

DATE: March 30, 2022

TO: SAA Board of Directors

FROM: Tim Rogers and Shelli Swanson

SUBJECT: April 7, 2022, SAA Special Board Meeting

Enclosed are items for your review prior to the Wednesday, April 7, 2022, special meeting. Please note that the meeting will be held in the **first-floor conference room, Hangar 600, 2720 Arnold Ct.** A map showing the location of Hangar 600 is enclosed in your board meeting packet. The meeting is also available via the following GoToMeeting link.

<https://meet.goto.com/587861061>

The special board meeting will give me and air service consultant Gary Foss the opportunity to review the status of the SkyWest Airlines termination notice, Capitol Hill efforts to find solutions to the pilot shortage problem, and the air carriers that have expressed interest in replacing SkyWest. Discussion will focus on community options prior to the April 11 deadline for the submittal of air carrier proposals to the USDOT.

Enclosed are two documents that offer background information for the special board meeting. First is a summary of the Essential Air Service (EAS) Program air carriers. The slide deck confirms that there is a limited number of air carriers, other than SkyWest Airlines, that offer comparable regional jet service.

Second, is the SLN True Market Study that Gary has been using to educate interested replacement air carriers about the SLN market.

Please contact us if you have any questions or comments.

SALINA AIRPORT AUTHORITY SPECIAL BOARD MEETING
Hangar H600, First Floor Conference Room
2720 Arnold Court

April 7, 2022 – 8:00 AM

AGENDA

Call to Order: (Buer)

1. Call to order, determine that a quorum is present and confirm that the meeting notice has been published. (Buer)
2. Recognition of guests. (Buer)
3. Additions to the agenda and agenda overview. (Rogers)

Action Items: (Buer)

4. An update on the status of the SkyWest Airlines termination notice and consideration of community options for the selection of a replacement air carrier. (Rogers and Foss)

Directors' Forum: (Buer)

Visitor's Questions and Comments: (Buer)

Staff Reports: (Rogers)

Announcements: (Windhorst)

Adjournment: (Buer)



EAS Regional Operator Overview

Salina Regional Airport

EAS Operator Fleet Overview

12 airlines are active in the Essential Air Service (EAS) program. Aside from SkyWest, only Key Lime (Denver Air Connection) and Contour operate jets. Contour will only participate in the AEAS program

EAS Operator Fleet Overview

| Carrier | Equipment | Equipment Type | Seats | Quantity | Total Fleet Size | # EAS Awards | Commercial Relationships |
|---|---|---|-------------------------------|----------------------------|------------------|---|---|
| SkyWest Airlines (minus United flying) | E-175 CRJ900 CRJ700 CRJ200 | Jet Jet Jet Jet | 70-76 70-76 65-70 50 | 211 44* 114* 140* | 509* | 30 (does not include United flying) | Full codeshare/branded agreements with American, Delta, United, Alaska |
| Cape Air | Cessna 402 Tecnam Traveller Britten-Norman Islander | Twin Engine Prop Twin Engine Prop Twin Engine Prop | 9 11 9 | 70 26 4 | 100 | 18 | Codeshare agreements with American, Delta, United, Alaska, JetBlue |
| Southern Airways Express | Cessna 208 Piper PA-31 Cessna Citation | Single Engine Prop Twin Engine Prop Jet | 9 7 6-8 | 30 2 1 | 33 | 9 | Interline agreements with American, United, Alaska |
| Contour Airlines | ERJ-145 | Jet | 30 | 10 | 10 | 9 (AEAS) | Interline agreement with American |
| Boutique Air | Pilatus King Air 300 Piaggio Avanti | Single Engine Turboprop Twin Engine Turboprop Twin Engine Turboprop | 8 9 7 | 26 3 2 | 31 | 7 | Codeshare agreement with United in connecting markets and interline with American |
| Denver Air Connection | Fairchild Swearingen Dornier 328JET ERJ-145 Fairchild Metro EMB-120 | Twin Engine Turboprop Jet Jet Twin Engine Turboprop Twin Engine Turboprop | 9 30 50 9 30 | 17 7 3 2 30 | 30 | 7 | Interline agreement with United. Interline agreement with American in process |
| American Eagle (Envoy Air) | E-175 ERJ-145 E-170 | Jet Jet Jet | 76 66 50 | 98 57 8 | 163 | 4 | Subsidiary of American Airlines |
| Advanced Air | Super King Air 350 | Twin Engine Turboprop | 9 | 7 | 7 | 2 | No notable commercial relationships |
| Air Choice One | Cessna Grand Caravan Beechcraft 1900C | Single Engine Prop Twin Engine Turboprop | 8 9 | 9 | 9 | 1 | No notable commercial relationships |
| United Airlines (CommutAir) | ERJ-145 | Jet | 50 | 79 | 79 | 1 | Full codeshare/branded agreements with United |
| United Airlines (GoJet) | CRJ-550 | Jet | 50 | 52 | 52 | 1 | Full codeshare/branded agreements with United |
| Silver Airways | ATR 42-600 ATR 72-600 Saab 340 | Twin Engine Turboprop Twin Engine Turboprop Twin Engine Turboprop | 46 70 34 | 8 4 4 | 16 | 0 | Codeshare agreements with American, Delta, United, JetBlue. Interline agreement with Alaska |

Cape Air operates in the northeast at BOS, in the Northwest out of BIL; the Midwest out of STL; and the Caribbean out of SJU – a total of 36 destinations

Overview of Cape Air Operations

Including non-EAS routes



Southern Airways Express Operations

Southern Airways operates primarily in the Northeast and Hawaii (Mokulele not shown), but also has service out of major hubs DEN, LAX and DFW. It flies to 39 destinations

Overview of Southern Airways Express Operations

Including non-EAS routes, Excluding Hawaii Routes



Overview of Contour Airlines Operations

Including non-EAS routes



Overview of Boutique Air Operations

Including non-EAS routes



Overview of Denver Air Connection Operations

Including non-EAS routes



Overview of Advanced Air Operations

Including non-EAS routes



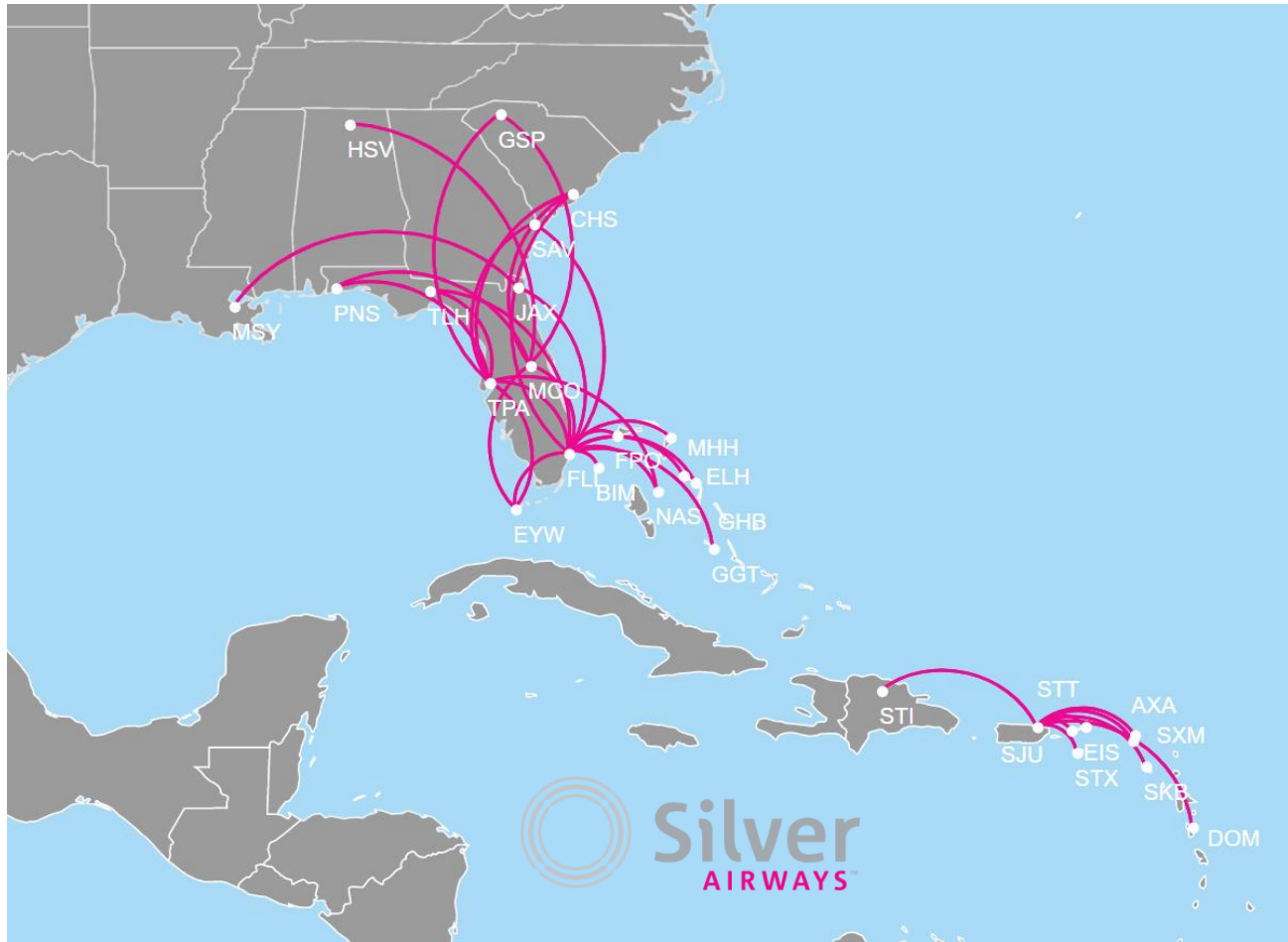
Overview of Air Choice One Operations

Including non-EAS routes



Overview of Silver Airways Operations

Including non-EAS routes



Thank you!



Gary Foss
Managing Partner

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Overview of EAS Awards by Carrier

Domestic 48 Only, Excluding SkyWest Airlines

| State | Airport | Community | Destination | Operator | Aircraft | Maximum Seats | Docket | Order | Expires |
|-------|-------------------------|-------------------------------|-------------------|--------------|--------------|---------------|-----------|------------|--------------|
| CA | Merced Regional Airport | Merced | Las Vegas (LAS) | Advanced Air | Pilatus | 8 | 1998-3521 | 2021-09-13 | Dec 31, 2025 |
| CA | Merced Regional Airport | Merced | Los Angeles (LAX) | Advanced Air | Pilatus | 8 | 1998-3521 | 2021-09-13 | Dec 31, 2025 |
| NM | Grant County Airport | Silver City / Hurley / Deming | Albuquerque (ABQ) | Advanced Air | King Air 350 | 9 | 1996-1903 | 2021-02-10 | Jan 31, 2023 |
| NM | Grant County Airport | Silver City / Hurley / Deming | Phoenix (PHX) | Advanced Air | King Air 350 | 9 | 1996-1903 | 2021-02-10 | Jan 31, 2023 |

| State | Airport | Community | Destination | Operator | Aircraft | Maximum Seats | Docket | Order | Expires |
|-------|-----------------------------|-----------|-----------------|----------------|----------------|---------------|-----------|------------|--------------|
| AR | Jonesboro Municipal Airport | Jonesboro | Nashville (BNA) | Air Choice One | Cessna Caravan | 9 | 1997-2935 | 2021-12-21 | Feb 28, 2026 |
| AR | Jonesboro Municipal Airport | Jonesboro | St. Louis (STL) | Air Choice One | Cessna Caravan | 9 | 1997-2935 | 2021-12-21 | Feb 28, 2026 |

| State | Airport | Community | Destination | Operator | Aircraft | Maximum Seats | Docket | Order | Expires |
|-------|---------------------------------|--------------|-------------------------|----------|----------|---------------|------------|------------|--------------|
| IA | Waterloo Regional Airport | Waterloo | Chicago-O'Hare (ORD) | American | ERJ-145 | 50 | 2011-0132 | 2022-01-16 | Apr 30, 2024 |
| KS | Garden City Regional Airport | Garden City | Dallas/Fort Worth (DFW) | American | ERJ-145 | 45 | 1998-3503 | 2020-06-11 | Jul 31, 2022 |
| NE | Grand Island Regional Airport | Grand Island | Dallas/Fort Worth (DFW) | American | ERJ-145 | 50 | 2002-13983 | 2021-03-09 | Jun 30, 2023 |
| NY | Watertown International Airport | Watertown | Philadelphia (PHL) | American | ERJ-145 | 50 | 2013-0188 | 2021-12-04 | Jan 31, 2024 |

| State | Airport | Community | Destination | Operator | Aircraft | Maximum Seats | Docket | Order | Expires |
|-------|---------------------------------|-----------|----------------------------|--------------|----------|---------------|------------|------------|--------------|
| AZ | Show Low Regional Airport | Show Low | Phoenix (PHX) | Boutique Air | Pilatus | 8 | 1998-4409 | 2018-05-05 | Jun 30, 2022 |
| CO | Cortez Municipal Airport | Cortez | Denver (DEN) | Boutique Air | Pilatus | 8 | 1998-3508 | 2018-08-01 | Sep 30, 2022 |
| CO | Cortez Municipal Airport | Cortez | Phoenix (PHX) | Boutique Air | Pilatus | 8 | 1998-3508 | 2018-08-01 | Sep 30, 2022 |
| NM | Cavern City Air Terminal | Carlsbad | Albuquerque (ABQ) | Boutique Air | Pilatus | 8/9 | 2002-12802 | 2021-03-11 | May 31, 2025 |
| NM | Cavern City Air Terminal | Carlsbad | Dallas/Fort Worth (DFW) | Boutique Air | Pilatus | 8/9 | 2002-12802 | 2021-03-11 | May 31, 2025 |
| NY | Massena International Airport | Massena | Baltimore/Washington (BWI) | Boutique Air | Pilatus | 8/9 | 2012-0163 | 2021-03-21 | Mar 31, 2023 |
| NY | Massena International Airport | Massena | Boston (BOS) | Boutique Air | Pilatus | 8/9 | 2012-0163 | 2021-03-21 | Mar 31, 2023 |
| OR | Eastern Oregon Regional Airport | Pendleton | Portland (PDX) | Boutique Air | Pilatus | 8/9 | 2004-19934 | 2018-11-04 | Dec 31, 2022 |
| PA | Altoona-Blair County Airport | Altoona | Baltimore/Washington (BWI) | Boutique Air | Pilatus | 8/9 | 2002-11446 | 2020-09-07 | Dec 31, 2022 |
| PA | Altoona-Blair County Airport | Altoona | Pittsburgh (PIT) | Boutique Air | Pilatus | 8/9 | 2002-11446 | 2020-09-07 | Dec 31, 2022 |
| TN | McKellar-Sipes Regional Airport | Jackson | Atlanta (ATL) | Boutique Air | Pilatus | 8/9 | 2000-7857 | 2021-03-19 | May 31, 2023 |

| State | Airport | Community | Destination | Operator | Aircraft | Maximum Seats | Docket | Order | Expires |
|-------|---|--|----------------------|----------|---|---------------|------------|------------|--------------|
| IA | Southeast Iowa Regional Airport | Burlington | Chicago-O'Hare (ORD) | Cape Air | Tecnam Traveller | 9 | 2001-8731 | 2021-11-09 | Jan 31, 2026 |
| IA | Southeast Iowa Regional Airport | Burlington | St. Louis (STL) | Cape Air | Tecnam Traveller | 9 | 2001-8731 | 2021-11-09 | Jan 31, 2026 |
| IL | Veterans Airport of Southern Illinois | Marion / Herrin | Nashville (BNA) | Cape Air | Cessna / Tecnam Traveller | 8/9 | 2000-7881 | 2021-09-22 | Nov 30, 2023 |
| IL | Veterans Airport of Southern Illinois | Marion / Herrin | St. Louis (STL) | Cape Air | Cessna / Tecnam Traveller | 8/9 | 2000-7881 | 2021-09-22 | Nov 30, 2023 |
| IL | Quincy Regional Airport | Quincy, IL / Hannibal, MO | Chicago-O'Hare (ORD) | Cape Air | Tecnam Traveller | 9 | 2002-14492 | 2019-10-13 | Nov 30, 2025 |
| IL | Quincy Regional Airport | Quincy, IL / Hannibal, MO | St. Louis (STL) | Cape Air | Tecnam Traveller | 9 | 2002-14492 | 2019-10-13 | Nov 30, 2025 |
| KY | Owensboro-Daviess County Regional Airport | Owensboro | Nashville (BNA) | Cape Air | Tecnam Traveller | 9 | 2000-7855 | 2021-11-08 | Dec 31, 2023 |
| KY | Owensboro-Daviess County Regional Airport | Owensboro | St. Louis (STL) | Cape Air | Tecnam Traveller | 9 | 2000-7855 | 2021-11-08 | Dec 31, 2023 |
| ME | Augusta State Airport | Augusta / Waterville | Boston (BOS) | Cape Air | Cessna or Tecnam Traveller | 9 | 1997-2784 | 2018-09-04 | Oct 31, 2022 |
| ME | Hancock County-Bar Harbor Airport | Bar Harbor | Boston (BOS) | Cape Air | Cessna or Tecnam Traveller | 9 | 2011-0185 | 2020-09-22 | Oct 14, 2024 |
| ME | Knox County Regional Airport | Rockland | Boston (BOS) | Cape Air | Cessna or Tecnam Traveller | 9 | 1997-2784 | 2018-09-04 | Oct 31, 2022 |
| MI | Manistee County Blacker Airport | Manistee / Ludington | Chicago-O'Hare (ORD) | Cape Air | Cessna or Tecnam Traveller | 9 | 1996-1711 | 2020-07-04 | Sep 30, 2022 |
| MO | Kirksville Regional Airport | Kirksville | St. Louis (STL) | Cape Air | Cessna / Tecnam Traveller | 9 | 1997-2515 | 2020-09-03 | Sep 30, 2024 |
| MT | Glasgow Valley County Airport | Glasgow | Billings (BIL) | Cape Air | Cessna / Tecnam Traveller | 9 | 1997-2605 | 2019-10-11 | Dec 31, 2023 |
| MT | Dawson Community Airport | Glendive | Billings (BIL) | Cape Air | Cessna / Tecnam Traveller | 9 | 1997-2605 | 2019-10-11 | Dec 31, 2023 |
| MT | Havre City-County Airport | Havre | Billings (BIL) | Cape Air | Cessna / Tecnam Traveller | 9 | 1997-2605 | 2019-10-11 | Dec 31, 2023 |
| MT | Sidney-Richland Municipal Airport | Sidney | Billings (BIL) | Cape Air | Cessna / Tecnam Traveller | 9 | 1997-2605 | 2019-10-11 | Dec 31, 2023 |
| MT | L. M. Clayton Airport | Wolf Point | Billings (BIL) | Cape Air | Cessna / Tecnam Traveller | 9 | 1997-2605 | 2019-10-11 | Dec 31, 2023 |
| NH | Lebanon Municipal Airport | Lebanon, NH / White River Junction, VT | Boston (BOS) | Cape Air | Cessna / Tecnam Traveller | 9 | 2003-14822 | 2018-09-14 | Nov 30, 2022 |
| NH | Lebanon Municipal Airport | Lebanon, NH / White River Junction, VT | White Plains (HPN) | Cape Air | Cessna / Tecnam Traveller | 9 | 2003-14822 | 2018-09-14 | Nov 30, 2022 |
| NY | Adirondack Regional Airport | Saranac Lake / Lake Placid | Boston (BOS) | Cape Air | Cessna / Tecnam Traveller | 9 | 2000-8025 | 2022-01-14 | Feb 28, 2026 |
| NY | Adirondack Regional Airport | Saranac Lake / Lake Placid | New York-JFK (JFK) | Cape Air | Cessna / Tecnam Traveller | 9 | 2000-8025 | 2022-01-14 | Feb 28, 2026 |
| PR | Eugenio María de Hostos Airport | Mayaguez | San Juan (SJU) | Cape Air | Cessna / Britten-Norman Islander / Tecnam Traveller | 8/9 | 2004-19622 | 2021-03-22 | Apr 30, 2026 |
| VT | Rutland-Southern Vermont Regional Airport | Rutland | Boston (BOS) | Cape Air | Cessna / Tecnam Traveller | 9 | 2005-21681 | 2021-07-14 | Oct 31, 2023 |

Overview of EAS Awards by Carrier

Domestic 48 Only, Excluding SkyWest Airlines

| State | Airport | Community | Destination | Operator | Aircraft | Maximum Seats | Docket | Order | Expires |
|-------|---------------------------------------|------------------------------------|----------------------------|------------------|-----------------|---------------|------------|------------|--------------|
| AL | Muscle Shoals (AEAS) | Northwest Alabama Regional Airport | Charlotte (CLT) | Contour Airlines | Embraer ERJ-135 | 30 | 2000-7856 | 2022-01-21 | Sep 30, 2024 |
| AZ | Page (AEAS) | Page Municipal Airport | Phoenix (PHX) | Contour Airlines | Embraer ERJ-135 | 30 | 1997-2694 | 2022-02-22 | Sep 30, 2026 |
| CA | Crescent City (AEAS) | Del Norte County Airport | Oakland (OAK) | Contour Airlines | Embraer ERJ-135 | 30 | 1997-2649 | 2020-09-20 | Sep 30, 2024 |
| GA | Macon (AEAS) | Middle Georgia Regional Airport | Baltimore/Washington (BWI) | Contour Airlines | Embraer ERJ-135 | 30 | 2007-28671 | 2019-04-09 | Sep 30, 2023 |
| MS | Greenville (AEAS) | Greenville Mid-Delta Airport | Dallas/Fort Worth (DFW) | Contour Airlines | Embraer ERJ-135 | 30 | 2008-0209 | 2021-07-23 | Sep 30, 2025 |
| MS | Greenville (AEAS) | Greenville Mid-Delta Airport | Nashville (BNA) | Contour Airlines | Embraer ERJ-135 | 30 | 2008-0209 | 2021-07-23 | Sep 30, 2025 |
| MS | Tupelo (AEAS) | Tupelo Regional Airport | Nashville (BNA) | Contour Airlines | Embraer ERJ-135 | 30 | 2009-0305 | 2020-09-14 | Sep 30, 2022 |
| WV | Beckley (AEAS) | Raleigh County Memorial Airport | Charlotte (CLT) | Contour Airlines | Embraer ERJ-135 | 30 | 1997-2761 | 2021-09-07 | Sep 30, 2025 |
| WV | Parkersburg, WV / Marietta, OH (AEAS) | Mid-Ohio Valley Regional Airport | Charlotte (CLT) | Contour Airlines | Embraer ERJ-135 | 30 | 2005-20734 | 2021-09-07 | Sep 30, 2025 |

| State | Airport | Community | Destination | Operator | Aircraft | Maximum Seats | Docket | Order | Expires |
|-------|------------------------------------|----------------------------|------------------------------|-----------------------|--------------------------|---------------|------------|------------|--------------|
| MI | Gogebic-Iron County Airport | Ironwood, MI / Ashland, WI | Chicago-O'Hare (ORD) | Denver Air Connection | ERJ-145 | 50 | 1996-1266 | 2021-08-18 | Sep 30, 2023 |
| MI | Gogebic-Iron County Airport | Ironwood, MI / Ashland, WI | Minneapolis/Saint Paul (MSP) | Denver Air Connection | ERJ-145 | 50 | 1996-1266 | 2021-08-18 | Sep 30, 2023 |
| MN | Thief River Falls Regional Airport | Thief River Falls | Minneapolis/Saint Paul (MSP) | Denver Air Connection | Dornier 328JET / ERJ-145 | 30/50 | 2001-10642 | 2022-02-21 | May 31, 2027 |
| NE | Alliance Municipal Airport | Alliance | Denver (DEN) | Denver Air Connection | Metroliner 23 | 9 | 2000-8322 | 2021-04-05 | May 31, 2023 |
| NE | McCook Ben Nelson Regional Airport | McCook | Denver (DEN) | Denver Air Connection | Metroliner 23 | 9 | 1997-3005 | 2022-02-23 | May 31, 2024 |
| NM | Clovis Municipal Airport | Clovis | Dallas/Fort Worth (DFW) | Denver Air Connection | Dornier 328JET | 30 | 1996-1902 | 2022-02-18 | Apr 30, 2026 |
| NM | Clovis Municipal Airport | Clovis | Denver (DEN) | Denver Air Connection | Dornier 328JET | 30 | 1996-1902 | 2022-02-18 | Apr 30, 2026 |
| SD | Pierre Regional Airport | Pierre | Denver (DEN) | Denver Air Connection | ERJ-145 | 50 | 2011-0138 | 2019-04-07 | May 31, 2023 |
| SD | Watertown Regional Airport | Watertown | Chicago-O'Hare (ORD) | Denver Air Connection | ERJ-145 | 50 | 2001-10644 | 2021-04-07 | May 31, 2023 |
| SD | Watertown Regional Airport | Watertown | Denver (DEN) | Denver Air Connection | ERJ-145 | 50 | 2001-10644 | 2021-04-07 | May 31, 2023 |

| State | Airport | Community | Destination | Operator | Aircraft | Maximum Seats | Docket | Order | Expires |
|-------|--|--------------------|-------------------------|--------------------------|-------------------------|---------------|------------|------------|--------------|
| AR | South Arkansas Regional Airport at Goodwin Field | El Dorado / Camden | Dallas/Fort Worth (DFW) | Southern Airways Express | Cessna Caravan | 9 | 1997-2935 | 2021-02-02 | Feb 28, 2023 |
| AR | South Arkansas Regional Airport at Goodwin Field | El Dorado / Camden | Memphis (MEM) | Southern Airways Express | Pilatus | 8 | 1997-2935 | 2021-02-02 | Feb 28, 2023 |
| AR | Boone County Airport | Harrison | Dallas/Fort Worth (DFW) | Southern Airways Express | Cessna Caravan | 9 | 1997-2935 | 2021-02-02 | Feb 28, 2023 |
| AR | Memorial Field Airport | Hot Springs | Dallas/Fort Worth (DFW) | Southern Airways Express | Cessna Caravan | 9 | 1997-2935 | 2021-02-02 | Feb 28, 2023 |
| AR | Memorial Field Airport | Hot Springs | Memphis (MEM) | Southern Airways Express | Pilatus | 8 | 1997-2935 | 2021-02-02 | Feb 28, 2023 |
| CA | Imperial County Airport | El Centro | Los Angeles (LAX) | Southern Airways Express | Cessna Caravan | 9 | 2008-0299 | 2022-02-19 | Apr 30, 2026 |
| NE | Chadron Municipal Airport | Chadron | Denver (DEN) | Southern Airways Express | Beechcraft King Air 200 | 9 | 2000-8322 | 2021-04-06 | May 31, 2023 |
| PA | Bradford Regional Airport | Bradford | Pittsburgh (PIT) | Southern Airways Express | Cessna Caravan | 9 | 2003-14528 | 2020-10-10 | Oct 31, 2022 |
| PA | Bradford Regional Airport | Bradford | Washington-Dulles (IAD) | Southern Airways Express | Cessna Caravan | 9 | 2003-14528 | 2020-10-10 | Oct 31, 2022 |
| PA | DuBois Regional Airport | DuBois | Pittsburgh (PIT) | Southern Airways Express | Cessna Caravan | 9 | 2004-17617 | 2020-12-03 | Oct 31, 2024 |
| PA | DuBois Regional Airport | DuBois | Washington-Dulles (IAD) | Southern Airways Express | Cessna Caravan | 9 | 2004-17617 | 2020-12-03 | Oct 31, 2024 |
| PA | Lancaster Airport | Lancaster | Pittsburgh (PIT) | Southern Airways Express | Cessna Caravan | 9 | 2002-11450 | 2021-10-13 | Dec 31, 2025 |
| PA | Lancaster Airport | Lancaster | Washington-Dulles (IAD) | Southern Airways Express | Cessna Caravan | 9 | 2002-11450 | 2021-10-13 | Dec 31, 2025 |
| WV | Morgantown Municipal Airport | Morgantown | Pittsburgh (PIT) | Southern Airways Express | Cessna Caravan | 9 | 2005-20735 | 2020-12-03 | Oct 31, 2024 |
| WV | Morgantown Municipal Airport | Morgantown | Washington-Dulles (IAD) | Southern Airways Express | Cessna Caravan | 9 | 2005-20735 | 2020-12-03 | Oct 31, 2024 |

At a Glance

Supported by an enthusiastic community and bustling industrial business center, Salina is one of the most improved EAS markets vs 2019 and a Top 10 producer

SLN at a Glance

- Traffic at SLN is ahead of 2019 by around 20% despite capacity being down a third
- SLN has spent close to \$375k marketing its jet service through the pandemic over the last three years
 - SLN's digital media campaign alone generated over 9M impressions in 2021 and an estimated 25,000 bookings

- **Area Overview**
- **Air Service Market**
- **True Market**
- **Going Forward**
- **Questions and Discussion**

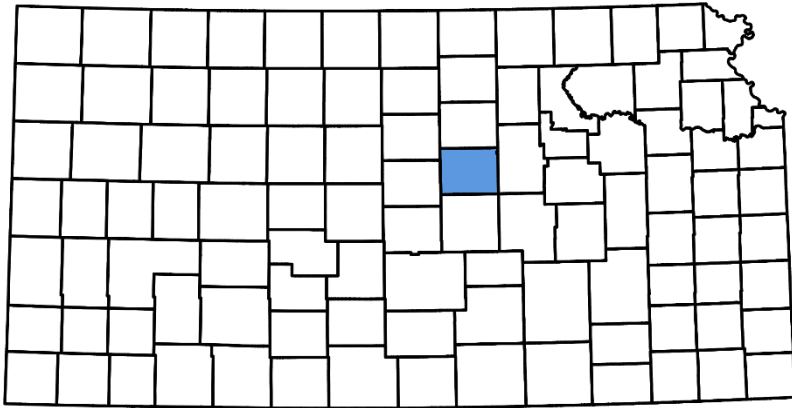


Area Overview



Salina is 85 miles southeast from the geographic center of the United States, at the crossroads of I-70 and I-135

Saline County – Key Demographics



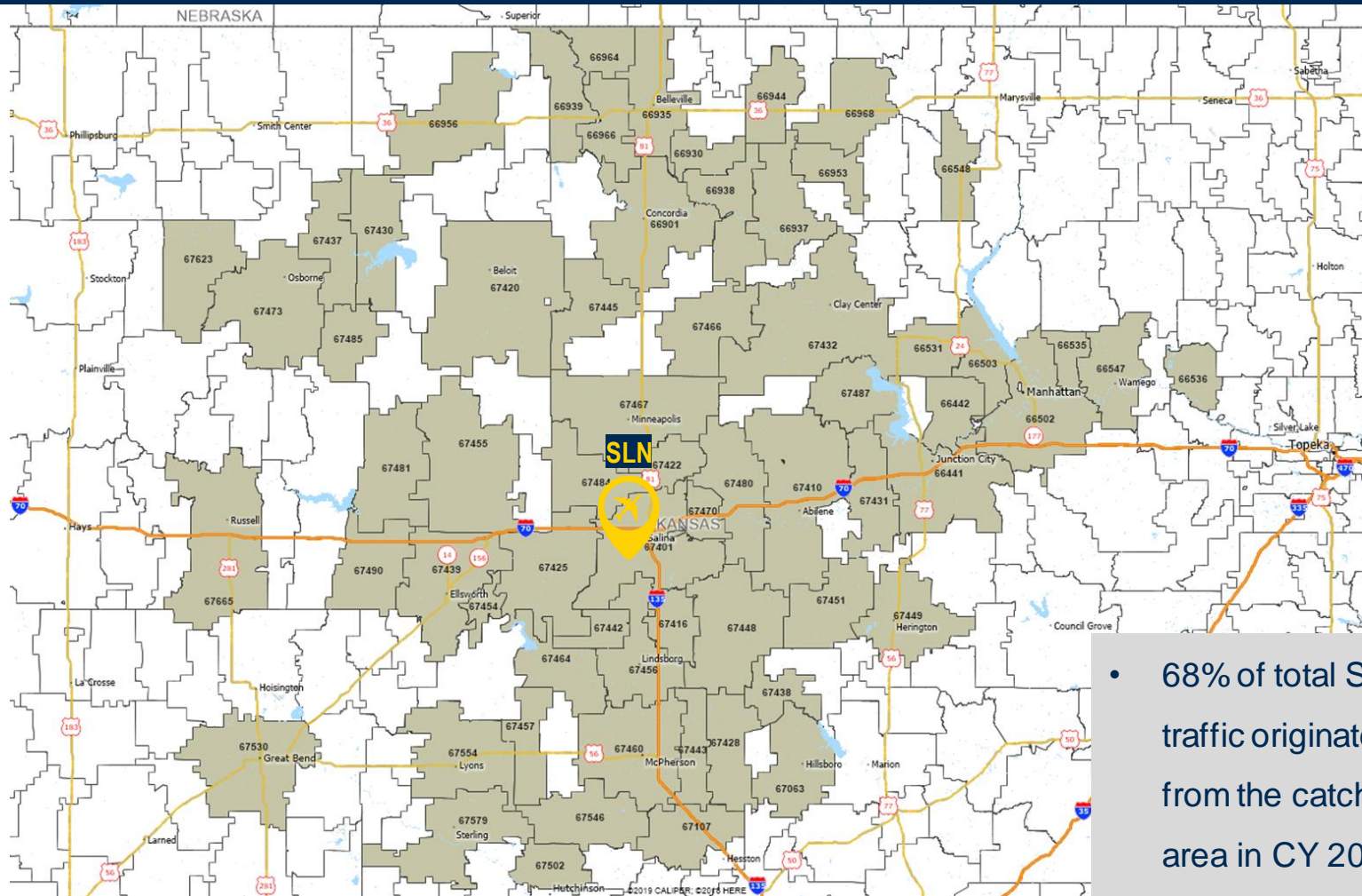
The location of the Salina MSA (shown in blue) within the state of Kansas

| | |
|----------------------------|----------|
| Population | 54,303 |
| Square Miles | 720.2 |
| Population per Square Mile | 75.4 |
| Median Age | 38.6 |
| Per Capita Income | \$28,813 |
| Number of Households | 21,959 |
| Median Household Income | \$52,200 |

SLN Catchment Area

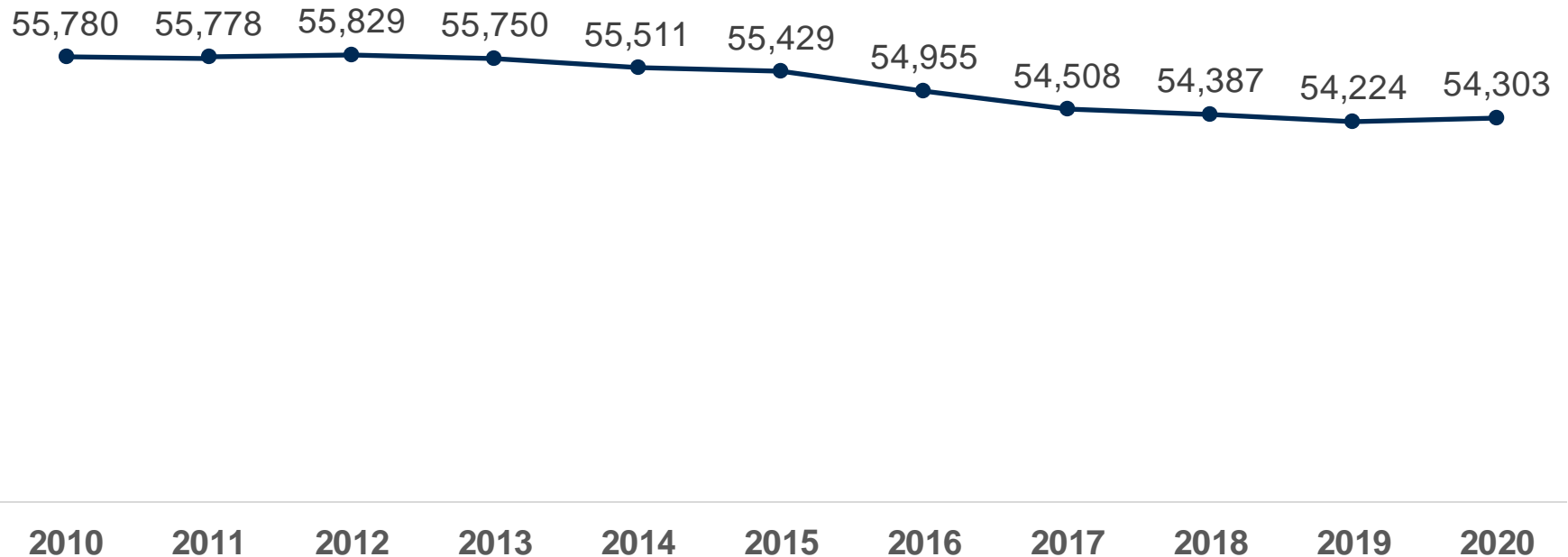
SLN's catchment area includes 67 zip codes with a combined population of approximately 321,000. It includes Manhattan, KS with only service to DFW and ORD

Catchment Area – Contours Calendar Year 2021



- 68% of total SLN traffic originated from the catchment area in CY 2021

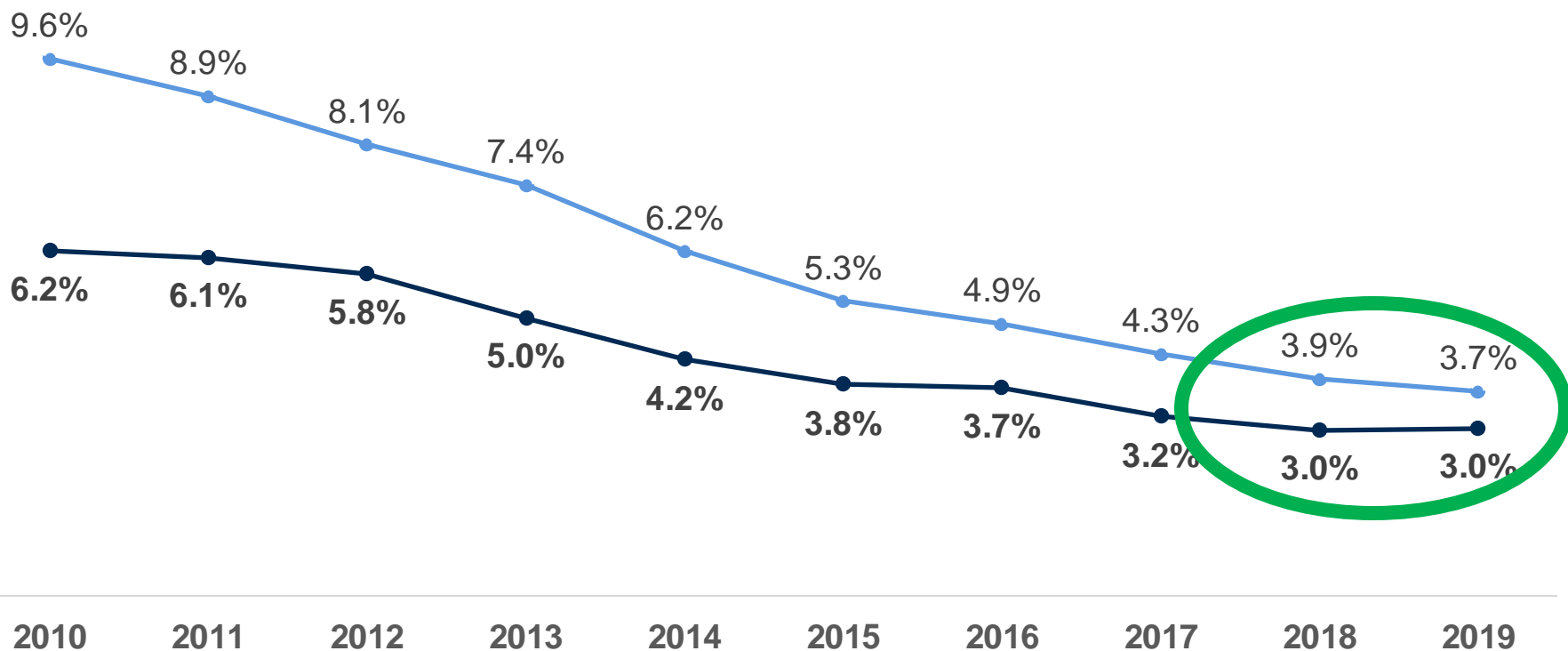
Saline County – Population, 2010-2020



Saline County enjoys a lower unemployment rate than the nation at large and is at full employment by many economists' measures

Saline County vs. National Average – Unemployment Rate, 2020-2019

● Saline County ● National Average

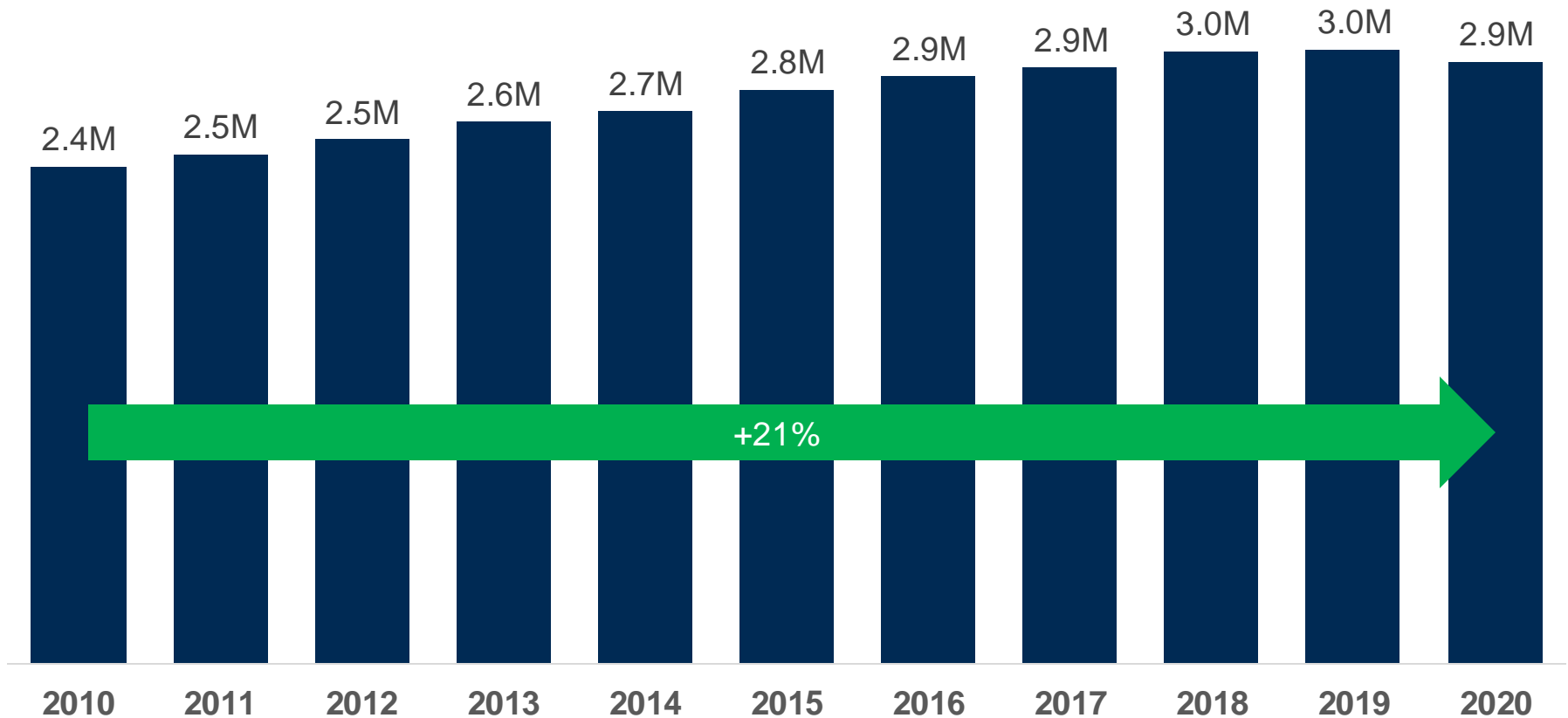


Gross Domestic Product (GDP)

Saline County's GDP grew almost 21% between 2010 and 2020

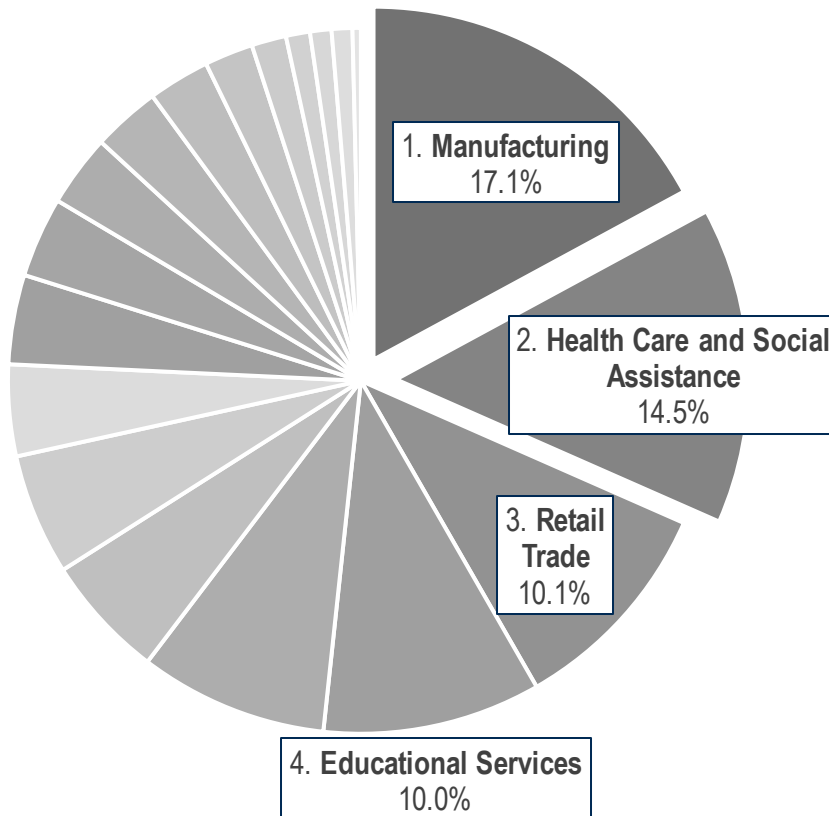
Saline County – Gross Domestic Product (All Industries), 2010-2020

Thousands of Chained 2012 Dollars



Manufacturing, Health Care, Retail Trade and Education account for 52% of all Saline County employment

Saline County – Civilian Employment by Industry



| | |
|--|------|
| 5. Accommodation and Food Service | 8.6% |
| 6. Other Services | 5.7% |
| 7. Construction | 5.6% |
| 8. Public Administration | 4.2% |
| 9. Professional, Scientific and Technical Services | 4.1% |
| 10. Finance and Insurance | 3.7% |
| 11. Transportation and Warehousing | 3.3% |
| 12. Waste Management Services | 3.1% |
| 13. Wholesale Trade | 2.8% |
| 14. Arts, Entertainment and Recreation | 2.2% |
| 15. Agriculture, Forestry, Fishing and Hunting | 1.6% |
| 16. Real Estate and Rental | 1.1% |
| 17. Utilities | 1.0% |
| 18. Information | 1.0% |
| 19. Mining, Quarrying, Oil and Gas Extraction | 0.4% |

Top Employers

These four categories are concentrated at the largest employers, to include a number with international travel

Saline County – Top Employers



Underscoring Salina's role as an outsized regional center for trade, Saline County has the fifth highest Trade Pull Factor of the 105 counties of Kansas

Saline County vs. State of Kansas – Trade Pull Factor FY 2021

- Trade Pull Factors measure the relative strength of a city's ability to attract retail shoppers
- A Trade Pull Factor greater than 1 means that non-residents of Saline County spend more within Saline County than Saline County residents spend outside of the county
- Saline County was 36% higher than the average Kansas county in FY 2021





Air Service Market



SLN is a part 139 airport with one of the longest runways in the country, making it an attractive mid-continent fuel stop

The Salina Regional Airport

- ➔ Because of the airport's heritage as a former Air Force Base and its central location, the airport has four runways and has been converted into an industrial center



The Salina Regional Airport from above

- ➔ The longest, at 12,300', was instrumental in its selection by pilot and adventurer Steve Fossett to be the starting and end point of the first solo "Around the World Fixed Wing Flight" in 2005



Steve Fossett and Sir Richard Branson celebrate at SLN after the former's successful around-the-world flight



Steve Fossett Plaza – a monument to the late record-breaking pioneer – overlooking SLN

- ➔ Given its geography and infrastructure, many corporate and private jets stop to refuel and allow their passengers a break
- ➔ It will be the only airport in the region when MHK closes for runway construction May – July 2023

Salina's Industrial, Military and Governmental Activities

- The Center hosts over 100 businesses accounting for 7,005 Saline County jobs, or 17.6% of total county employment
- With an average salary of \$58k, these are high paying jobs that will continue to generate additional commercial demand for SLN



An aerial view of the sprawling Salina Airport Industrial Center

- The total economic impact of the Center is \$1,297,934,889, or 42% of Saline County GRP

- SLN is the home airport for the nearby Kansas Air National Guard's Smoky Hill Weapons Range which trains US Military forces from all branches



A B-2 Spirit Stealth Bomber dropping 500-lb practice bombs over Smoky Hill Bombing Range

- The National Oceanic and Atmospheric Administration (NOAA) and the National Aeronautics and Space Administration (NASA) conduct seasonal operations at the airport

1 Vision, a Part 145 Maintenance Repair Organization (MRO) – is situated at SLN. The National Institute for Aviation Research (NIAR) is requesting \$15M to modify 12 777-300s per year at SLN

SLN as an Engineering and Maintenance Center

- SLN is sought after due to its a central location and talented labor pool of aviation mechanics courtesy of the strong military presence in the area
- 1 Vision works on many fleet types and is certified for avionics, airframe, GPS and routine maintenance
- It has contracts with Delta and SkyWest, for whom it maintains CRJ-900 aircraft, among others



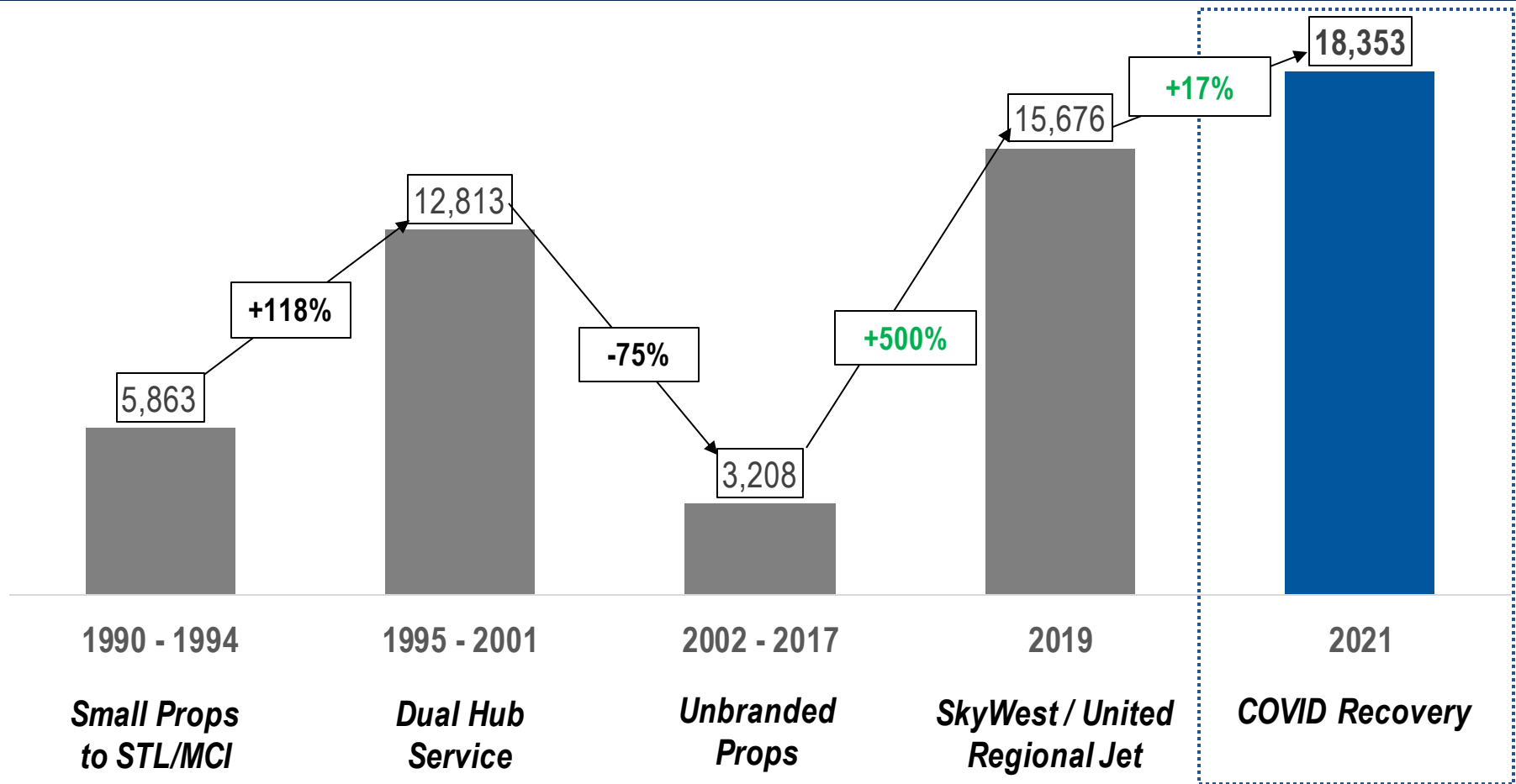
WICHITA STATE
UNIVERSITY

NATIONAL INSTITUTE
FOR AVIATION RESEARCH

- NIAR was established at Wichita State University in 1985 in an effort to increase research and development capabilities, particularly in Kansas
- It provides research, design, testing, certification and training to the aviation manufacturing industries and government agencies including the Department of Defense
- NIAR has a \$190 million annual budget, a staff of 1,000, and 1.6M square feet of laboratory and office space in six locations across the city of Wichita
- NIAR has submitted plans to modify 12 777-300s from passenger configuration to freighter per year at SLN
- NIAR's SLN footprint would include two hangars totaling 177k square feet

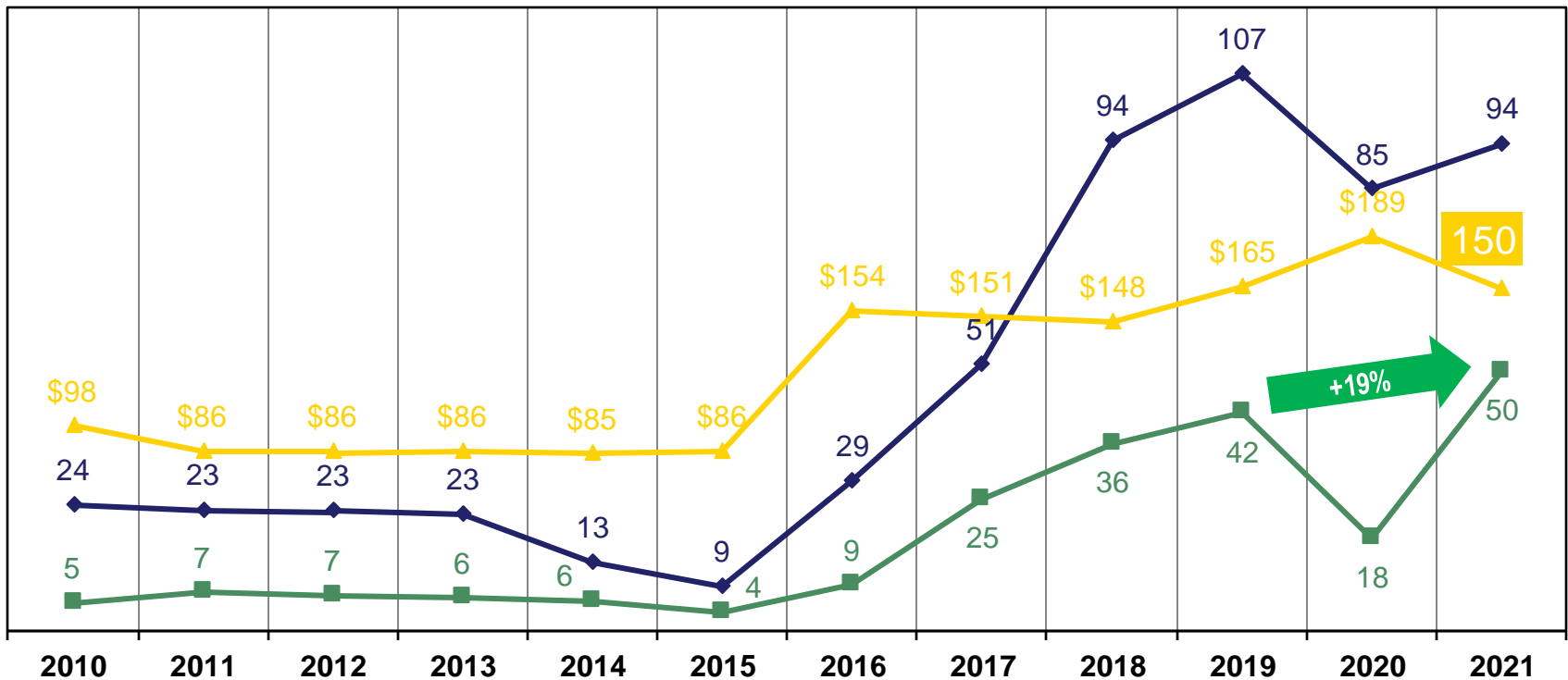
Despite pandemic-related challenges, Salina enplaned 17% more passengers in 2021 than in 2019, a record that goes back 43 years to 1979

Average Annual Outbound Enplanements by Era of Service at SLN



Overview of Salina (SLN) Air Service History Calendar Year 2004 – 2021

◆ Scheduled Seats Daily Each Way (SDEW)
 ■ Passengers Daily Each Way (PDEW)
 ▲ Average Domestic Fare (Fared Fare)



*Average Domestic Fare for 2021 is a weighted average of Q1 through Q3, as Q4 data is not yet available

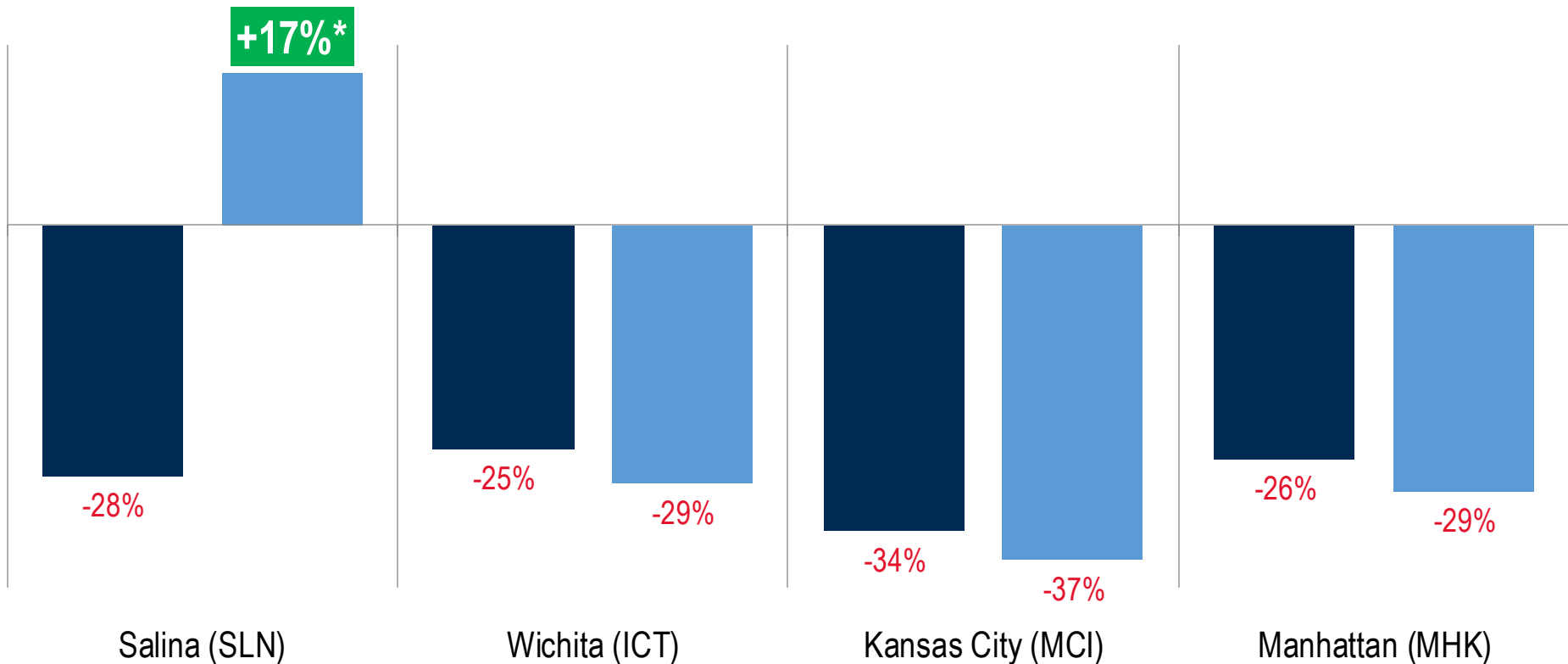
While 2021 capacity was reduced similarly at ICT, MCI and MHK, traffic plummeted at the others versus 2019 - - underscoring the strength of the Salina marketing strategy

Capacity and Traffic vs. ICT, MCI and MHK

January through October 2019, vs. January through October 2021

■ Difference in Operated Seats vs. 2019

■ Difference in Enplaned Passengers vs. 2019



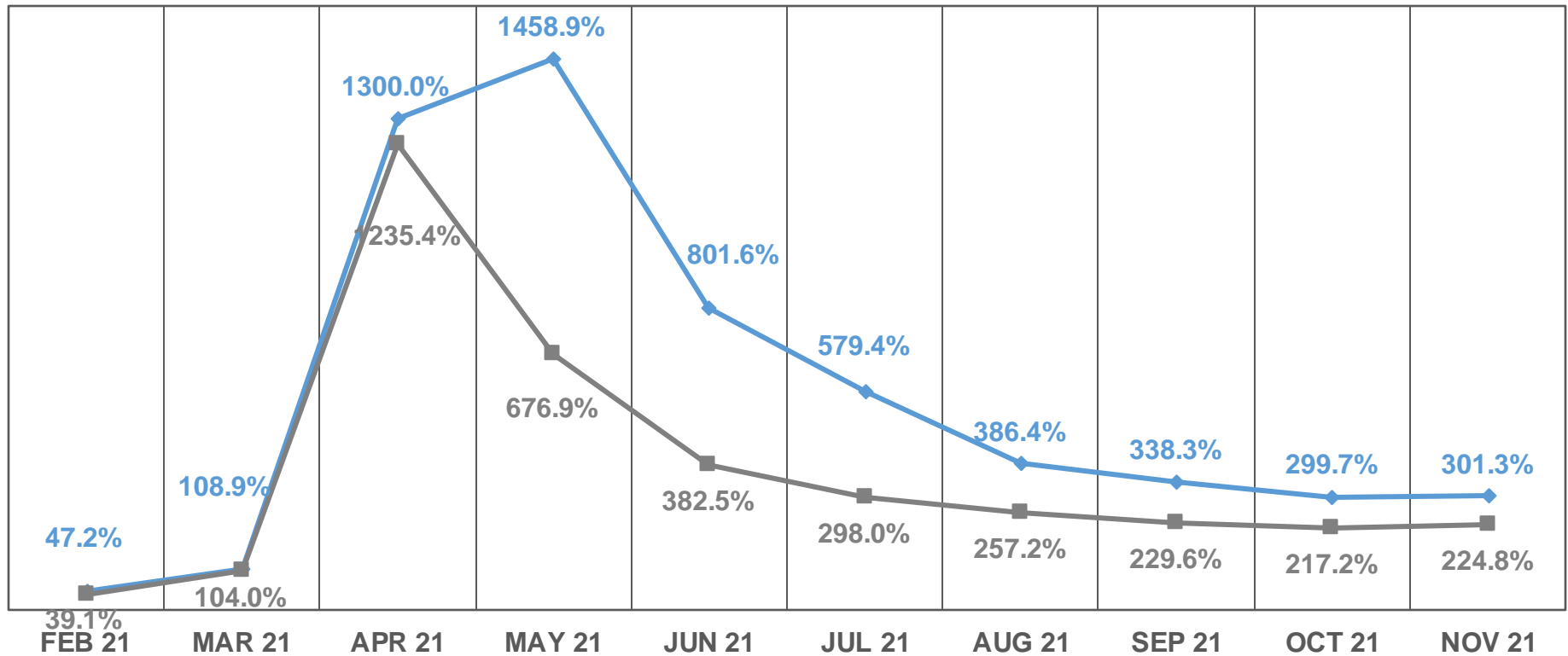
**Note: SLN enplanement figures are for the full year, as data is available and ties to prior slide.*

Traffic Recovery

SLN is likewise outperforming airports across the country as traffic has returned at a faster rate than the national average

TSA Screenings at SLN vs. All Airports Nationally As a Percentage of 2020

—◆— Salina TSA Screenings
% of Last Year —■— National TSA Screenings
% of Last Year

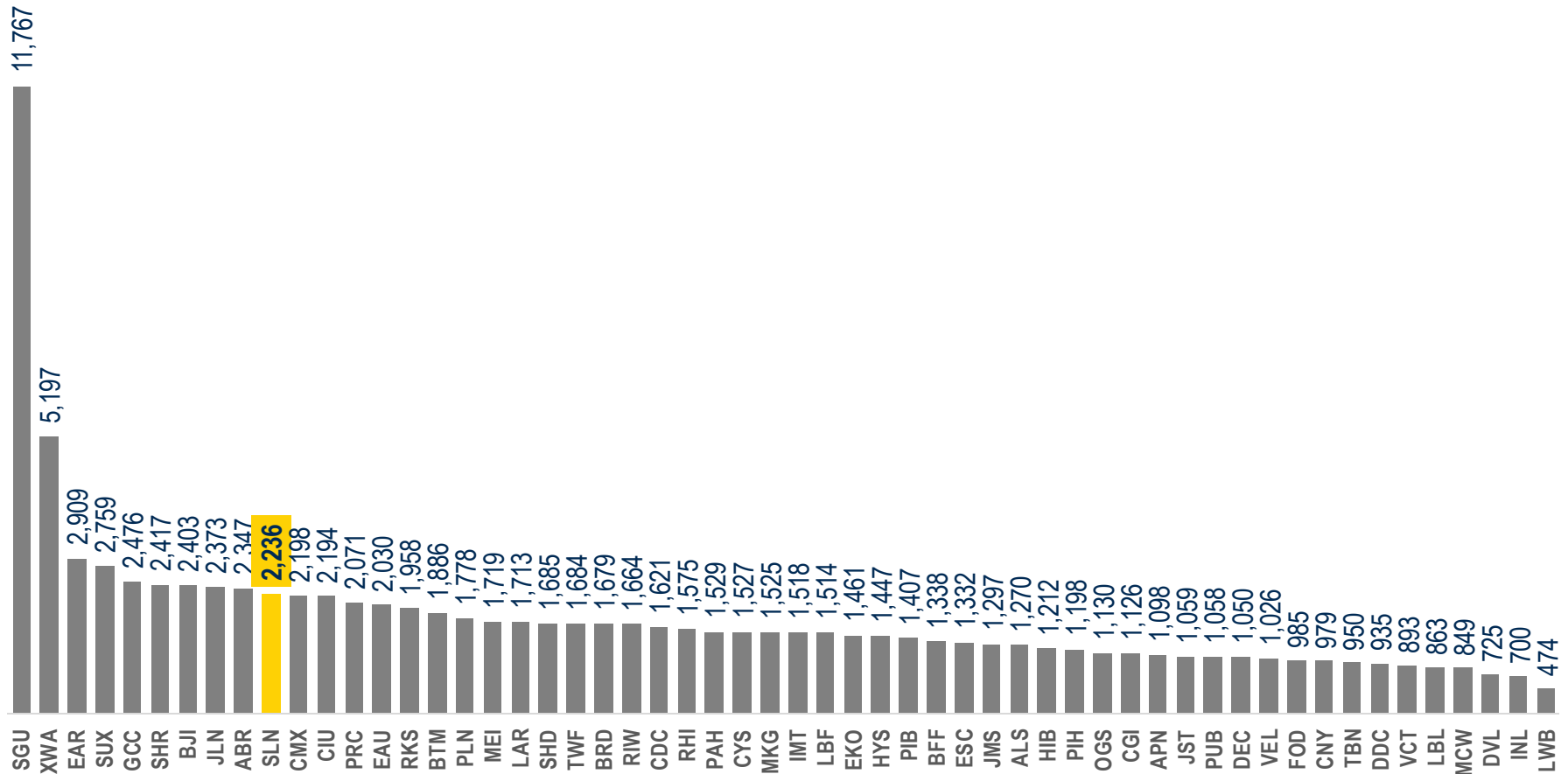


Traffic Context

In December 2021, SLN was **10th** of the 57 prorate markets shown in traffic production and the **9th** most improved versus 2019, placing it in the first quartile for both metrics

December 2021 TSA Throughput in SkyWest Prorate Markets

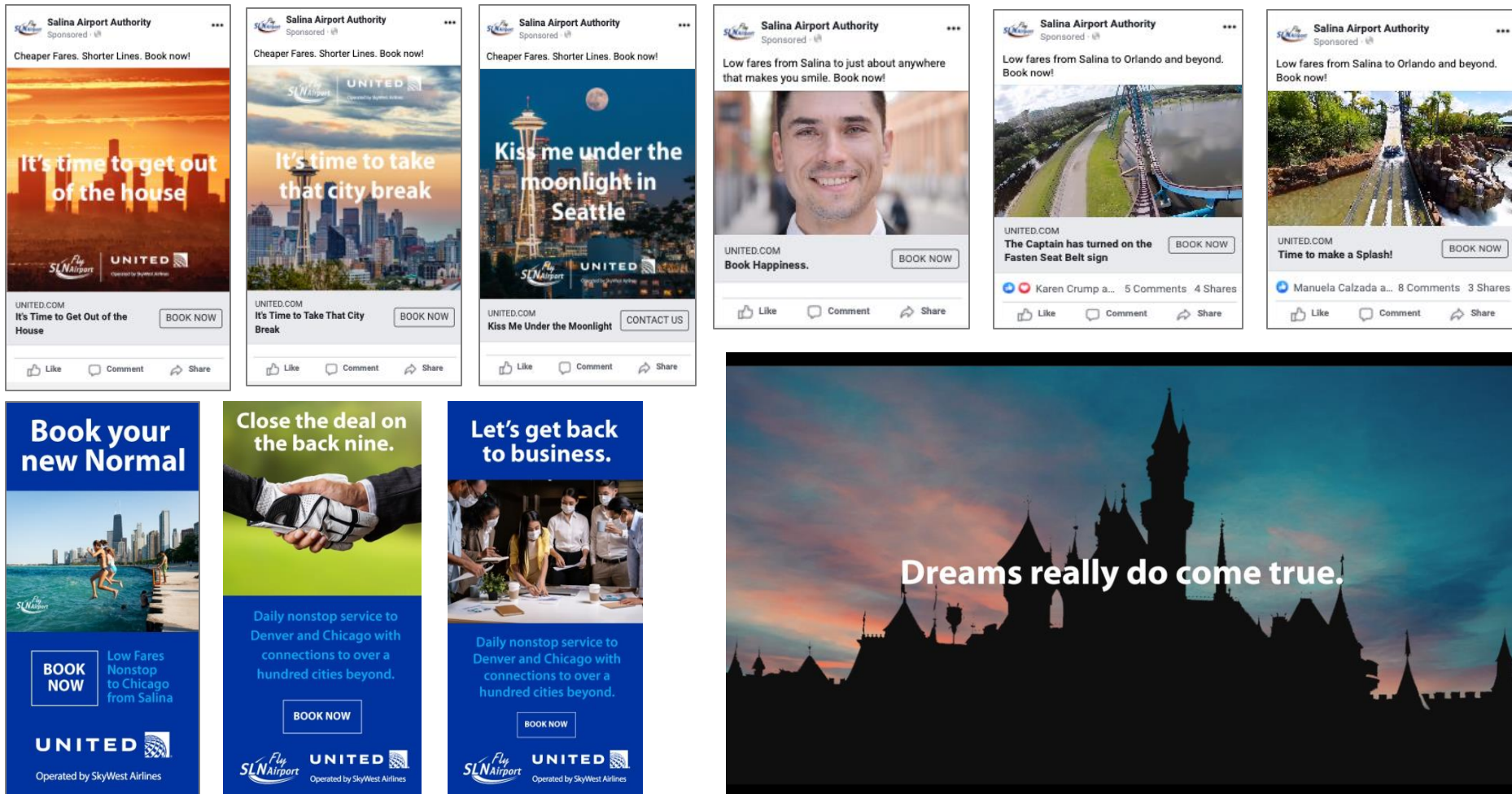
Where SkyWest is the Sole Operator as of February 2022



Promoting Jet Service

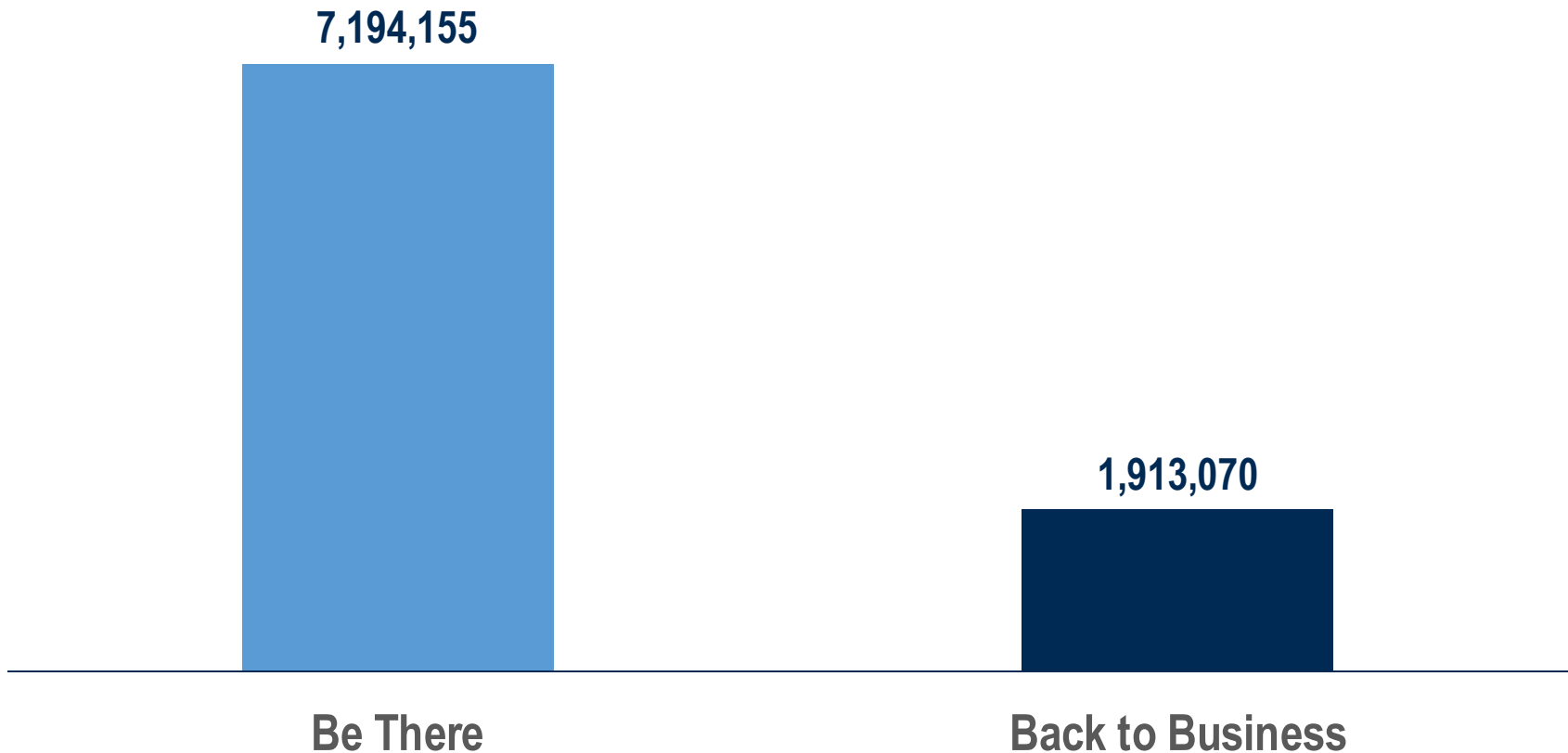
SLN has spent close to \$375k marketing jet service over the last three years

A Selection of SLN Media April 1, 2021 – December 31, 2021



Media Campaign Performance – Impressions by Campaign

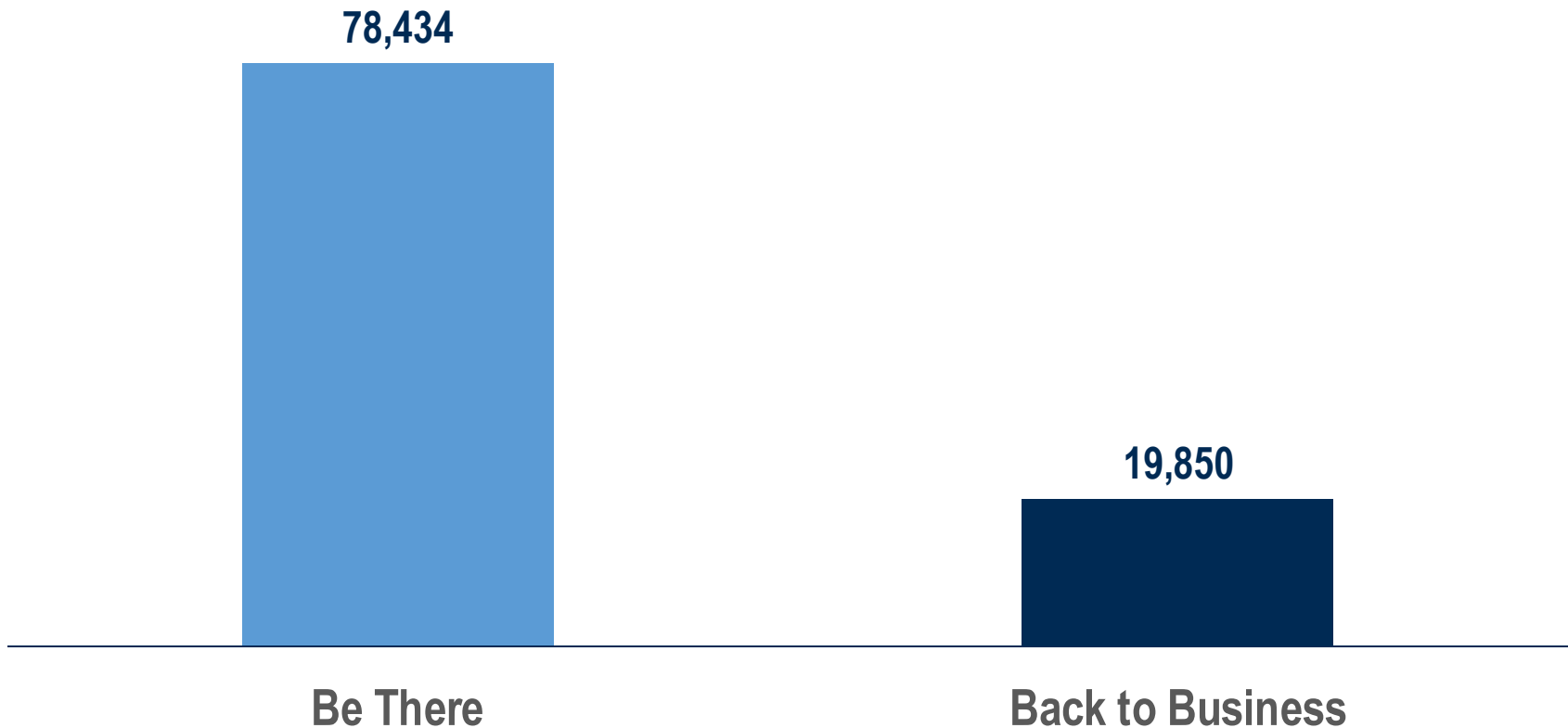
April 1, 2021 – December 31, 2021



...with 98k click-throughs to united.com. If just one out of every four made a purchase, this would have resulted in roughly 25,000 bookings

Media Campaign Performance – Click-Throughs by Campaign

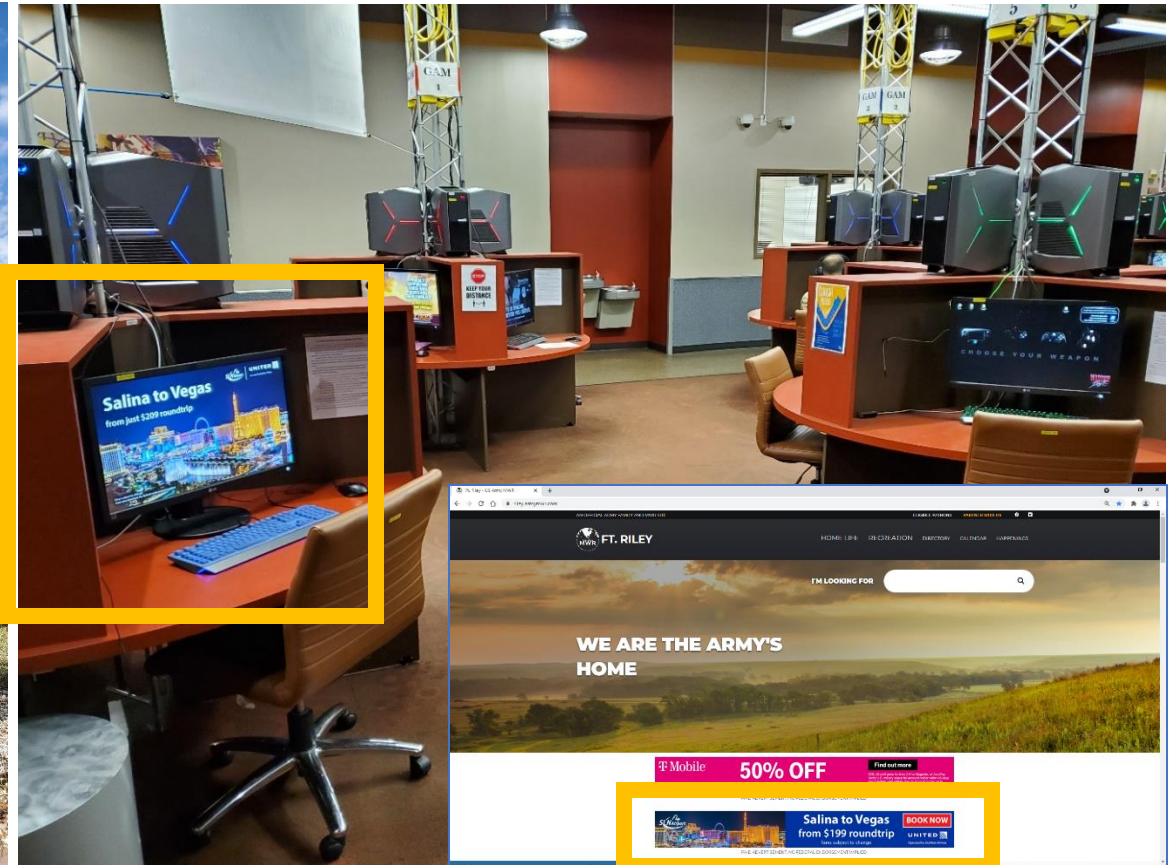
April 1, 2021 – December 31, 2021




Promoting Jet Service

A creative approach to marketing is through the military's Morale, Welfare and Recreation centers for soldiers and their families. This is an example from Fort Riley

A Selection of SLN Media at US Army Base Fort Riley April 1, 2021 – December 31, 2021



A photograph of the Earth from space, showing the Americas. The landmasses are in shades of green and brown, surrounded by deep blue oceans and white, swirling clouds. The Earth is partially in shadow, with the right side being brightly lit.

Let's get reunited, world.



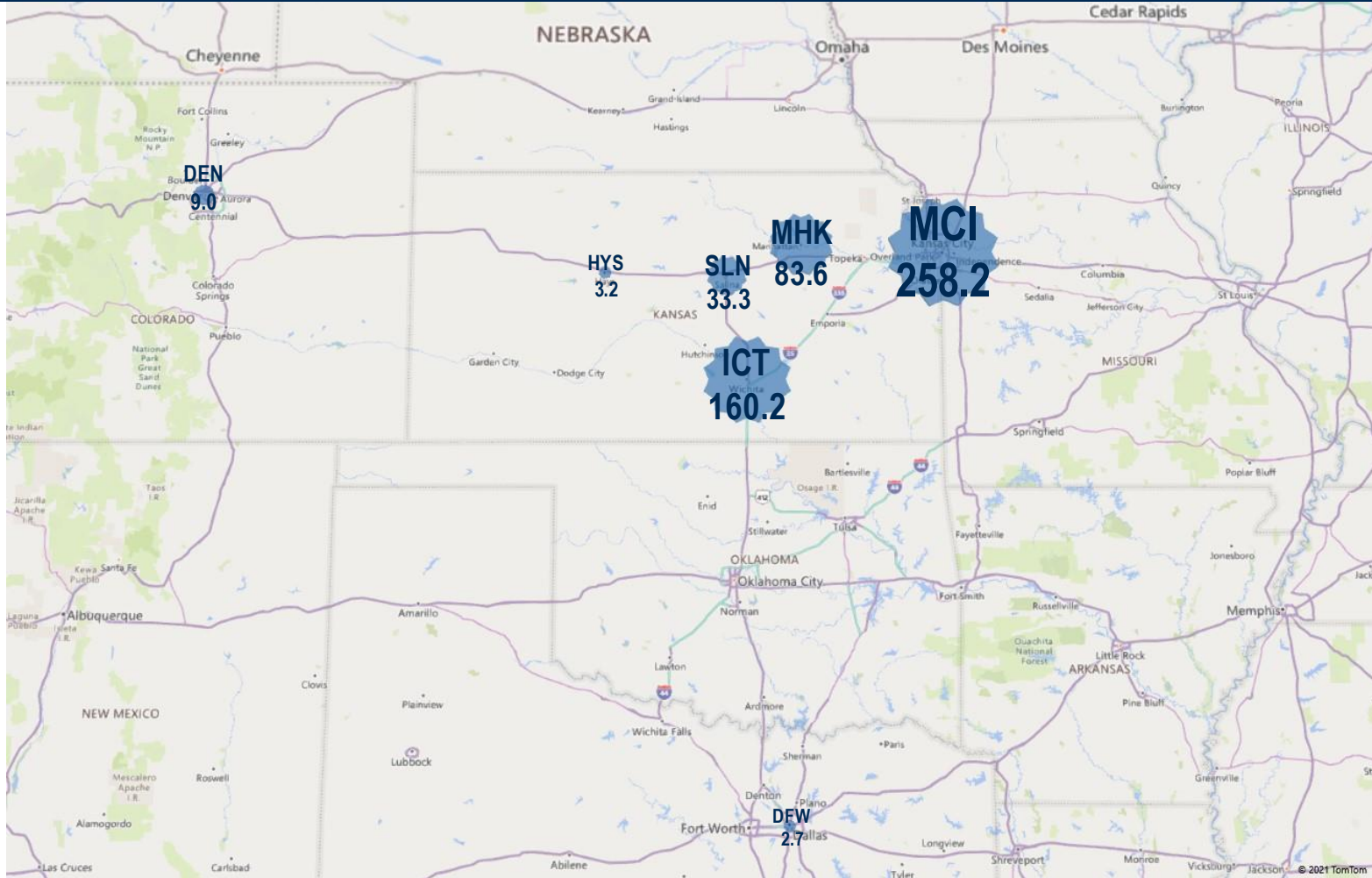
True Market



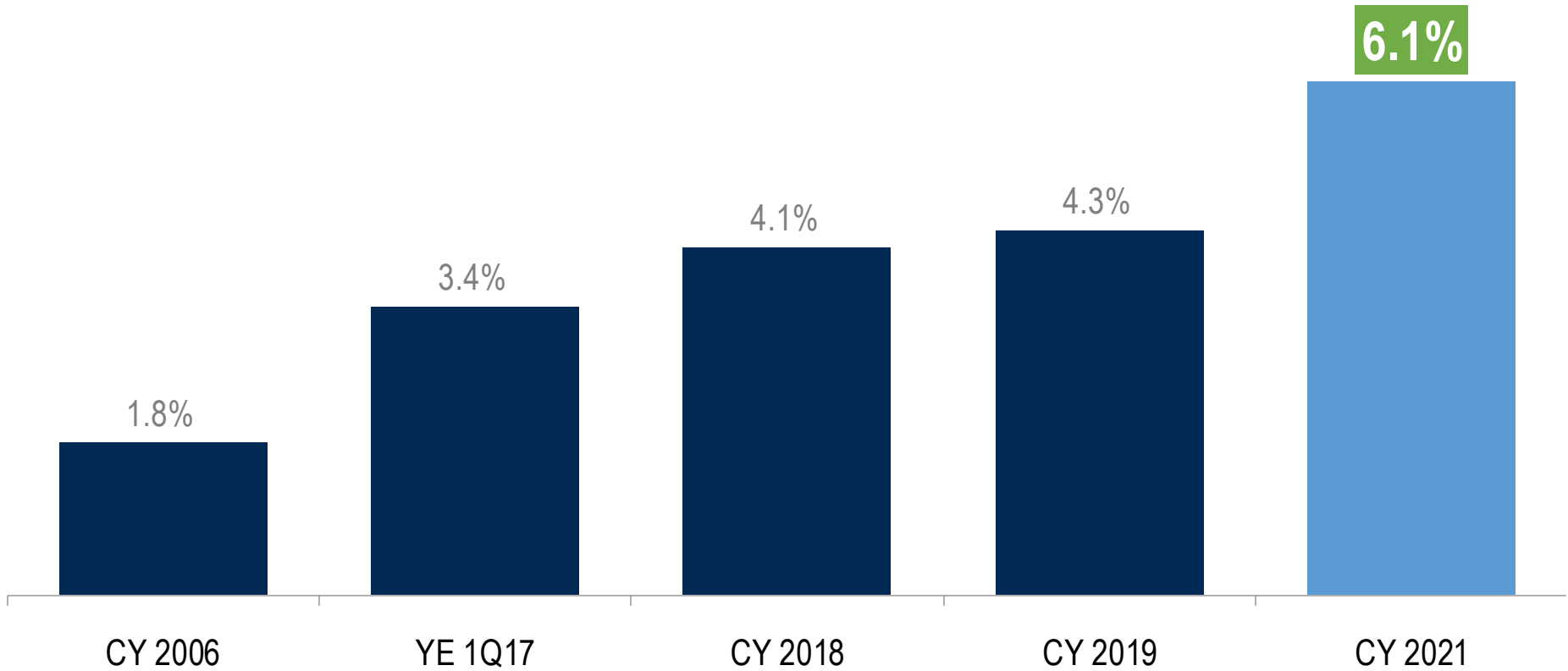
Catchment Area Airport Usage

The catchment area generated 550 passengers per day each way, or 401,603 passengers in 2021, departing from 7 airports.

Catchment Area – Airport Usage – Passengers per Day Each Way (PDEW) Calendar Year 2021



Catchment Area – Capture Rates
2006 - 2021



Catchment Area Airport Usage

SLN's traffic gains came largely at the expense of ICT, which fell from capturing 35% of the catchment area in 2019 to 29% in 2021

Catchment Area – Airport Usage Breakdown Calendar Year 2021

→ 32% of SLN traffic, or 12,051 passengers originated from ZIP codes outside of the airport catchment area

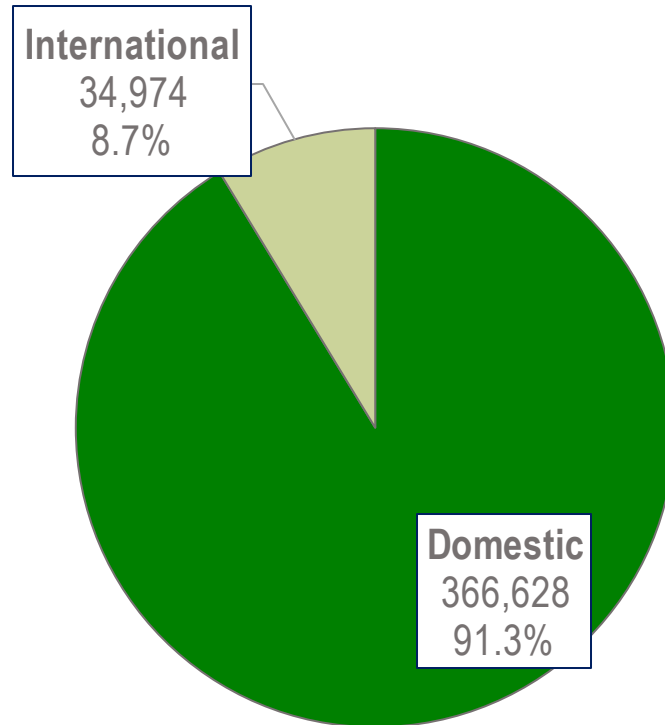
| Rank | Airport | Annual Passengers | PDEW | 2021 Share | 2019 Share |
|-------------|--------------------------|-------------------|-------|------------|------------|
| 1 | Kansas City (MCI) | 188,502 | 258.2 | 47% | 46% |
| 2 | Wichita Eisenhower (ICT) | 116,941 | 160.2 | 29% | 35% |
| 3 | Manhattan (MHK) | 61,020 | 83.6 | 15% | 10% |
| 4 | Salina (SLN) | 24,344 | 33.3 | 6% | 4% |
| 5 | Denver (DEN) | 6,549 | 9.0 | 2% | 3.5% |
| 6 | Hays (HYS) | 2,304 | 3.2 | 1% | 0.5% |
| 7 | Dallas-Fort Worth (DFW) | 1,942 | 2.7 | 0.5% | 0.2% |
| Grand Total | | 401,603 | 550.1 | | |

91% of total catchment area traffic was domestic, while 9% was international

Catchment Area Traffic – Domestic/International Split Calendar Year 2021

Top 20 International Catchment Area Markets Airport Code - Market - Rank - PDEW

| | |
|---|------|
| CUN - Cancun, Mexico - 1 | 12.2 |
| SJU - San Juan, Puerto Rico - 2 | 3.0 |
| SJD - Los Cabos, Mexico - 3 | 2.1 |
| PVR - Puerto Vallarta, Mexico - 4 | 2.1 |
| SJO - San Jose, Costa Rica - 5 | 1.7 |
| PUJ - Punta Cana, Mexico - 6 | 1.5 |
| CZM - Cozmel, Mexico - 7 | 1.4 |
| BZE - Belize City, Belize - 8 | 0.9 |
| STT - St. Thomas, US Virgin Islands - 9 | 0.9 |
| PLS - Providenciales, Turks and Caicos Islands - 10 | 0.6 |
| UVF - St. Lucia Hewanorra, Saint Lucia - 11 | 0.6 |
| NAS - Nassau, The Bahamas - 12 | 0.6 |
| LIR - Liberia, Costa Rica - 13 | 0.6 |
| SDQ - Santo Domingo, Dominican Republic - 14 | 0.5 |
| MEX - Mexico City, Mexico - 15 | 0.4 |
| MTY - Monterrey, Mexico - 16 | 0.4 |
| AUA - Oranjestad, Aruba - 17 | 0.4 |
| BJX - Leon, Mexico - 18 | 0.4 |
| GDL - Guadalajara, Mexico - 19 | 0.3 |
| BON - Bonaire, Netherlands Antilles - 20 | 0.3 |



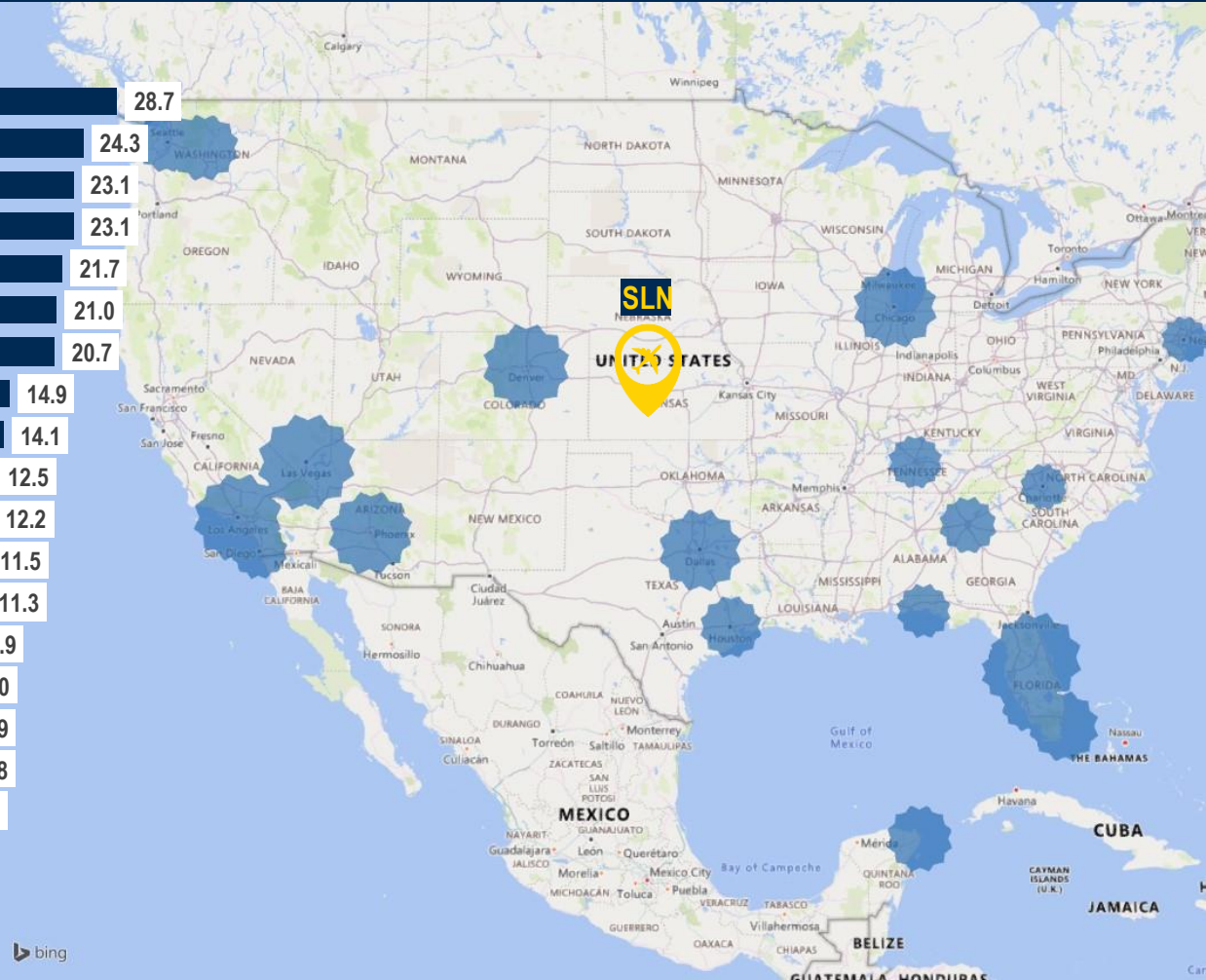
Of the Top 20 catchment area international markets, 18 would route more efficiently through IAH than DEN or ORD

Salina Area Top 20 Markets

The top 5 markets for traffic residing in SLN's catchment area were Las Vegas, Orlando, Los Angeles Basin, Denver and Chicago

Catchment Area Traffic – Top 20 Markets

| | |
|---|------|
| Las Vegas-Henderson, NV - 1 | 28.7 |
| Orlando-Lakeland-Deltona, FL - 2 | 24.3 |
| Los Angeles-Long Beach, CA - 3 | 23.1 |
| Denver-Aurora, CO - 4 | 23.1 |
| Chicago-Naperville, IL-IN-WI - 5 | 21.7 |
| Phoenix-Mesa, AZ - 6 | 21.0 |
| Dallas-Fort Worth, TX-OK - 7 | 20.7 |
| Washington-Baltimore-Arlington, DC-MD-VA-PA - 8 | 14.9 |
| Miami-Fort Lauderdale-Pompano Beach, FL - 9 | 14.1 |
| Seattle-Tacoma-Bellevue, WA - 10 | 12.5 |
| Cancun, Mexico - 11 | 12.2 |
| Houston-The Woodlands-Sugar Land, TX - 12 | 11.5 |
| Tampa-St. Petersburg-Clearwater, FL - 13 | 11.3 |
| Atlanta-Athens-Clarke County-Sandy Springs, GA - 14 | 9.9 |
| San Diego-Carlsbad, CA - 15 | 9.0 |
| Nashville-Davidson-Murfreesboro-Franklin, TN - 16 | 8.9 |
| Crestview-Fort Walton Beach-Destin, FL - 17 | 8.8 |
| Cape Coral-Fort Myers, FL - 18 | 7.8 |
| New York-Newark-Jersey City, NY-NJ-PA - 19 | 6.9 |
| Charlotte-Concord-Gastonia, NC-SC - 20 | 6.6 |

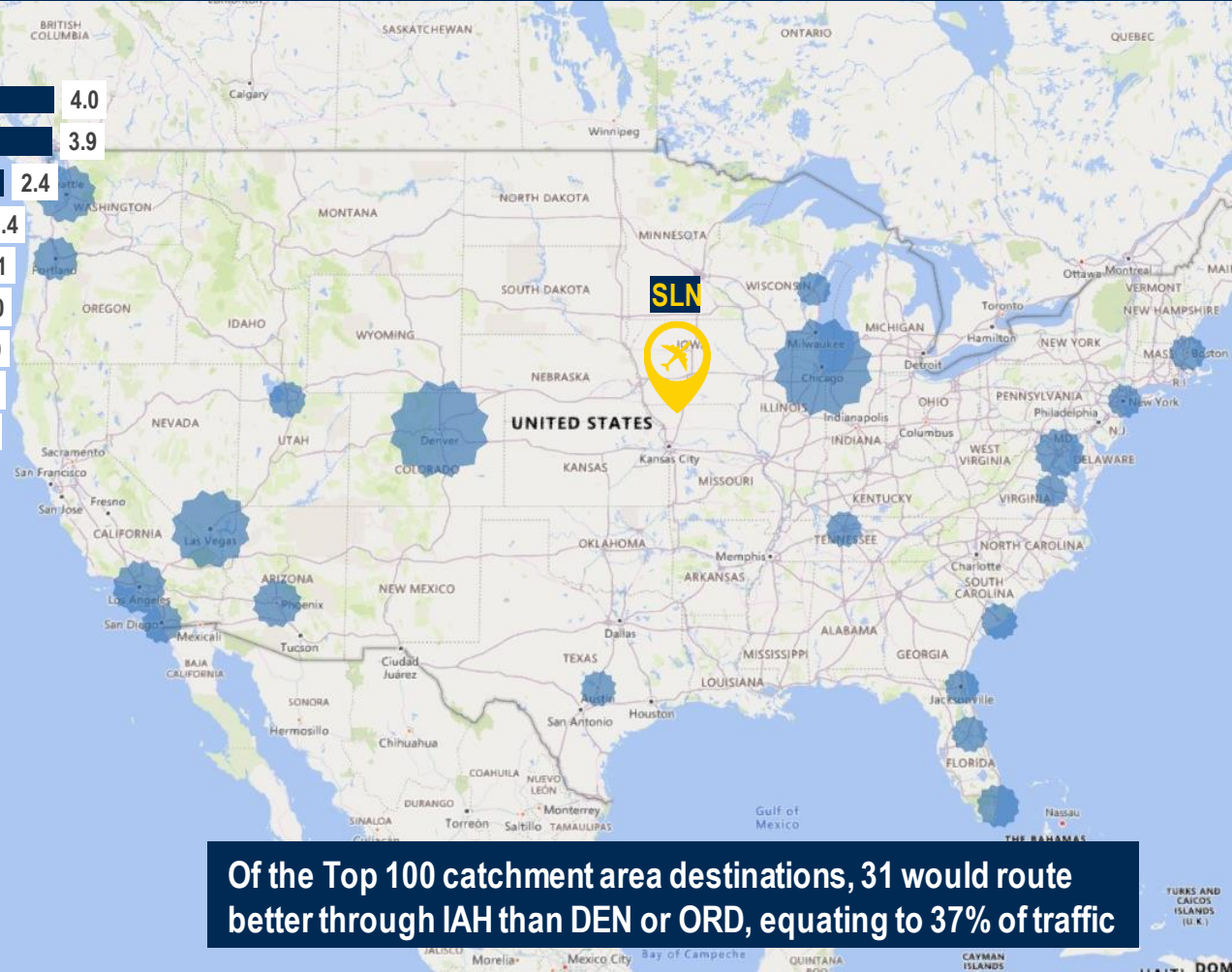


Salina Area Top Markets Captured

SLN captured four out of these five as top markets - - Las Vegas, Los Angeles, Denver and Chicago only not capturing Orlando to any great degree

SLN Traffic – Top 20 Markets

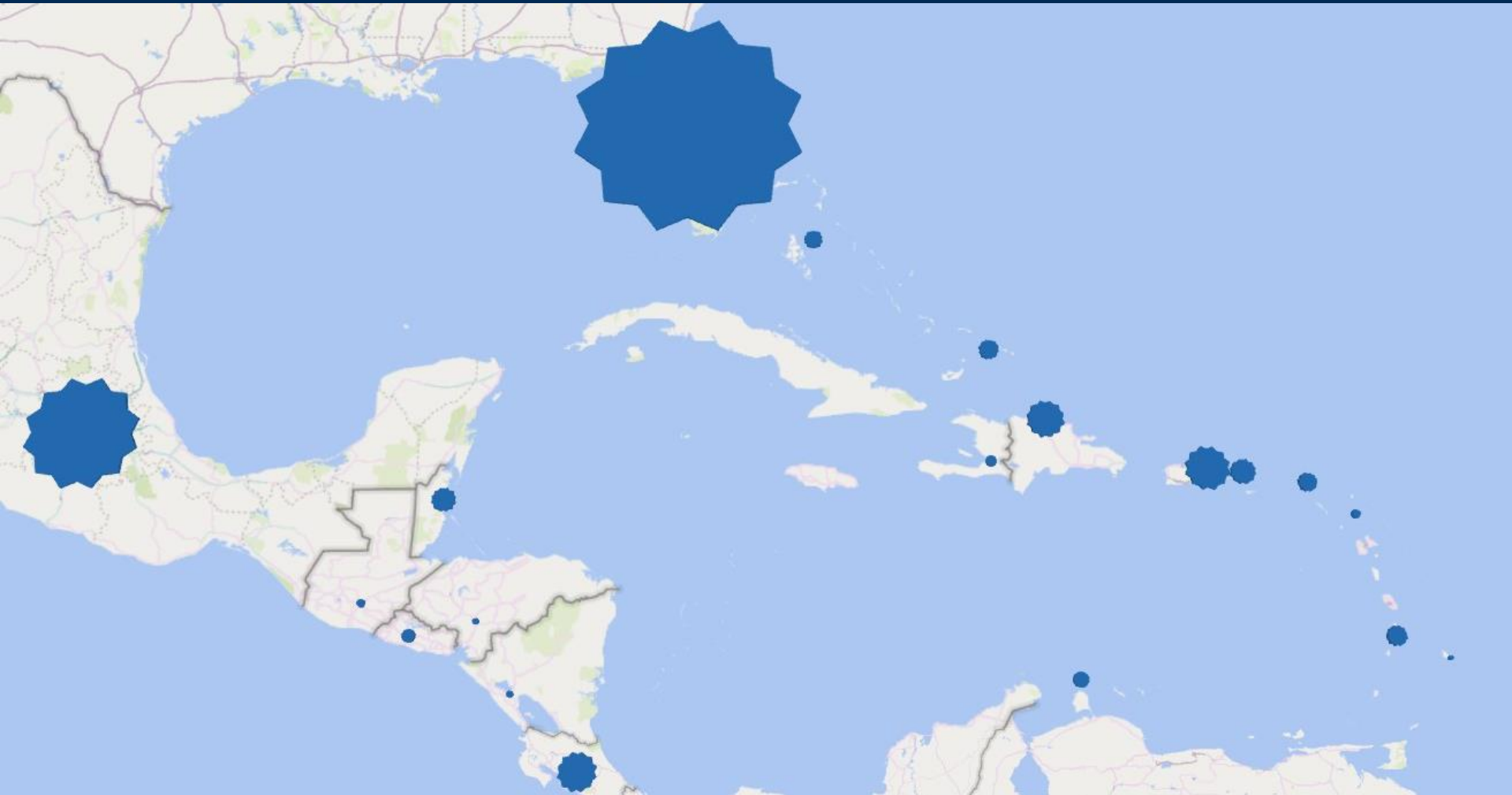
| | |
|---|-----|
| Chicago-Naperville, IL-IN-WI - 1 | 4.0 |
| Denver-Aurora, CO - 2 | 3.9 |
| Las Vegas-Henderson, NV - 3 | 2.4 |
| Seattle-Tacoma-Bellevue, WA - 4 | 1.4 |
| Los Angeles-Long Beach, CA - 5 | 1.1 |
| Washington-Baltimore-Arlington, DC-MD-VA-PA - 6 | 1.0 |
| Phoenix-Mesa, AZ - 7 | 0.9 |
| Portland-Vancouver-Hillsboro, OR-WA - 8 | 0.8 |
| Miami-Fort Lauderdale-Pompano Beach, FL - 9 | 0.7 |
| San Diego-Carlsbad, CA - 10 | 0.6 |
| Salt Lake City, UT - 11 | 0.6 |
| Boston-Cambridge-Newton, MA-NH - 12 | 0.5 |
| Nashville-Davidson-Murfreesboro-Franklin, TN - 13 | 0.5 |
| Charleston-North Charleston-Summerville, SC - 14 | 0.5 |
| Orlando-Lakeland-Deltona, FL - 15 | 0.5 |
| Green Bay, WI - 16 | 0.5 |
| Austin-Round Rock-Georgetown, TX - 17 | 0.5 |
| Jacksonville, FL - 18 | 0.5 |
| New York-Newark-Jersey City, NY-NJ-PA - 19 | 0.5 |
| Richmond, VA - 20 | 0.4 |



Catchment Area Traffic South

89 catchment area PDEW flew to Florida, while 34 passengers flew to the Caribbean, Latin America or South America

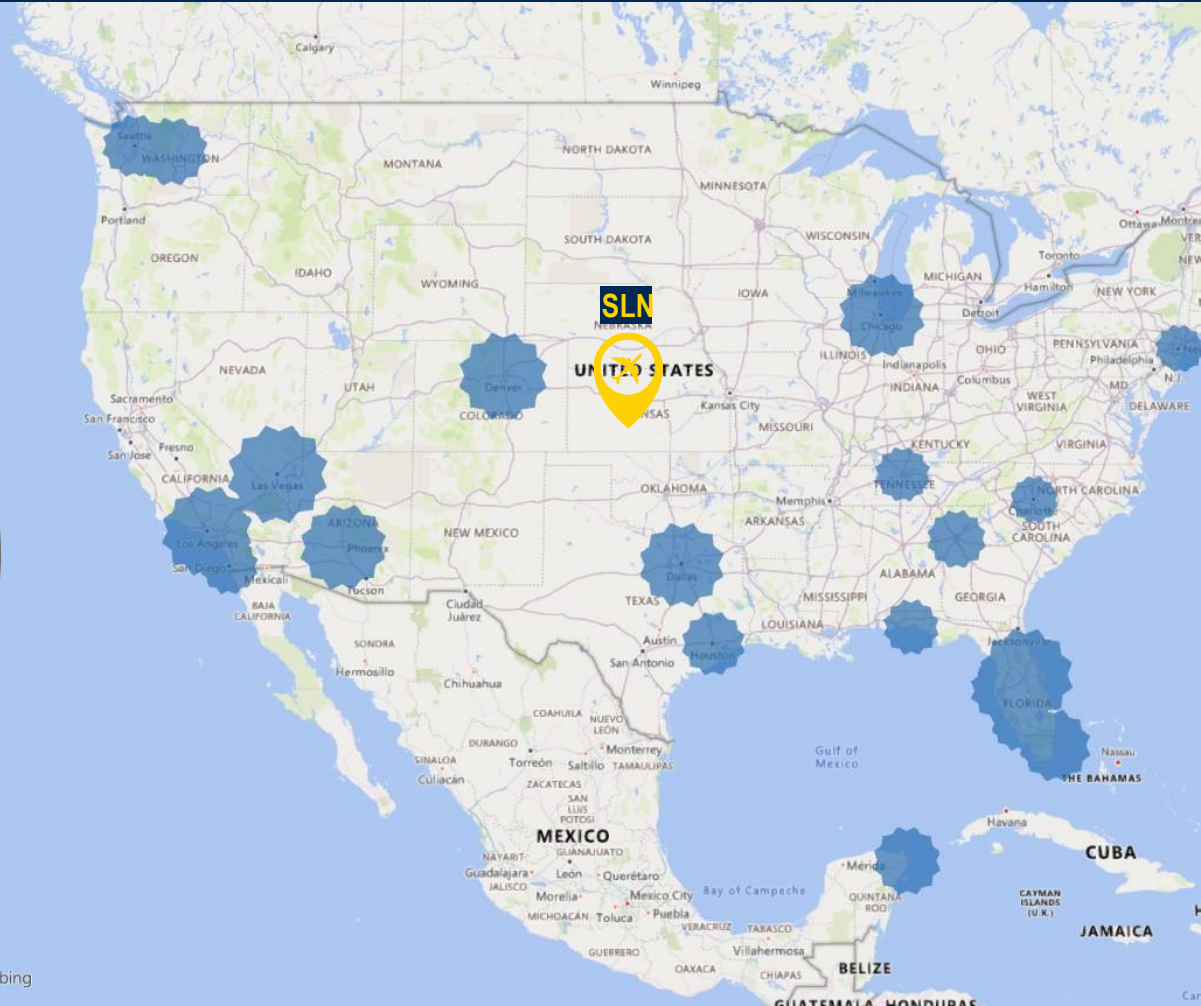
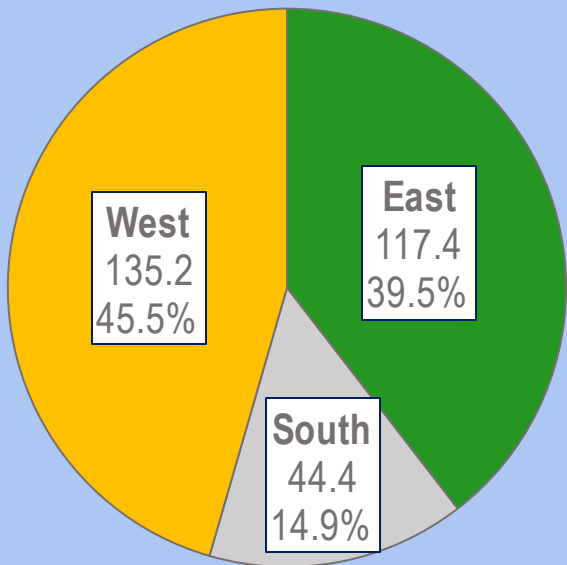
Catchment Area Traffic – Florida and Latin America



Salina Area Traffic Direction

46% of the catchment area's Top 20 Market traffic was westbound, while 40% was eastbound

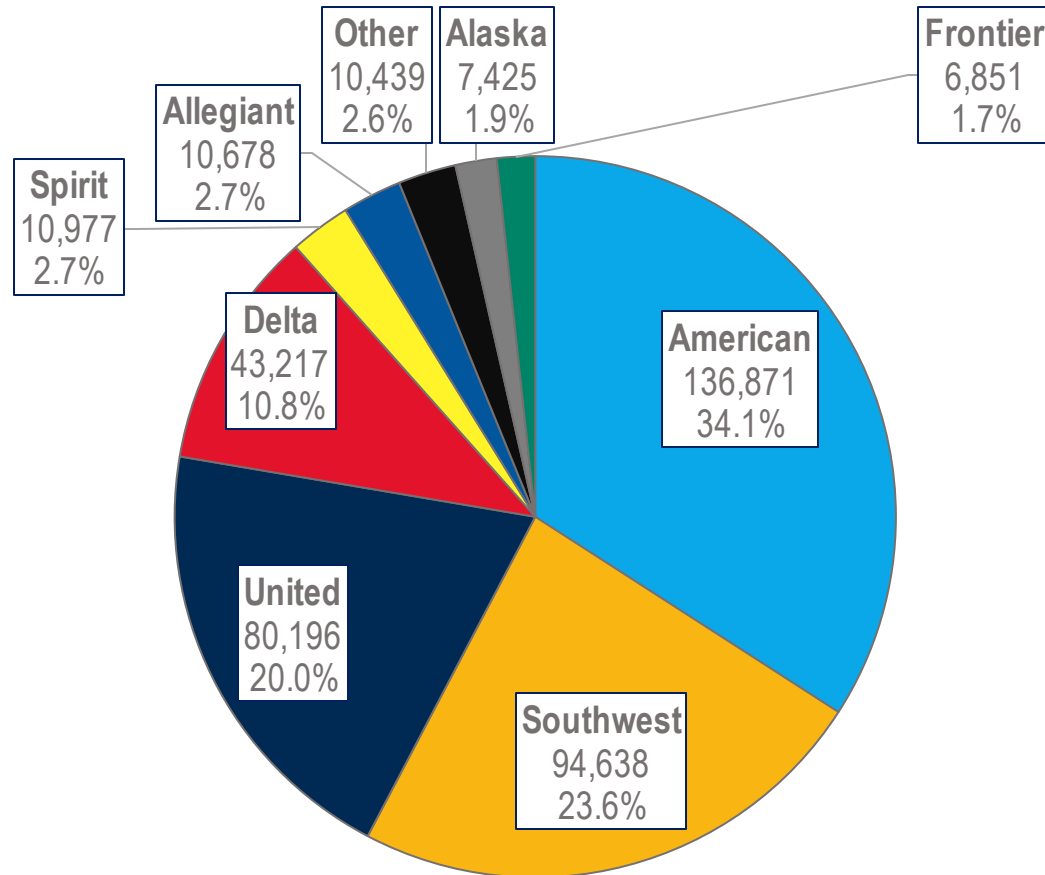
Catchment Area Traffic – Top 20 Markets – Directional Split



Catchment Area Airline Share

American is capturing the largest share of catchment area traffic by some margin due to its dominance at nearby MHK and ICT airports, along with a large share of capacity at MCI

Catchment Area Traffic – Market Share by Airline Calendar Year 2021





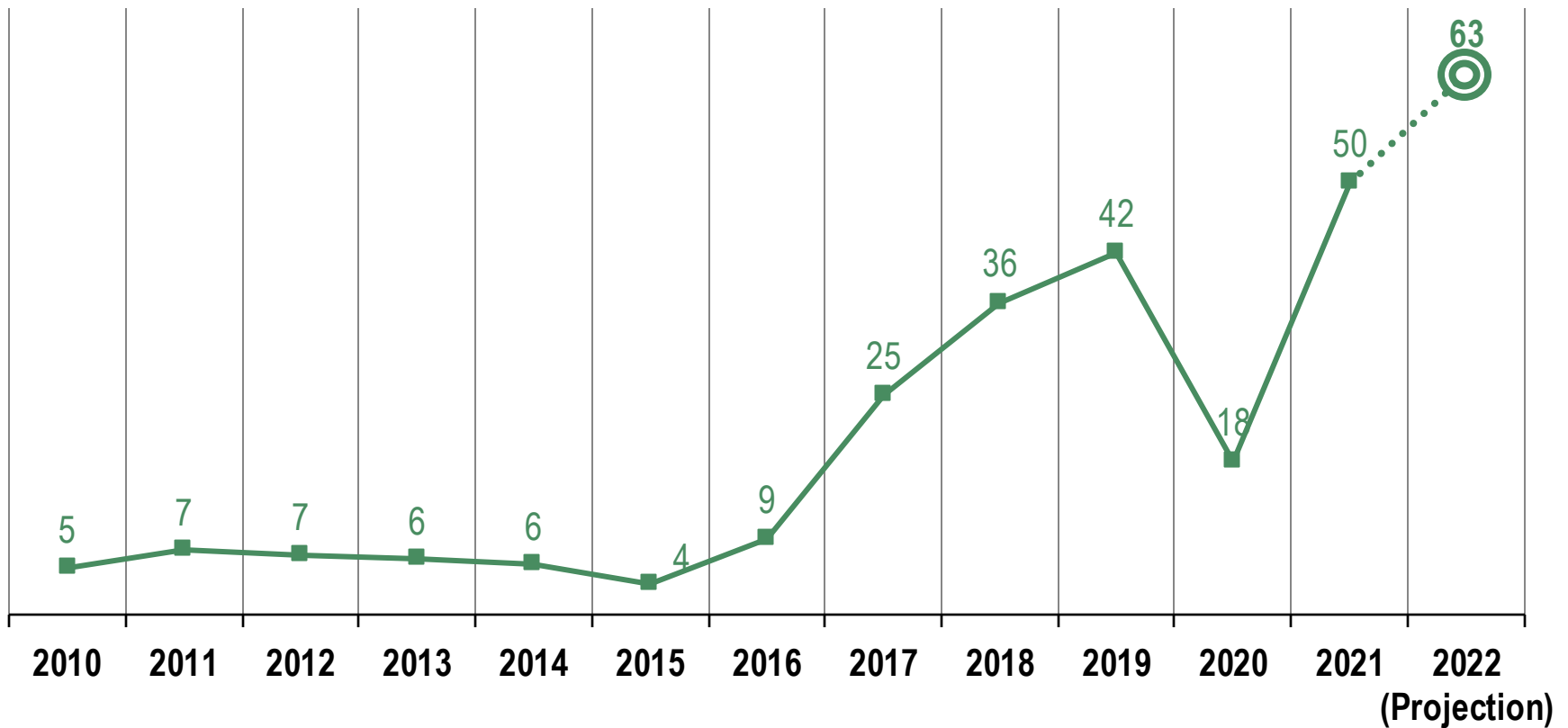
Salina Tomorrow



2022 Projection

With the return of business traffic and aggressive marketing, we projected 2022 to generate 62.5 passengers per day each way or a 63% load factor for SkyWest prior to their announcement to pull out of the market

2022 Projection of SLN Passengers per Day Each Way, Proir to Pullout

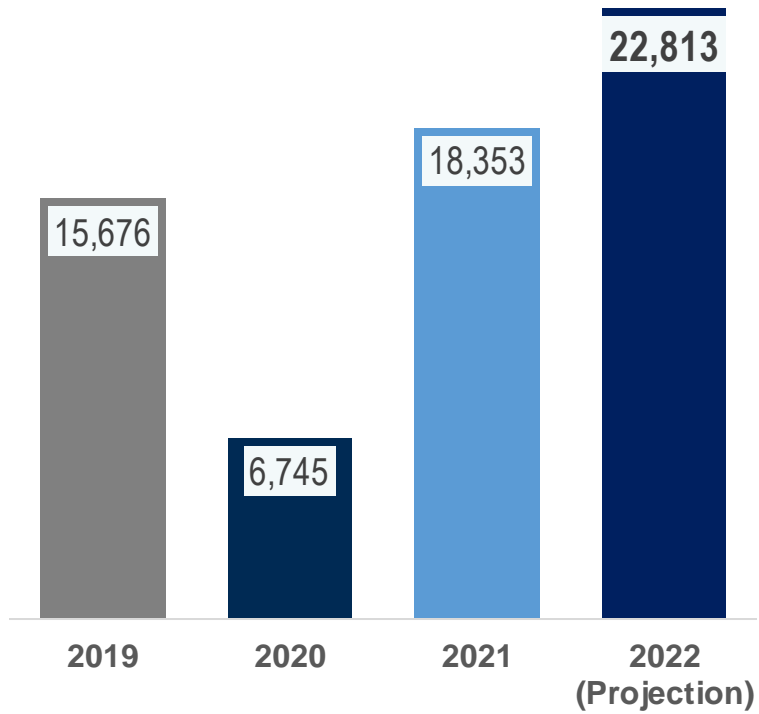


2022 Projection

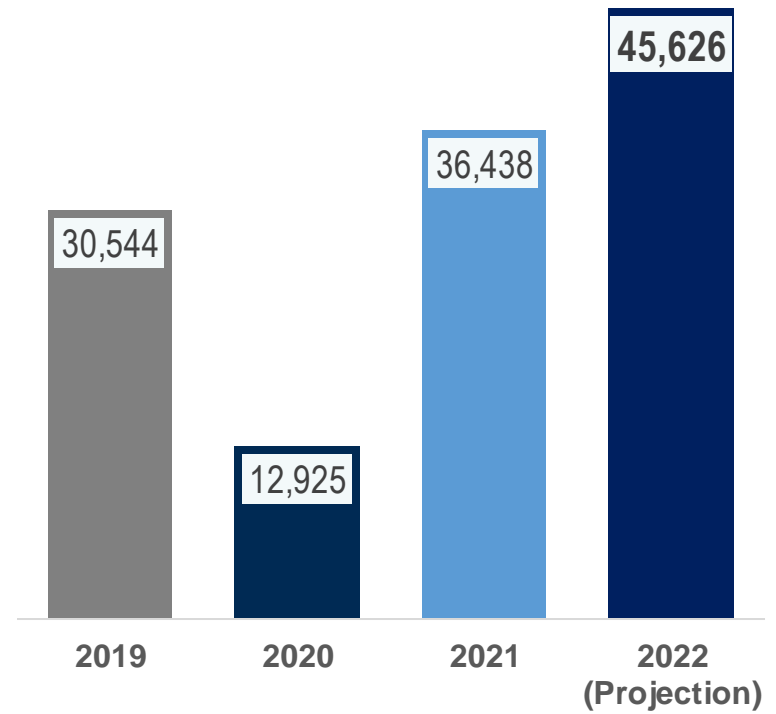
This would have resulted in 2022 enplanements of around 45,600

2022 Projection of Outbound and Roundtrip Enplanements, Prior to Pullout

Outbound



Roundtrip



2022 Opportunities

- ➔ A new operator presents new opportunities, and a means to offer a more unique product relative to other nearby competitor airports
- ➔ Prepare for return of business traffic
 - Ensure high awareness of discount and loyalty programs of the new operator, or the new operator's commercial partners
 - Push said programs amongst local international producers, such as CJ Foods of Korea (Tony's and Red Baron's frozen Pizza) and Kubota/Great Plains
- ➔ Capitalize on Fort Riley soldier's personal travel through aggressive on-base advertising
- ➔ Produce a brand new 2022 media campaign in conjunction with our new operator
 - More B-2-B ads as the business market returns
 - More top producing Google Search and Facebook video ads

Discussion

