) there is no action, suit, proceeding or, to the knowledge of the Issuer, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer, its officers or its property or, to the best of the knowledge of the Issuer, any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the Issuer, the transactions contemplated hereby or by the Bond Resolution, the Escrow Trust Agreement or the Official Statement or the validity or enforceability of the Bonds, the Escrow Trust Agreement or the Bond Purchase Agreement, which are not disclosed in the Official Statement; (C) to the knowledge of the Issuer, the information contained in the Official Statement, other than the sections entitled "Tax Matters," and *Appendix B* (collectively, the "Excluded Sections"), for which the Issuer expresses no opinion, is true in all material respects and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; (D) the Issuer has duly authorized, by all necessary action, the execution, delivery and due performance by the Issuer of the Escrow Trust Agreement and this Bond Purchase Agreement; and (E) the representations and warranties of the Issuer set forth herein were accurate and complete as of the date hereof and are accurate and complete as of the Closing Time.

(3) An executed Tax Compliance Agreement for the Series 2017-B Bonds, satisfactory in form and substance to the Purchaser, dated as of the Closing Date, with an attached completed and executed IRS Form 8038-G.

(4) An executed copy of the Disclosure Undertaking.

(5) Receipt of municipal bond ratings for the Series 2017-A Bonds and Series 2017-B Bonds by Moody's of at least "[__]" and "[__]", respectively.

(6) Such additional certificates, legal and other documents, listed on a closing agenda to be approved by Bond Counsel and counsel to the Purchaser, as the Purchaser may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Bond Resolution, or as Bond Counsel shall require in order to render its opinion, all such certificates and other documents to be satisfactory in form and substance to the Purchaser.

Subsequent to Closing, the Purchaser shall receive a complete Transcript of the Proceedings relating to the issuance of the Bonds in CD-ROM format, which shall specifically include each of the foregoing documents.

SECTION 8. CONDITIONS TO THE ISSUER'S OBLIGATIONS

The obligations of the Issuer hereunder are subject to: (a) the Purchaser's performance of its obligations hereunder; and (b) the receipt of a letter, in form and substance satisfactory to the Issuer and the Purchaser, from an Independent Accountant verifying the mathematical accuracy of the computations relating to payment of the Bonds and arbitrage calculations for the sufficiency of funds and Defeasance Obligations deposited to and held under the Escrow Trust Agreement to provide for payment of the Refunded Bonds in accordance with the Bond Resolution and the Escrow Agreement.

SECTION 9. THE PURCHASER'S RIGHT TO CANCEL

The Purchaser shall have the right to cancel the obligation hereunder to purchase the Bonds (such cancellation shall not constitute a default for purposes of *Section 1* hereof) by notifying the Issuer in writing or by facsimile of its election to make such cancellation prior to the Closing Time, if at any time after the execution of this Bond Purchase Agreement and prior to the Closing Time, the market price or marketability of the Bonds, or the ability of the Purchaser to enforce contracts for the sale of the Bonds, shall be materially adversely affected by any of the following events:

(a) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation which, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the Issuer or by any similar body or upon interest received on obligations of the general character of the Series 2017-B Bonds, or the Series 2017-B Bonds.

(b) A tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or be recommended to the Congress of the United States for passage by the President of the United States, or be enacted by the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States or the Tax Court of the United States shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the IRS shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Issuer or by any similar body or upon interest received on obligations of the general character of the Series 2017-B Bonds, or the Series 2017-B Bonds.

(c) Any legislation, ordinance, rule or regulation shall be introduced in or be enacted by the Legislature of the State or by any other governmental body, department or agency of the State, or a

decision by any court of competent jurisdiction within the State shall be rendered, or litigation challenging the law under which the Bonds are to be issued shall be filed in any court in the State.

(d) A stop order, ruling, regulation or official statement by, or on behalf of, the SEC or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the Securities Act of 1933, as amended (the “1933 Act”), the Securities Exchange Act of 1934, as amended (the “1934 Act”) or the Trust Indenture Act of 1939, as amended.

(e) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act.

(f) A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(g) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Purchaser.

(h) Any general banking moratorium shall have been established by federal, New York or State authorities.

(i) A material default has occurred with respect to the obligations of, or proceedings have been instituted under the Federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state.

(j) Any proceeding shall be pending or threatened by the SEC against the Issuer.

(k) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred.

(l) Any financial rating assigned to the Bonds shall have been downgraded or withdrawn.

(m) A default by or a moratorium initiated by the United States in respect to payment of any direct obligation of, or obligation the principal of and interest on which is fully and unconditionally guaranteed as to full and timely payment by, the United States of America.

(n) Any event shall have occurred, or information become known, which makes untrue in any material respect, any statement or information contained in the Preliminary Official Statement, or has the effect that the Preliminary Official Statement contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(o) The Official Statement makes material modifications to the Preliminary Official Statement deemed “final” by the Issuer pursuant to the Rule, other than modifications permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters.

(p) Investment agreements or similar instruments relating to the investment of moneys in various funds and accounts created under the Escrow Trust Agreement in form and substance satisfactory to the Purchaser, have not been executed by the parties thereto and received by the Purchaser as of the Closing Time, or the Defeasance Obligations contemplated thereby have not been issued to or received by the Escrow Agent prior to the Closing Time or any opinions with respect to the investments contemplated by such instruments and the nature of the transaction contemplated thereby, in form and substance satisfactory to the Purchaser and its counsel, have not been received by the Purchaser as of the Closing Time.

SECTION 10. PAYMENT OF EXPENSES

(a) Whether or not the Bonds are sold by the Issuer to the Purchaser (unless such sale be prevented at the Closing Time by the Purchaser’s default), the Purchaser, unless otherwise contracted for, shall be under no obligation to pay any expenses incident to the performance of the obligations of the Issuer hereunder; nor shall the Issuer, unless otherwise contracted for, be under any obligation to pay any expenses incident to the performance of the obligations of the Purchaser hereunder (unless such sale be prevented at the Closing Time by the Issuer’s default).

(b) If the Bonds are sold by the Issuer to the Purchaser, except as hereinafter set forth, all expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds shall be paid by the Issuer out of the proceeds of the Bonds or other Issuer funds. Such expenses and costs shall include, but not be limited to: (1) the fees and disbursements of Bond Counsel; (2) the fees and disbursements of the Issuer’s legal counsel; (3) costs associated with obtaining municipal bond ratings relating to the Bonds and the Refunded Bonds; (4) the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds, the Official Statement, this Bond Purchase Agreement and all other agreements and documents contemplated hereby; (5) fees of the Bond Registrar and Paying Agent designated by the Issuer pursuant to the Bond Resolution; (6) all costs and expenses of the Issuer relating to the issuance of the Bonds; and (7) the fees and disbursements of the Escrow Agent and any accountants or other experts or consultants retained in connection with verification of yields and/or cash flow projections made in connection with the Bonds and the refunding of the Refunded Bonds. The Purchaser shall be responsible for payment of the costs of qualifying the Bonds for sale in the various states chosen by the Purchaser, all advertising expenses in connection with the offering of the Bonds, the fees and disbursements of the Purchaser’s legal counsel and all other expenses incurred by the Purchaser in connection with the offering, sale and distribution of the Bonds.

SECTION 11. NOTICE

Any notice or other communication to be given under this Bond Purchase Agreement may be given in the manner set forth in the Bond Resolution, as follows:

(a) If to the Issuer at: Salina Airport Authority (Salina, Kansas), 3237 Arnold Ave., Salina, Kansas 67401, Attention: Shelli Swanson, Director of Administration and Finance.

(b) If to the Purchaser at: Robert W. Baird & Co., Incorporated, 777 E. Wisconsin Avenue, 29th Floor, Milwaukee, Wisconsin 53202, Attention: Manager, Public Finance Department.

SECTION 12. INDEMNIFICATION

(a) The Issuer agrees, to the extent legally permitted, to indemnify and hold harmless the Purchaser, and each person, if any, who controls (within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act) the Purchaser (collectively, the “Indemnified Parties”), against any and all losses, claims, damages, liabilities or expenses whatsoever caused by any untrue statements or misleading statement or allegedly misleading statement of a material fact contained in the Official Statement or caused by any omission or alleged omission from the Official Statement of any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided that the Issuer shall have no indemnification obligation with respect to any statement or omission in the information contained in the Official Statement under the heading “Underwriting.”

In case any action shall be brought against one or more of the Indemnified Parties based upon the Official Statement and in respect of which indemnity may be sought against the Issuer, the Indemnified Parties shall promptly notify the Issuer in writing and the Issuer shall promptly assume the defense thereof, including the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless employment of such counsel has been specifically authorized by the Issuer. The Issuer shall not be liable for any settlement of any such action effected without its consent by any of the Indemnified Parties, but if settled with the consent of the Issuer or if there be a final judgment for the plaintiff in any such action against the Issuer or any of the Indemnified Parties, with or without the consent of the Issuer, the Issuer agrees to indemnify and hold harmless the Indemnified Parties to the extent provided herein.

(b) The Purchaser agrees, to the extent legally permitted, to indemnify and hold harmless the Issuer and any Governing Body member, officer, official or employee of the Issuer, against any and all losses, claims, damages, liabilities or expenses whatsoever caused by any untrue statements or misleading statement or allegedly misleading statement of a material fact made by the Purchaser, or any agent, employee or official of the Purchaser, made in conjunction with the offering and/or sale of the Bonds; provided that the Purchaser shall have no indemnification obligation with respect to any statement or omission in the information contained supplied by the Issuer or the Issuer’s representatives that are contained in the Official Statement.

In case any action shall be brought against one or more of the persons or entities identified in the preceding paragraph and in respect of which indemnity may be sought against the Purchaser, such parties shall promptly notify the Purchaser in writing and the Purchaser shall promptly assume the defense thereof, including the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of such parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such party unless employment of such counsel has been specifically authorized by the Purchaser. The Purchaser shall not be liable for any settlement of any such action effected without its consent by any of such parties, but if settled with the consent of the Purchaser or if there be a final judgment for the plaintiff in any such action against the Purchaser or any of such parties, with or without the consent of the Purchaser, the Purchaser agrees to indemnify and hold harmless such parties to the extent provided herein.

SECTION 13. MISCELLANEOUS

(a) This Bond Purchase Agreement shall be binding upon the Purchaser, the Issuer, and their respective successors. This Bond Purchase Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that the representations, warranties, indemnities and agreements of the Issuer contained in this Bond Purchase Agreement shall also be deemed to be for the benefit of the person or persons, if any, who control the Purchaser (within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act). Nothing in this Bond Purchase Agreement is intended or shall be construed to give any person, other than the persons referred to in this Paragraph, any legal or equitable right, remedy or claim under or in respect of this Bond Purchase Agreement or any provision contained herein. All of the representations, warranties and agreements of the Issuer contained herein shall remain in full force and effect, regardless of: (1) any investigation made by or on behalf of the Purchaser; (2) delivery of and payment for the Bonds; or (3) any termination of this Bond Purchase Agreement.

(b) For purposes of this Bond Purchase Agreement, “business day” means any day on which the New York Stock Exchange is open for trading.

(c) This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

(d) This Bond Purchase Agreement may be executed in one or more counterparts, and if executed in more than one counterpart, the executed counterparts shall together constitute a single instrument.

(e) This Bond Purchase Agreement may not be assigned by either party without the express written consent of the other party.

SECTION 14. EFFECTIVE DATE

This Bond Purchase Agreement shall become effective upon acceptance hereof by the Issuer.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

Upon your acceptance of the offer, this Bond Purchase Agreement will be binding upon the Issuer and the Purchaser. Please acknowledge your agreement with the foregoing by executing the enclosed copy of this Bond Purchase Agreement prior to the date and time specified on page 1 hereof and returning it to the undersigned.

**ROBERT W. BAIRD & CO.,
INCORPORATED
MILWAUKEE, WISCONSIN**

Date: June ____, 2017
Time: ____:____ __.m.

By: _____
Managing Director

Accepted and agreed to as of
the date first above written.

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)**

Date: June ____, 2017
Time: ____:____ __.m.

By: _____
Chairman

ATTEST: (Seal)

By: _____
Secretary

EXHIBIT A-1

SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
[\$[PRINCIPAL AMOUNT A]
TAXABLE GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-A
AND
[\$[PRINCIPAL AMOUNT B]
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-B

CALCULATION OF PURCHASE PRICE

	<u>Series 2017-A</u>	<u>Series 2017-B</u>	<u>Total</u>
Principal Amount			\$ _____
Less Underwriter's Discount			-
Plus Original Issue Premium			-
Less Original Issue Discount			-
<i>Total Purchase Price</i>			

MATURITY SCHEDULE

SERIES 2017-A

<u>Stated</u> <u>Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual</u> <u>Rate of</u> <u>Interest</u>	<u>Initial</u> <u>Offering</u> <u>Price</u>	<u>Stated</u> <u>Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual</u> <u>Rate of</u> <u>Interest</u>	<u>Initial</u> <u>Offering</u> <u>Price</u>
2018	\$	%	%	2025	\$	%	%
2019				2026			
2020				2027			
2021				2028			
2022				2029			
2023				2030			
2024							

[SERIES 2017-A TERM BONDS

<u>Stated</u> <u>Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual</u> <u>Rate of</u> <u>Interest</u>	<u>Initial</u> <u>Offering</u> <u>Price</u>
20__	\$	%	%
20__			
20__			

(Plus accrued interest from July 12, 2017)

MATURITY SCHEDULE

SERIES 2017-B

<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Initial Offering Price</u>	<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Initial Offering Price</u>
2019	\$	%	%	2026	\$	%	%
2020				2027			
2021				2028			
2022				2029			
2023				2030			
2024				2031			
2025							

[SERIES 2017-B TERM BONDS

<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Initial Offering Price</u>
20__	\$	%	%
20__			
20__			

(Plus accrued interest from July 12, 2017)

REDEMPTION OF BONDS

Redemption by Issuer – Series 2017-A Bonds.

Optional Redemption. At the option of the Issuer, the Series 2017-A Bonds maturing on September 1 in the years 2026, and thereafter, will be subject to redemption and payment prior to maturity on September 1, 2025, and thereafter, as a whole or in part (selection of maturities and the amount of Series 2017-A Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

[*Mandatory Redemption.* The Series 2017-A Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The Issuer shall redeem on September 1 in each year, the following principal amounts of such Series 2017-A Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$	
	20__*

*Final Maturity]

Redemption by Issuer – Series 2017-B Bonds.

Optional Redemption. At the option of the Issuer, the Series 2017-B Bonds maturing on September 1 in the years 20[___], and thereafter, will be subject to redemption and payment prior to maturity on September 1, 20[___], and thereafter, as a whole or in part (selection of maturities and the amount of Series 2017-B Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

[**Mandatory Redemption.** The Series 2017-B Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The Issuer shall redeem on September 1 in each year, the following principal amounts of such Series 2017-B Term Bonds:

**Principal
Amount**
\$

Year

20__*

*Final Maturity]

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT A-2

SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

**[\$[PRINCIPAL AMOUNT B]
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-B**

ISSUE PRICE DETERMINATION

**MATURITIES FOR WHICH 10% SOLD AS OF THE DATE OF THIS
BOND PURCHASE AGREEMENT**

SERIES 2017-B BONDS

<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Sale Price</u>	<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Sale Price</u>
2019	\$	%	%	2026	\$	%	%
2020				2027			
2021				2028			
2022				2029			
2023				2030			
2024				2031			
2025							

[SERIES 2017-B TERM BONDS

<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Sale Price</u>
20__	\$	%	%
20__			
20__			

(Plus accrued interest from July 12, 2017)

***[USE THIS TABLE IF HOLD-THE-OFFERING-PRICE RULE VERSION OF SECTION 2 IS
SELECTED]***

**HOLD-THE-OFFERING-PRICE RULE APPLIES
(MATURITIES FOR WHICH 10% NOT SOLD AS OF THE DATE OF THIS
BOND PURCHASE AGREEMENT)**

SERIES 2017-B BONDS

<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Initial Offering Price</u>	<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Initial Offering Price</u>
2019	\$	%	%	2026	\$	%	%

2020
2021
2022
2023
2024
2025

2027
2028
2029
2030
2031

[SERIES 2017-B TERM BONDS

<u>Stated Maturity September 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Initial Offering Price</u>
20__	\$	%	%
20__			
20__			

(Plus accrued interest from July 12, 2017)

EXHIBIT A-3

**SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
\$[PRINCIPAL AMOUNT A]
TAXABLE GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-A
AND
\$[PRINCIPAL AMOUNT B]
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2017-B**

FORM OF ISSUE PRICE CERTIFICATE

EXHIBIT B-1

FORM OF BOND COUNSEL OPINION

GILMORE & BELL, P.C.
Attorneys at Law

2405 Grand Boulevard
Suite 1100
Kansas City, Missouri 64108-2521

[July 12, 2017]

Governing Body
Salina Airport Authority (Salina, Kansas)

Robert W. Baird & Co., Incorporated
Milwaukee, Wisconsin

Re: \$[PRINCIPAL AMOUNT A] Taxable General Obligation Refunding Bonds,
 Series 2017-A, of the Salina Airport Authority (Salina, Kansas), Dated July 12,
 2017

We have acted as Bond Counsel in connection with the issuance by the Salina Airport Authority (Salina, Kansas), (the “Issuer”), of the above-captioned bonds (the “Bonds”). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the resolution adopted by the governing body of the Issuer authorizing the issuance of the Bonds.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.

2. The Bonds are payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent that necessary funds are not provided from other sources.

3. The interest on the Bonds is exempt from income taxation by the State of Kansas.

We express no opinion regarding federal tax consequences arising with respect to the Bonds.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

GILMORE & BELL, P.C.

EXHIBIT B-2

FORM OF BOND COUNSEL OPINION

**GILMORE & BELL, P.C.
Attorneys at Law**

**2405 Grand Boulevard
Suite 1100
Kansas City, Missouri 64108-2521**

[July 12, 2017]

Governing Body
Salina Airport Authority (Salina, Kansas)

Robert W. Baird & Co., Incorporated
Milwaukee, Wisconsin

Re: \$[PRINCIPAL AMOUNT B] General Obligation Refunding Bonds, Series 2017-
B, of the Salina Airport Authority (Salina, Kansas), Dated July 12, 2017

We have acted as Bond Counsel in connection with the issuance by the Salina Airport Authority (Salina, Kansas), (the “Issuer”), of the above-captioned bonds (the “Bonds”). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the resolution adopted by the governing body of the Issuer authorizing the issuance of the Bonds.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.

2. The Bonds are payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent that necessary funds are not provided from other sources.

3. The interest on the Bonds (including any original issue discount properly allocable to an owner of a Bond) is: (a) excludable from gross income for federal income tax purposes; and (b) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in this

paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”) that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have **not** been designated as “qualified tax-exempt obligations” for purposes of Code § 265(b)(3). We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. The interest on the Bonds is exempt from income taxation by the State of Kansas.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

GILMORE & BELL, P.C.

EXHIBIT B-3

FORM OF DEFEASANCE OPINION

GILMORE & BELL, P.C.
Attorneys at Law

2405 Grand Boulevard
Suite 1100
Kansas City, Missouri 64108-2521

[July 12, 2017]

Governing Body
Salina Airport Authority (Salina, Kansas)

Robert W. Baird & Co., Incorporated
Milwaukee, Wisconsin

Security Bank of Kansas City
Kansas City, Kansas

Re: Salina Airport Authority, (Salina, Kansas), General Obligation Bonds, Series 2009-A; Taxable General Obligation Bonds, Series 2009-B; Taxable General Obligation Bonds, Series 2011-A; and General Obligation Bonds, Series 2011-B.

This opinion is delivered to you in connection with the satisfaction, discharge and defeasance of the following described bonds originally issued by the Salina Airport Authority (Salina, Kansas) (the “Issuer”) (collectively, the “Defeased Bonds”):

<i>Series</i>	<i>Dated Date</i>	<i>Defeased Amount</i>	<i>Years</i>	<i>Redemption Date</i>
2009-A	June 1, 2009	\$2,025,000	2026-2029	September 1, 2019
2009-B	June 1, 2009	\$2,140,000	2022-2026	September 1, 2019
2011-A	August 15, 2011	\$7,340,000	2024-2030	September 1, 2019
2011-B	August 15, 2011	\$2,505,000	2030-2031	September 1, 2019

The Defeased Bonds were each issued pursuant to a resolution adopted by the governing body of the Issuer (collectively, the “Bond Resolution”). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Bond Resolution.

Provision has been made for the payment of the principal, redemption price, if any, and interest due or to become due on the Defeased Bonds to the above-referenced Redemption Dates in the manner specified in the Bond Resolution, by the irrevocable deposit in trust with Security Bank of Kansas City, Kansas City, Kansas, as escrow agent (the “Escrow Agent”), pursuant to the Escrow Trust Agreement dated as of July 12, 2017 (the “Escrow Trust Agreement”), between the Issuer and the Escrow Agent, of cash and government securities that, according to the Verification Report described below, will mature as to principal and will pay interest in amounts and at times that will provide sufficient moneys to make such payments.

We have examined the law, the Bond Resolution, the Escrow Trust Agreement and the other documents and certified proceedings that we deem necessary to render this opinion. Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Escrow Trust Agreement has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding agreement of the Issuer, enforceable against the Issuer except as may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and by equitable principles whether considered at law or in equity.

2. Provision has been made for payment of the Defeased Bonds in accordance with K.S.A. 10-427 *et seq.* All conditions precedent to the satisfaction, discharge and defeasance of the Defeased Bonds contained in the Bond Resolution have been complied with, and the Defeased Bonds are deemed to be paid and discharged under the Bond Resolution. All conditions precedent to the satisfaction, discharge and defeasance of the Bond Resolution have been complied with, and the requirements contained in the Bond Resolution and all other rights granted thereby have ceased and terminated in accordance with the provisions thereof.

3. Provision for the payment, discharge and defeasance of the Series 2009-A Bonds and Series 2011-B Bonds will not, in and of itself, cause the interest on the Series 2009-A Bonds or Series 2011-B Bonds to become included in gross income for federal income tax purposes.

In rendering the opinions set forth herein, we have relied upon the calculations and conclusions contained in the Verification Report dated July 12, 2017, of Robert Thomas CPA, LLC, certified public accountants, relating to the sufficiency of the Escrow Fund established under the Escrow Trust Agreement and certain yield calculations relating to the Issuer's General Obligation Refunding Bonds, Series 2017-B, dated July 12, 2017, and the Defeased Bonds, without undertaking to verify the same.

We express no opinion with respect to the effect on the original status of the interest on the Defeased Bonds for federal income tax purposes of any actions taken or omitted to be taken by the Issuer or its affiliates with respect to the ownership, use or operation of the facilities financed or refinanced with the proceeds of the Defeased Bonds other than as stated in this opinion.

This opinion is delivered to you for your use only and may not be used or relied on by any third party for any purpose without our prior written approval in each instance.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

GILMORE & BELL, P.C.

SALINA AIRPORT AUTHORITY

Engineering Design Report for the Salina Regional Airport

Lochner Project No. 000013470

Rehabilitate Beechcraft Road



May 2017

LOCHNER

16105 W. 113th Street | Suite 107 | Lenexa, KS 66219
www.hwlochner.com

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APPENDIX

- I. Project Photographs
- II. Construction Cost Estimates

1. INTRODUCTION

The Salina Airport Authority and H.W. Lochner, Inc. (Lochner) entered into a contract for engineering design report services for the rehabilitation of Beechcraft Road from between Hein Avenue and Scanlan Avenue to the airport. The purpose of this report is to present an overview of field investigations, findings, design considerations and recommendations for the proposed improvements to the Salina Regional Airport Industrial Center. **Figure 1: General Project Plan** illustrates the proposed improvements discussed in this report.

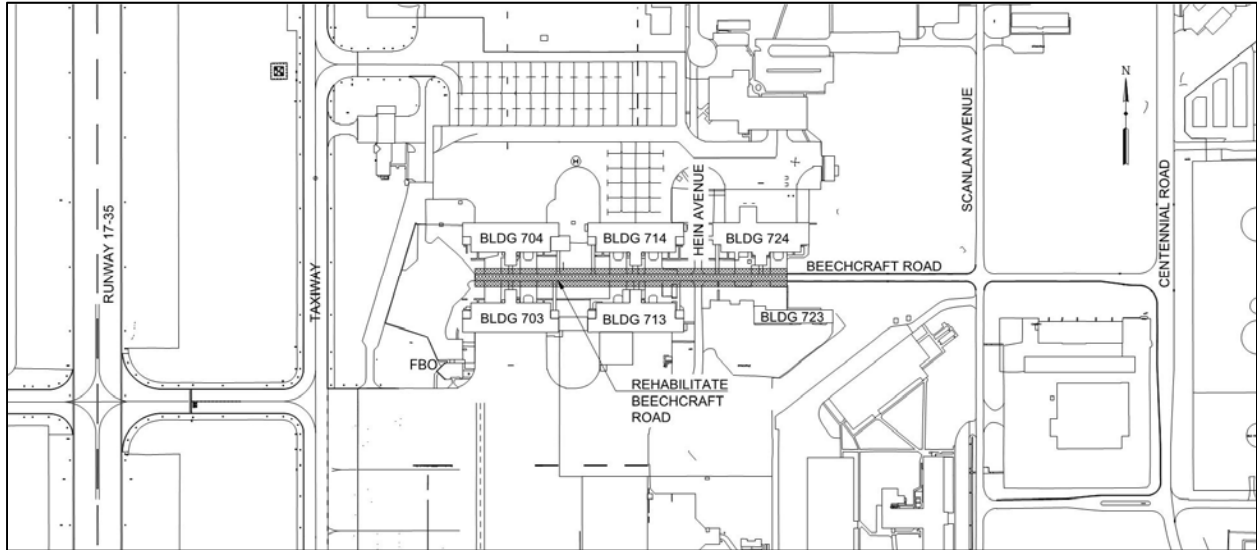


Figure 1: General Project Plan

2. PROJECT SCOPE

The Airport Authority has authorized the design study of the Beechcraft Road rehabilitation project. The proposed improvements, as shown in Figure 1, include:

- Rehabilitate Beechcraft Road

This study is intended to present three (3) potential alternatives for rehabilitation improvements. This will allow the Airport Authority and City the ability to tailor the subsequent design and construction to the available funding while still accomplishing the desired finished product. Once an alternative is selected, Lochner will add the engineering design services to their contract by Supplemental Agreement and proceed with preparing the construction plans and specifications.

3. SITE VISIT AND VISUAL INSPECTION

A site visit was performed on March 9, 2017 in order to visually inspect the existing street conditions. A follow-up visit occurred on April 23, 2017 in order to further examine the storm and sanitary sewer systems. Beechcraft Road measures 29 feet back-of-curb to back-of-curb and is centered on the existing 60-foot-wide right-of-way. The street was previously improved from Centennial Road to between Hein Avenue and Scanlan Avenue (e.g. just east of Buildings 723

and 724). Those improvements included a crowned section with curb and gutter as well as curb inlets to collect the storm water runoff. The Airport Authority desires to have similar improvements for the west half of the street (e.g. from just east of Buildings 723 and 724 to the FBO parking lot).

Overall, the referenced portion of Beechcraft Road is in fair to poor condition and in need of rehabilitation. The majority of the street does not show signs of subgrade failure. The surface exhibits signs of oxidation as well as block cracking that can be mitigated by milling and overlaying the pavement. However, there are small locations where subgrade failure and alligator cracking is apparent, and full depth replacement would be necessary prior to the overlay to ensure the same problems do not occur in the near future. The existing drives that tie-in to the street are in various stages of disrepair. Improving the drives to the edge of the right-of-way would be recommended regardless of which option is selected.

In addition to pavement considerations, the existing storm sewer system is aging and would be a worthy candidate for upgrades if the budget allows. The existing cross section of the street is an inverse crown with all of the runoff draining toward the centerline. Grate inlets intercept the runoff, and a pipe network discharges the runoff downstream.

A collection of photographs depicting the existing conditions of Beechcraft Road within the proposed project limits may be found in **Appendix I**.

4. LISTING OF APPLICABLE DESIGN STANDARDS

The following is a list of applicable design criteria for this proposed Beechcraft Road rehabilitation project:

- City of Salina Engineering & Utilities Department Design Criteria – Storm Drainage Systems
- Department of Public Works Standard Specifications
- Department of Public Works Standard Detail Sheets

5. REHABILITATION ALTERNATIVES

Prior to design, Lochner will contract with subconsultants to perform survey and geotechnical work. As previously stated, three (3) alternatives are proposed for the rehabilitation of Beechcraft Road. These alternatives are intended to give the Airport Authority and City funding flexibility. Regardless of the option selected, the Airport Authority desires to have curb and gutter for the full length of the improvements. In addition, all three options will include the replacement of the concrete drives up to the edge of the right-of-way as well as the marking of the cul-de-sac at the far west end in order to delineate a traffic pattern in the FBO parking lot area.

Option 1 – Mill and Overlay Existing Pavement

The existing pavement surface will be milled to a depth of two inches. Cracks that remain after milling shall be filled with non-expansive material (typically fines from the milling operation). Any larger cracks or areas of complete failure shall be removed and replaced full depth prior to the overlay. In addition, curb and gutter will be constructed on both sides of the street. The majority of this shall be Type II ribbon curb since there are many existing drives requiring tie-ins. There

may be some Type I high-back curb in areas void of drives. Overall, the profile and cross sections of the rehabilitated street will match the existing condition. See **Figure 2** for the typical section of Option 1.

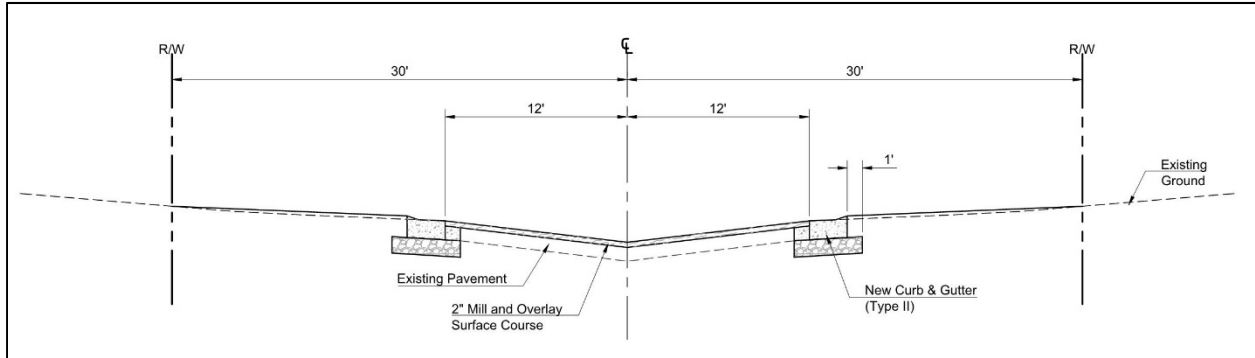


Figure 2: Option 1 Typical Section

Option 2 – Mill and Overlay Existing Pavement, Replace Existing Storm Structures

Option 2 provides for all of the rehabilitation efforts of Option 1 along with the replacement of the existing storm structures and construction of a sidewalk on one side of the road. After milling operations and prior to the overlay, the structures will be removed and replaced, and a new section of pipe will be installed to tie the new structure into the existing pipe system. The sidewalk shall be four inches in depth and five feet wide. See **Figure 3** for the typical section of Option 2.

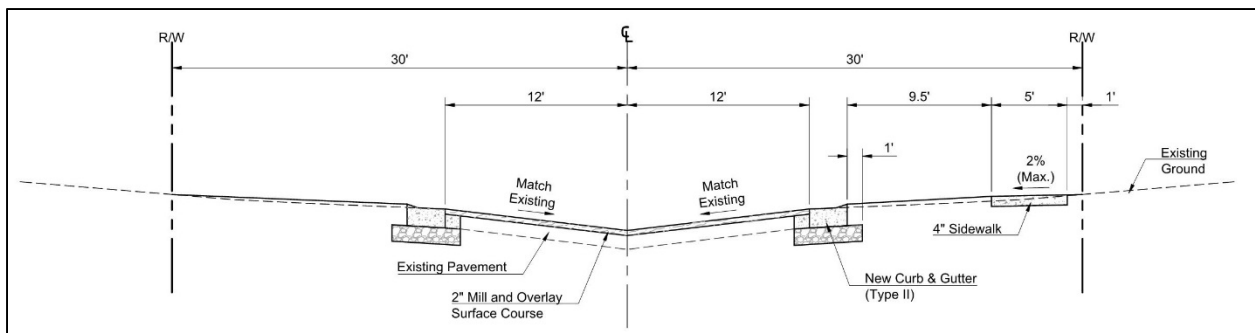


Figure 3: Option 2 Typical Section

Option 3 – Reconstruct Street, Replace Entire Existing Storm System, Install Street Lights

The third option consists of reconstructing the street in its entirety. Similar to the first two options, curb and gutter will be constructed. Ideally, the reconstructed street will have a crown directing the runoff back to the curb (the feasibility of a crowned section will be dependent on achieving proper drainage when considering the high number of drives requiring tie-ins). After discussions with the City and Airport Authority, it was determined that the street shall be designed using Collector status due to the potential for truck usage. This section would entail 10.5 inches of asphalt on either eight inches of treated subgrade or six inches of base course material. Since we will be working in close proximity to many buildings and fly ash or lime tend to create a dusty environment, we suggest using a base course material. The City recommended use of recycled concrete with a geogrid, because AB-3 is not as readily available in this part of the state. Two

sidewalks will be constructed with this option – one side shall be four inches in depth and five feet wide while the other side shall be five inches in depth and eight feet wide. See **Figure 4** for the typical section of Option 3.

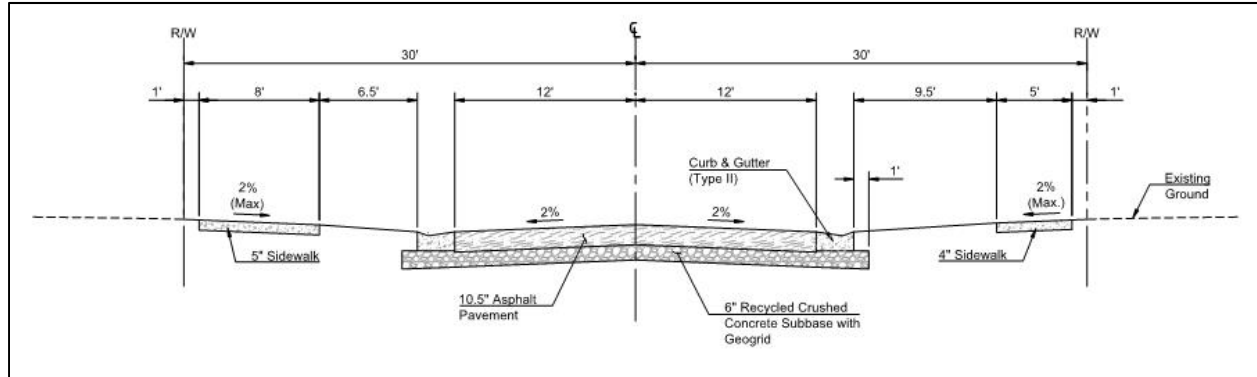


Figure 4: Option 3 Typical Section

In addition to the pavement reconstruction, the entire storm drainage system (structures and pipes) will be replaced. The existing system is aging, and it would be an ideal time to replace it while the street is being reconstructed. Finally, the installation of street lights complete the improvements for this option. Street lights will provide the finished look at nighttime that the Airport Authority desires. Obviously, this addition is not dependent on any other improvement, so it could be included as an Add Alternate if funding is uncertain.

6. UTILITIES

There is an existing sanitary sewer line along the north side of the street, and there are water and fiber optic lines along the south side of the street. Kansas One Call will be called to mark all utilities in the area. Any existing utility lines not mentioned will be located during this time (and included in the survey as well). The design will ensure that the sanitary sewer is not disturbed with this project. Similarly, we will attempt to not disturb either the water line or fiber optic line. However, if slight relocations are necessary, they will be kept to a minimum. We will communicate with all utility providers throughout the course of the project.

7. ENVIRONMENTAL CONSIDERATIONS

Erosion control measures will be used where needed in order to minimize the amount of sediment eroding from the site during construction and until the site is stabilized. Inlet protection shall be utilized around existing or new storm inlets, and silt fence shall be installed where necessary in disturbed areas.

A Storm Water Pollution Prevention Plan (SWPPP) will be included with the construction documents for the implementation of these erosion control measures. The Contractor will be required to comply with the SWPPP throughout the duration of the project.

8. PAVEMENT MARKINGS

Regardless of which option is selected, a dashed yellow line shall be painted to separate the east- and west-bound lanes of traffic. In addition, the cul-de-sac within the area of the FBO parking lot will be marked to help delineate traffic flow when vehicles enter the area. Utilizing markings instead of curb and gutter will ensure that the fire department is not adversely affected when attempting to access the airport. The existing right-of-way boundary does not match up with the existing pavement, so the marked cul-de-sac will be located on both right-of-way and airport property in order to accommodate the appropriate dimensions. See **Figure 5** for the layout of the proposed cul-de-sac markings.



Figure 5: Cul-de-sac Marking Layout

9. CONSTRUCTION PHASING AND ACCESS

All of the work shall be completed outside of the fenced-in airport property, so there will be no impact to airport operations. Beechcraft Road is a critical access point to the airport, so it's important for it to remain open and accessible for as long as possible. Option 1 should allow for Beechcraft Road to remain open for the duration of the project. One lane will be closed at a time, and flaggers will be stationed on each side of construction directing traffic.

Option 2 will be similar to Option 1, but there may be times when the street needs to be closed in order to install the new storm structures. When possible, steel plates shall be used to keep a lane open even when there might be an open trench.

Option 3 will be the most challenging alternative for keeping access open to traffic. Multiple phases will need to be considered in order to allow for potential detour routes while certain

sections are closed for reconstruction. Also, similar to Option 2, the use of steel plates may be necessary in order to keep one lane open. Input from the Airport Authority and City will be vital to maintaining access throughout the project.

10. PROJECT SCHEDULE

The following is an estimated project schedule:

Submit Preliminary Design Report:	Early May 2017
Submit Final Design Report:	Early June 2017
Submit Preliminary Plans & Specifications:	Early August 2017
Submit Final Plans & Specifications:	Late August 2017
Advertise for Bids:	Late August 2017
Bid Opening:	Mid September 2017
Award of Contract:	Early October 2017
Notice to Proceed:	Early October 2017
Completion:	TBD based on selected option

11. CONSTRUCTION COST ESTIMATES

Detailed construction cost estimates for each of the three (3) options are included in **Appendix II** of this report. A summary of the total estimated costs for each previously discussed option is included below in **Table 1**.

Table 1: Summary of Estimated Construction Costs

Option	Description	Estimated Construction Cost
1	Mill & Overlay Beechcraft Road w/ Curb & Gutter	\$ 290,000
2	Mill & Overlay Beechcraft Road w/ Curb & Gutter, Replace Storm Structures	\$ 405,000
3	Reconstruct Beechcraft Road w/ Curb & Gutter, Replace Storm Structures & Pipe	\$ 830,000

Appendix I

Project Photographs



Beechcraft Road Surface



Beechcraft Road Surface



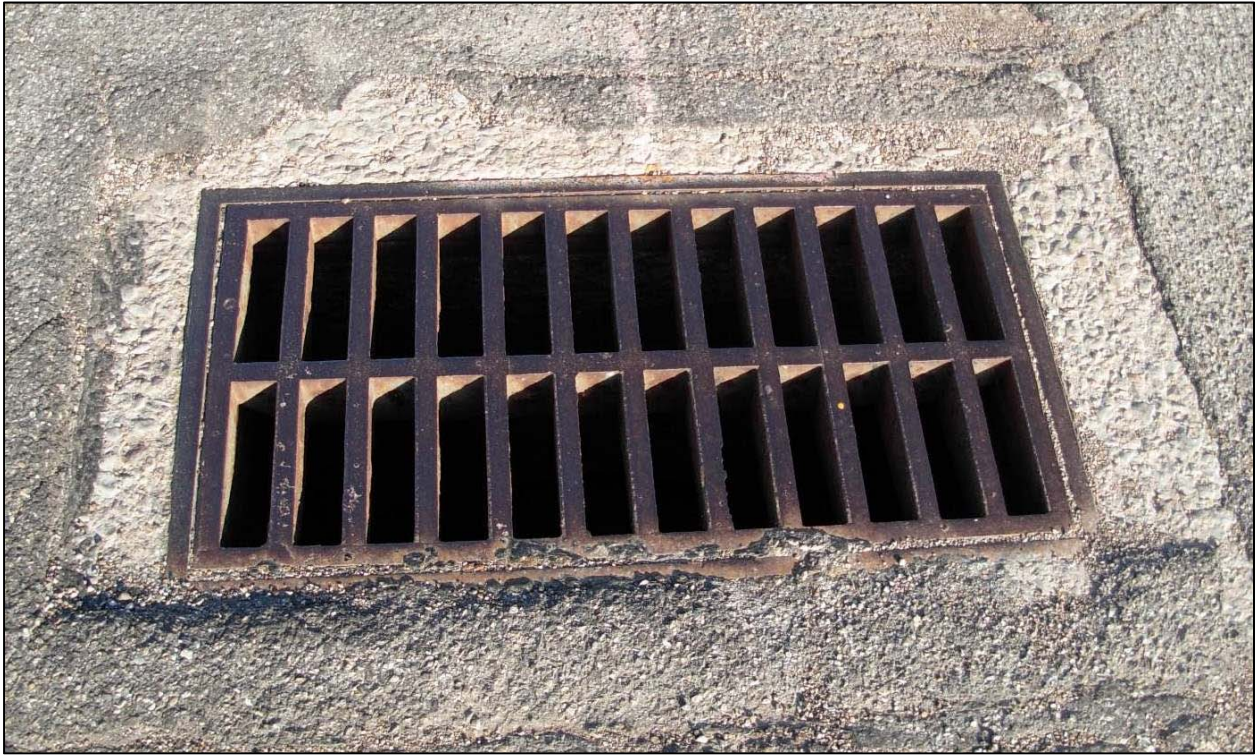
Beechcraft Road Surface



Beechcraft Road with Centerline Grate Inlet



Beechcraft Road Pavement Failure



Centerline Grate Inlet



Centerline Grate Inlet



Drive Grate Inlet



Drive Grate Inlet and Centerline Grate Inlet



Concrete Drive



Concrete Drive



Concrete Drive



FBO Cul-de-sac



FBO Cul-de-sac



FBO Cul-de-sac



Beechcraft Road – Improved East Section

Appendix II

Construction Cost Estimates

SALINA REGIONAL AIRPORT SALINA, KANSAS

LOCHNER PROJECT NO. 000013470

OPTION 1 Rehabilitate Beechcraft Road

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COST

May 11, 2017

I:\KAC\PRJ\000013470\PROJECT FILES\AE\ESTIMATE & BUDGET\Master-Payitems_(SLN - Beechcraft Rd).xls\ESTIMATE

OPTION 1

Rehabilitate Beechcraft Road

ITEM				UNIT	
NO.	ITEM DESCRIPTION	QUANTITY	UNIT	COST	TOTAL
1	Contractor Construction Staking	1	L.S.	\$ 10,000.00	\$ 10,000.00
2	Mobilization	1	L.S.	\$ 25,000.00	\$ 25,000.00
3	Saw Cut	2,750	L.F.	\$ 5.00	\$ 13,750.00
4	Concrete Pavement Removal	1,710	S.Y.	\$ 7.00	\$ 11,970.00
5	Milling (2" +/-)	2,330	S.Y.	\$ 10.00	\$ 23,300.00
6	Full Depth Pavement Repair	100	S.Y.	\$ 175.00	\$ 17,500.00
7	Curb and Gutter (Combined)(Type II)	1,940	L.F.	\$ 25.00	\$ 48,500.00
8	HMA Overlay	310	Ton	\$ 65.00	\$ 20,150.00
9	Concrete Drive Pavement (6" Uniform)	1,230	S.Y.	\$ 45.00	\$ 55,350.00
10	Seeding	1	L.S.	\$ 2,000.00	\$ 2,000.00
11	Pavement Markings	1	L.S.	\$ 2,000.00	\$ 2,000.00
12	Erosion Control (Inlet Protection)	15	Ea.	\$ 1,000.00	\$ 15,000.00
13	Traffic Control	1	L.S.	\$ 15,000.00	\$ 15,000.00
					\$ 259,520.00
10% CONTINGENCY					\$ 25,952.00
					TOTAL \$ 285,472.00
					TOTAL ROUNDED \$ 290,000.00

SALINA REGIONAL AIRPORT SALINA, KANSAS

LOCHNER PROJECT NO. 000013470

OPTION 2 Rehabilitate Beechcraft Road

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COST

May 11, 2017

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OPTION 2

Rehabilitate Beechcraft Road

ITEM				UNIT		
NO.	ITEM DESCRIPTION	QUANTITY	UNIT	COST		TOTAL
1	Contractor Construction Staking	1	L.S.	\$ 10,000.00	\$	10,000.00
2	Mobilization	1	L.S.	\$ 35,000.00	\$	35,000.00
3	Remove Existing Structures	1	L.S.	\$ 10,000.00	\$	10,000.00
4	Clearing and Grubbing	1	L.S.	\$ 1,000.00	\$	1,000.00
5	Saw Cut	2,750	L.F.	\$ 5.00	\$	13,750.00
6	Concrete Pavement Removal	1,710	S.Y.	\$ 7.00	\$	11,970.00
7	Milling (2" +/-)	2,330	S.Y.	\$ 10.00	\$	23,300.00
8	Full Depth Pavement Repair	100	S.Y.	\$ 175.00	\$	17,500.00
8	Curb and Gutter (Combined)(Type II)	1,940	L.F.	\$ 25.00	\$	48,500.00
9	HMA Overlay	310	Ton	\$ 65.00	\$	20,150.00
10	Concrete Drive Pavement (6" Uniform)	1,230	S.Y.	\$ 45.00	\$	55,350.00
11	Sidewalk Construction (4")	660	S.Y.	\$ 35.00	\$	23,100.00
12	Sidewalk Ramp	15	S.Y.	\$ 150.00	\$	2,250.00
13	Storm Sewer (PVC)(6")	40	L.F.	\$ 25.00	\$	1,000.00
14	Storm Sewer (RCP)(18")	70	L.F.	\$ 50.00	\$	3,500.00
15	Curb Inlet	1	Ea.	\$ 5,000.00	\$	5,000.00
16	Grate Inlet	8	Ea.	\$ 5,000.00	\$	40,000.00
17	Manhole	1	EA.	\$ 5,000.00	\$	5,000.00
18	Seeding	1	L.S.	\$ 2,000.00	\$	2,000.00
19	Pavement Markings	1	L.S.	\$ 2,000.00	\$	2,000.00
20	Erosion Control (Silt Fence)	1,300	L.F.	\$ 5.00	\$	6,500.00
21	Erosion Control (Inlet Protection)	15	Ea	\$ 1,000.00	\$	15,000.00
22	Traffic Control	1	L.S.	\$ 15,000.00	\$	15,000.00
						\$ 366,870.00
	10% CONTINGENCY				\$	36,687.00
					TOTAL \$	403,557.00
					TOTAL ROUNDED \$	405,000.00

SALINA REGIONAL AIRPORT SALINA, KANSAS

LOCHNER PROJECT NO. 000013470

OPTION 3 Rehabilitate Beechcraft Road

ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COST

May 11, 2017

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OPTION 3

Rehabilitate Beechcraft Road

ITEM				UNIT		
NO.	ITEM DESCRIPTION	QUANTITY	UNIT	COST		TOTAL
1	Contractor Construction Staking	1	L.S.	\$ 15,000.00	\$	15,000.00
2	Mobilization	1	L.S.	\$ 70,000.00	\$	70,000.00
3	Remove Existing Structures	1	L.S.	\$ 10,000.00	\$	10,000.00
4	Clearing and Grubbing	1	L.S.	\$ 1,000.00	\$	1,000.00
5	Common Excavation	2,150	C.Y.	\$ 15.00	\$	32,250.00
6	Saw Cut	780	L.F.	\$ 5.00	\$	3,900.00
7	Concrete Pavement Removal	1,710	S.Y.	\$ 7.00	\$	11,970.00
8	Curb and Gutter (Combined)(Type II)	1,940	L.F.	\$ 25.00	\$	48,500.00
9	Concrete Drive Pavement (6" Uniform)	1,230	S.Y.	\$ 45.00	\$	55,350.00
10	Asphalt Pavement (10.5")	1,640	Tons	\$ 65.00	\$	106,600.00
11	Subbase (6")(w/Geogrid)	3,530	S.Y.	\$ 20.00	\$	70,600.00
12	Sidewalk Construction (4")	660	S.Y.	\$ 35.00	\$	23,100.00
13	Sidewalk Construction (5")	990	S.Y.	\$ 40.00	\$	39,600.00
14	Sidewalk Ramp	45	S.Y.	\$ 150.00	\$	6,750.00
15	Storm Sewer (RCP)(15")	300	L.F.	\$ 45.00	\$	13,500.00
16	Storm Sewer (RCP)(18")	1,100	L.F.	\$ 50.00	\$	55,000.00
17	End Section (RC)(18")	1	Ea.	\$ 600.00	\$	600.00
18	Storm Inlets	16	Ea.	\$ 5,000.00	\$	80,000.00
19	Manhole	8	Ea.	\$ 5,000.00	\$	40,000.00
20	Adjust Fire Hydrant	3	Ea.	\$ 250.00	\$	750.00
21	Adjust Water Valve	7	Ea.	\$ 50.00	\$	350.00
22	Adjust Manholes	3	Ea.	\$ 200.00	\$	600.00
23	Seeding	1	L.S.	\$ 2,000.00	\$	2,000.00
24	Pavement Markings	1	L.S.	\$ 2,000.00	\$	2,000.00
25	Erosion Control (Silt Fence)	2,600	L.F.	\$ 5.00	\$	13,000.00
26	Erosion Control (Inlet Protection)	16	EA	\$ 1,000.00	\$	16,000.00
27	Traffic Control	1	L.S.	\$ 15,000.00	\$	15,000.00
28	Street Lighting	1	L.S.	\$ 20,000.00	\$	20,000.00
						\$ 753,420.00
	10% CONTINGENCY					\$ 75,342.00
					TOTAL \$	828,762.00
					TOTAL ROUNDED \$	830,000.00

LOCHNER

16105 W. 113th Street | Suite 107 | Lenexa, KS 66219
www.hwlochner.com

2001 582d Operations Support Squadron - 20th AF, Warren AFB

3001 Airport Road Equipment Yard.

2002 Airport Road Equipment Yard.

2003 823rd MXS, Nellis AFB

3008 Hangar 606

1002 AAL Organic Building 713

1001 Bombardier / Learjet Hangar 959

LEGEND

- 1000 Long Term Lease 2
- 2000 Short Term Lease 4
- 3000 Active Prospects, Long Tem 8
- 4000 Active Prospects, Short Term 1
- 5000 Existing Tenant, Expansion 2

3002 Building 412

3003 Building 412

3004 KSU Polytechnic Building 412

3005 Weigand & Sons Building 412

2004 Exide Building 655

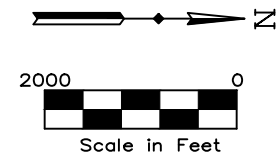
3006 Transload Site

4001 Hangars 600 & 606

5002 Smith Mini Storage

5001 United Suppliers

3007 Building 808



Drawing Number 2319-06-17



3237 ARNOLD, SALINA, KS 67401
 (785-827-3914 FAX: 785-827-2221)
 None : REVISIONS
 KRB : DESIGNED BY
 KRB : DRAWN BY
 1" = 2000' : SCALE
 6/16/17, 12:50 : DATE

SALINA AIRPORT AUTHORITY
 SAA Leasing / Prospect Activity Location Map

**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:

1. 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.
2. Discussing matters of non-elected personnel for the reason that public discussion would violate the individuals' privacy rights.

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).