

**MINUTES OF THE ANNUAL MEETING OF THE BOARD OF
DIRECTORS OF THE SALINA AIRPORT AUTHORITY
MARCH 16, 2011
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, Hassler, Maes and Neuschafer 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. Bill Horton, former board member; John Reynolds, County Commissioner; Bruce Boyle, Control Tower; Dennis Lauver, Salina Area Chamber of Commerce; and Tim Unruh, Salina Journal were guests.

Additions to the Agenda

Chairman Thompson announced one addition to the agenda as item 8a for an economic development update.

Oath of Office

Chairman Thompson announced new board members Jeff Maes and Daran Neuschafer have been appointed by the City of Salina City Commission to serve three-year terms on the Salina Airport Authority Board of Directors. Director Maes and Director Neuschafer signed the Acceptance of Appointment and Oath of Office documents.

Minutes

Chairman Thompson asked if the Board members had any additions or corrections to the minutes of the February 16, 2011 regular Board meeting. Director Miller moved, seconded by Director Hassler to approve the minutes of the February 16, 2011 meeting as prepared. Motion passed unanimously.

Airport Activity and Financial Reports

Executive Director Rogers reported a 12% drop in airport activity for February 2011 as compared to February 2010. The year to date operations total of 6,968 is down 3% from the February 2010 total of 7,190. With K-State Salina's good retention of students between semesters in the professional flight training program, there will be a positive impact on aircraft operations, as well as additional military activity. Currently, the Canadian 430 Tactical Helicopter Squadron is leasing a portion of H600 in addition to the Canadian 409 TFS. February 2011 total fuel delivered is up 6% (333,901) as compared with the February 2010 YTD total of 314,817. A decision from officials has yet to be decided regarding EAS service and FAA reauthorization.

Director Neuschafer inquired about H600 leasing activity with regards to providing additional space for any future military activity. Rogers responded that in the event that H600 is leased, H606 would become the long term facility for a military operations forward operating location (FOL). Architectural work has begun for H606 and renovation is scheduled to be finalized by early 2012.

Manager of Administration and Finance Swanson reviewed the statement of net assets. The first of the semi-annual debt interest payments for 2011 has been remitted to the State Treasurer's office for the outstanding long term bonds. Swanson reviewed the income statement tracking at 17% reporting the total airfield revenue coming in at 12%. Revenue is expected to increase as a result of the significant amount of short term leasing activity within the last three weeks. Flint Hills Auction Company signed a short term lease for building B620. SeaPort will be leasing a portion of hangar H703 for overnight storage, and Bombardier/Learjet will need short term hangar storage mid-April in H703 as well. Swanson reviewed the capital additions with regard to AIP 33 for the architectural and engineering design grant toward the new ARFF station. The calendar planning of AIP 34 is underway to begin phase 2, the construction of the new ARFF station.

Clubine & Rettele have finished their audit field work which also included their observation of SAA internal controls. The audit is on schedule and there will be a draft presented to the board at the April board meeting. The final report is expected to be complete by May's board meeting.

Chairman Thompson directed the staff to file the financials for audit.

Election of SAA Board Officers

Executive Director Rogers reviewed the proposed slate of SAA Board Officers for 2011 – 2012. Director Neuschafer moved, seconded by Director Hassler, to elect the following slate of offices for 2011 – 2012:

Chairman	Jeffrey R. Thompson
Vice-Chairman	Dr. Randy Hassler
Secretary	Daran R. Neuschafer
Treasurer	Jeff Maes
Past Chairman	Julie Sager Miller

Motion carried unanimously.

SAA Resolution No. 11-03

Executive Director Rogers introduced Resolution 11-03, **A RESOLUTION DESIGNATING THE DEPOSITORIES FOR FUNDS OF THE SALINA AIRPORT AUTHORITY AND DESIGNATING THE INDIVIDUALS AUTHORIZED TO SIGN CHECKS ON SAID ACCOUNTS AND DIRECTING HOW SAID CHECKS ARE TO BE SIGNED.** Director Hassler moved, seconded by Director Maes, to approve Resolution 11-03. Motion carried unanimously.

SAA Capital Project Financing Options

Executive Director Rogers reviewed the Capital Project Financing Options worksheet and summarized the options for debt financing. City Manager Jason Gage is working with the SAA to help identify ways that the City and Airport Authority can partner together to issue debt for economic development projects. Rogers commented that the next step for the workgroup is to develop 2011 – 2018 revenue expense and debt service projections. With the help of Zimmer Real Estate, the fair market value will be determined for the former HBC buildings.

Economic Development Update

Salina Area Chamber of Commerce President Dennis Lauver reviewed the handout titled Actions and Accomplishments, Salina and Saline County Economic Development Strategic Plan. Recent work has focused on supporting existing businesses in development and new job growth. Chamber staff has met with industrial, retail service/professional employers to discuss expansion and retention options.

Staff Reports

Manager of Facilities and Construction Kenny Bieker updated the board on the Airport Layout Plan update project and its impact on future airport development. The FAR Part 77 airspace drawing was displayed which showed the imaginary surface contours that cannot be penetrated by future building/structure construction. Bieker reviewed airport construction improvement projects that have been completed since 2006, as well as planned future projects.

Manager of Operations Gunner Wiles briefed the board on the recently completed FAA FAR Part 139 airport inspection. The SAA was awarded a Coin of Excellence as a result of zero discrepancies and no safety deviations for the past twelve months. Two military surplus snow plows have been received and used during recent winter operations.

Manager of Public Affairs and Communications Melissa McCoy reviewed news items that highlight the Airport Authority's successful partnerships. SeaPort's Rob McKinney visited Salina for media interviews and to attend the SeaPort coffee event at Mokas. Round trip tickets were given away on the radio and at Mokas. The Canadians (409 TFS) have had a positive presence at the airport, helping host the March 11 KAA workshop held in Salina.

Rogers announced that the March 23 Study Session will be postponed.

Upon a motion duly made, the meeting adjourned at 9:23 A.M.

Minutes approved at the April 20, 2011 Board meeting.

Secretary

(SEAL)