

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF
DIRECTORS OF THE SALINA AIRPORT AUTHORITY
OCTOBER 21, 2009
M. J. KENNEDY AIR TERMINAL CONFERENCE ROOM**

Call to Order

The meeting was called to order at 8:00 A.M. by Chairman Miller.

Attendance

Attendance was taken. Chairman Miller, Directors Hassler, Thompson, Hardman, and Vancil were present. Also present were Executive Director Tim Rogers; Manager of Administration and Finance Shelli Swanson; Manager of Operations David Wiles; Manager of Facilities Kenny Bieker; Manager of Public Affairs and Communications Melissa McCoy; Executive Assistant Kasey Windhorst and Board Attorney Greg Bengtson. Bruce Boyle, SLN ATCT; Former SAA Board Member Bill Horton, Dennis Lauver, Salina Area Chamber of Commerce; Randy Duncan, Saline County Commissioner; and Tim Unruh, Salina Journal were guests.

Additions to the Agenda

Chairman Miller asked if there were any additions to the agenda. Executive Director Tim Rogers stated there were no additions to the Agenda.

Minutes

Chairman Miller asked if the Board members had any additions or corrections to the minutes of the September 16, 2009 regular Board meeting. Hassler moved, seconded by Hardman, to approve the minutes of the September 16, 2009 regular meeting. Motion passed unanimously.

Airport Activity and Financial Reports

Executive Director Rogers reviewed airport activity for the month ending September 30, 2009. Rogers reported that total operations for the month of September 09 (6,470) were 3% less than the same period last year due to airfield construction and runway closures. As completion of the 2009 airfield construction nears, airport operations should return to normal.

The continuation of a slow economy and airfield construction continued to impact fuel sales. For year-to-date fuel sales are down 20% as compared to 2008. Rogers anticipates an increase in fuel sales due to the upcoming military activity scheduled during the month of November.

Passenger Enplanements continue to decline for Great Lakes Airlines with only 210 enplanements during the month which is a decrease of 50% as compared to September 2008. Rogers will be presenting an air service summary to the Board within the next couple of which will include a market analysis for Salina Municipal Airport.

Manager of Administration and Finance Swanson reviewed the financial statements for the 3rd quarter and month ending September 30, 2009. Operating revenue arrived at 67% of the total annual budget or 8% below budget. Total income through the 3rd quarter equaled 1% below the same period last year. Total operating expenses are tracking 2% over budget for the year. Swanson reported on significant capital expenditures and noted several progress payments related to airfield construction. Chairman Miller directed the staff to file the financials for audit.

KSANG RSMS Expansion

Executive Director Rogers reviewed the Kansas National Guard’s RSMS (Readiness Sustainment Maintenance Site) operations and proposed expansion. The RSMS is located in Bldg. 1021, 3600 Airport Road. In addition to Bldg. No. 1021, the Kansas Military Board also leases 23.47 acres for the storage of equipment and vehicles scheduled to be rebuilt. Due to the increased demand, an additional 5.3 acres is required. The proposed lease addendum adds the additional 5.3 acres under the following terms:

Existing lease term:	February 1, 2006 – January 31, 2016
Option to renew:	One 10-year option
Rental rate Tract 1	(existing tract) - \$3,590/month; \$.0421/sq. ft./year
Rental rate Tract 2	(expansion tract) - \$814/month: \$.0421/sq.ft./year
Total combined rental:	\$4,404/month; \$52,848/year
CPI adjustment:	biennial; next scheduled – February 1, 2010

The additional 5.3 acres will bring the total acres of land leased for RSMS equipment and vehicle storage to 28.79 acres. Director Hassler moved to approve the proposed addendum to the RSMS vehicle and equipment land lease agreement. Seconded by Director Thompson. Motion passed unanimously.

Executive Session

At 8:20 A.M. Director Thompson moved to recess the open meeting until 9:00 A.M. for an executive session for the following:

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.

Consultation with SAA’s legal counsel on a matter deemed to be attorney-client privileged for the reason that public discussion would breach the attorney-client confidentiality.

The Open meeting shall resume in the Salina Airport Authority Conference Room at 9:00 A.M.

Director Vancil seconded the motion. Motion carried unanimously.

At 9:00 A.M. Director Thompson moved to recess the open meeting until 9:20 A.M. for an executive session for the following:

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.

Consultation with SAA’s legal counsel on a matter deemed to be attorney-client privileged for the reason that public discussion would breach the attorney-client confidentiality.

The Open meeting shall resume in the Salina Airport Authority Conference Room at 9:20 A.M.

Director Vancil seconded the motion. Motion carried unanimously.

The Open meeting resumed at 9:20 A.M.

Director Thompson moved to approve the authorization for the Executive Director to acknowledge the withdrawal of The Session Law Firm as Salina Airport Authority environmental legal counsel for the former Schilling Air Force Base project and authorize the Executive Director to engage new environmental legal counsel for settlement negotiations with the U.S. Department of Justice. Director Vancil seconded the motion. Motion passed unanimously.

SAA Resolution No. 09-07

Executive Director Rogers reviewed SAA Resolution 09-07, **A RESOLUTION DESIGNATING A RECOVERY ZONE PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT TAX ACT OF 2009 FOR THE PURPOSE OF ISSUING RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS AND RECOVERY ZONE FACILITY BONDS.** Director Thompson moved to approve Resolution 09-07. Director Vancil seconded the motion. Motion carried unanimously.

Staff Reports

Rogers briefed the Board members on the following:

- SLN Self Fueling Station Open
- Airfield Construction
- FAA Central Region Administrator Visit
- Upcoming Military Operations
- SAA Website Redevelopment

Upon a motion duly made, the meeting adjourned at 9:31 a.m.

Minutes approved at the November 18, 2009 Board meeting.

Secretary

(SEAL)