

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF
DIRECTORS OF THE SALINA AIRPORT AUTHORITY
OCTOBER 20, 2010
M. J. KENNEDY AIR TERMINAL CONFERENCE ROOM**

Call to Order

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

Attendance

Attendance was taken. Chairman Thompson, Directors Miller, Hardman, Hassler and Vancil were present. Also present were Executive Director Tim Rogers; Manager of Administration and Finance Shelli Swanson; Manager of Operations Gunner Wiles; Manager of Facilities and Construction Kenny Bieker; Manager of Public Affairs and Communications Melissa McCoy; Executive Assistant Kasey Windhorst; Administrative Assistant Gretchen Engstrom and Board Attorney Greg Bengtson. Larry Pankratz, Salina Housing Authority; Bruce Boyle, ATCT; Aaron White, Salina Area Chamber of Commerce; Saline County Commissioner Jerry Fowler and Tim Unruh, Salina Journal were guests.

Additions to the Agenda

Chairman Thompson asked if there were additions to the Agenda. Executive Director Rogers requested the addition of item 10a to update the board on FTZ benefits for Airport and Airport Industrial Center businesses.

Minutes

Chairman Thompson asked if the Board members had any additions or corrections to the minutes of the September 15, 2010 regular Board meeting. Director Vancil moved, seconded by Director Hardman to approve the minutes of the September 15, 2010 meeting as prepared. Motion passed unanimously.

Airport Activity and Financial Reports

Executive Director Rogers reported that September operations were up 5% over the September 2009 total. The year-to-date total of 43,269 is 14% less than the 2009 YTD total of 50,234 operations. October is expected to show an increase in air traffic operations due to the NIFA SAFECON regional competition scheduled the week of October 18th. September fuel sales totaled 170,735 gallons which was almost identical to the September 2009 total of 171,250 gallons. Seaport's load factor reached 25% and has received positive comments from many passengers. Manager of Public Affairs and Communications McCoy plans to begin collecting testimonials for use toward marketing efforts.

Manager of Administration and Finance Swanson reviewed the 3rd quarter financials. After receiving proposals from 3 local banks, Sunflower and UMB were chosen to invest available bond proceeds in Certificates of deposits for 9 months. The funds are anticipated to be on hand for approximately 1 year. On September 15, the final payment from K-State was received representing the end of the direct finance lease on the Aeronautical Center facility, and the maintenance reserve bank account at Sunflower Bank was closed. Year-to-date revenues arrived at 6% over budget. Fuel flowage is 11% ahead of last year. Admin expenses are at 77% of total budget, and maintenance expenses were 5% over budget. Rogers

added that an ARRA grant has been submitted for rehabilitation on taxiway Alpha and K-State. Chairman Thompson directed the staff to file the financials for audit.

SLN Aviation Service Center Recruiting and Marketing

Executive Director Rogers updated the board on the most recent recruiting and marketing efforts. All printed material has been updated and printed in house to save on expenses. The article in the Wichita Business Journal was highlighted featuring marketing efforts to fill the soon to be vacant Hawker Beechcraft buildings. Jim Gregory will be attending the NBAA conference in order to make contact with several aviation businesses. Updates have been made to the GlobalFlyer video to show our capabilities and is now available online at www.youtube.com. The Virgin Atlantic GlobalFlyer video “One Special Community” was presented to the board.

Building and Hangar Design Project

Executive Director Rogers updated the board on the three site selection locations to choose from for the new ARFF station. Site #1 is located on the west side of H614. This site has limited utilities and the building will most likely be leased to a prospect. Site #2 is the current Maintenance and ARFF building. This building would need to be demolished to be effective and the funds are not available for such a project. The optimum site is Site #3 at the west end of Beechcraft Road. This location is adjacent to Taxiway Alpha and is the closest to the midpoint of the airfield. Site #3 is the ideal location since it has the best proximity for ARFF to respond effectively to the entire airport with the future expansion of the north ramp in mind. Site #3 is also compatible with the development of the Wings Over Salina Air Museum complex. The Board consented to the continuation of the design of the new ARFF station project at Site #3.

Manager of Facilities and Construction Kenny Bieker updated the board on the scope of design work for SAA buildings scheduled for renovation (H606, H959, B120, B614 and B824).

Salina Military Affairs Council

Manager of Public Affairs and Communications Melissa McCoy updated the board on various activities of the Salina Military Affairs Council. An idea they are hoping to develop is the Patriot Business Program in which local businesses would offer discounts to the military and their families, and enable the businesses to be recognized for their support. Rogers explained the purpose of the SMAC is to develop community support for the military.

Airport Emergency Plan Requirements

Manager of Operations Gunner Wiles briefed the board on the FAA requirement for changes at all certificated, commercial service airports related to Airport Emergency Plans. A full rewrite of the KSLN plan is necessary to adhere to the new FAA format.

2011 Insurance Coverages and Broker Services

Manager of Administration and Finance Swanson updated the board of the progress made with Charlesworth & Associates in securing 2011 insurance coverages and broker services. The three firms selected from the seven responses received are expected to submit a full proposal by November 16. Charlesworth & Associates will provide a complete analysis on November 23 of the RFPs submitted and

a special board meeting will be held the first week in December in order to present the comparisons to the board.

FTZ Application

Executive Director Rogers briefed the board regarding the Foreign Trade Zone application. A written management agreement between Sedgwick County and the SAA is planned to be presented at the December board meeting.

Crisis City Tour

The SAA board and staff were invited to tour Crisis City on Thursday, October 21 at 2:00pm.

Upon a motion duly made, the meeting adjourned at 9:32 A.M.

Minutes approved at the November 17, 2010 Board meeting.

Secretary

(SEAL)