

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
APRIL 15, 2020
VIA GOTO MEETING VIDEO AND AUDIO LINK**

Call to Order

The meeting was called to order at 8:00 AM by Chairman Alan Eichelberger. Business and Communications Manager Kasey Windhorst completed roll call and confirmed that a quorum was present. Windhorst noted the board meeting notice was published and distributed on Thursday, April 9th. The news release was distributed to the media on Monday, April 13th and the board meeting slide deck was published and distributed on Tuesday, April 14th.

Meeting Procedures

Executive Director Rogers reviewed the following meeting procedures (K.A.R. 16-20-1 concerning open meetings during an emergency declaration).

- a. Mute all participant microphones, phones or other electronic devices.
- b. SAA board members, staff and presenters are required to state the individual's name each time the individual begins to speak or vote.
- c. The **Visitor's Forum** that follows the **Directors' Forum** is the time for public comment.
- d. Each board motion will be clearly stated before a board vote and the results of the vote will be announced.
- e. All motions will identify the SAA board officer and/or staff member authorized to sign a legally binding document for the Airport Authority.
- f. The meeting will be recorded (video and audio) and posted to the Airport Authority's web site.

Attendance

Roll call attendance was taken. Chairman Eichelberger was present. Directors Buer, Gunn, Vancil and Weisel attended via video conference. Also present were Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker and Business and Communications Manager Kasey Windhorst. Attorney Greg Bengtson; Mitch Robinson, Salina Community Economic Development Organization; Melissa Hodges, Salina City Commissioner; Eric Brown, Salina Area Chamber of Commerce; Jay Hatchett, SLN ATCT; Julie Yager-Zucker, Avflight Salina and Michael Bunn, T-hangar tenant were guests via video conference.

Additions to the Agenda

Chairman Eichelberger asked if there were any additions. Executive Director Rogers stated there were no additions.

Minutes

Chairman Eichelberger asked if the board members had additions or corrections to the minutes of the March 18, 2020 annual board meeting. Director Gunn moved, seconded by Director Weisel to approve the minutes of the March 18, 2020 annual board meeting.

Roll call vote: Director Buer – Aye, Chairman Eichelberger – Aye, Director Gunn – Aye, Director Vancil - Aye and Director Weisel - Aye. Motion passed unanimously.

Airport Activity and Financial Reports

Executive Director Rogers reported on airport activity for the month of March 2020. The Salina Air Traffic Control Tower (ATCT) recorded 2,841 operations during March 2020 which was a 58% decrease as compared to the March 2019 total of 6,848. Year-to-date total operations are tracking 15% less than the same period last year. Rogers noted the decrease is due to the suspension of K-State Aviation professional pilot training program flights and FOL cancellations due to COVID-19. Fuel Flowage for March 2020 came in at 124,865 gallons which was a decrease of 17% compared to the March 2019 total of 150,881. SkyWest enplaned a total of 1,874 passengers in March 2020 which is a 10% increase compared to the March 2019 total of 1,698 passengers. Rogers reviewed the advanced bookings reports and noted the decrease in passengers due to the reduced flight schedules. The economic impact of COVID-19 is reflected in operations, fuel flowage and enplanements.

Director of Administration and Finance Swanson reported on the financials for the 1st quarter of 2020. Total operating income exceeded budget projects by 2% and is tracking at \$34,331 which is 5% ahead of the first quarter 2019. Total administrative expenses arrived at 10% under budget and total maintenance expenses came in at 1% under budget. Net operating income before depreciation arrived at nearly \$73,000 at the end of the 1st quarter 2020. Swanson commented on the short-term leasing activity which included a short-term lease with Wynn Jet Charter for aircraft storage at Hangar H606. The short-term lease will generate \$2,625 per week and is anticipated for 6-8 weeks. Chairman Eichelberger directed staff to file the financials for audit.

2019 CAFR update

Swanson commented on the preparation of the Airport Authority's 2019/2018 Comprehensive Annual Financial Report (CAFR). The CAFR is prepared to the standards prescribed by GFOA and in compliance with GASB pronouncements. Swanson noted the SAA audit was completed by Adams, Brown, Beran & Ball, Chartered (ABBB) and is in the process of finalizing the 2019 CAFR.

Coronavirus Aid, Relief and Economic Security (CARES) Act

Executive Director Rogers updated the board on the impact of the COVID-19 national emergency on the Airport Authority's operating budget. Rogers reviewed the fiscal impact summary that was provided to the board noting an estimated revenue lost of \$106,146 due to FOL cancellations, reduced fuel flowage fees and decrease in commission revenue. SAA staff have reduced operating expenses by \$152,248 resulting in a net spread of \$46,102. Rogers stated the FAA calculated the CARES Act financial aid to commercial service airports and awarded \$1,836,078 to the Salina Regional Airport. The grant will be used for staff salaries, benefits, airport safety and airfield maintenance in compliance with federal requirements.

Project Rise Provisional Fund Memorandum

Rogers reviewed the proposed Provisional Fund Memorandum with the Greater Salina Community Foundation (GSCF). The provisional fund will be used for the purpose of accepting donations for the purchase of the former K-State Polytechnic gymnasium and associated 5.04-acre lot in the amount \$200,100. Approval of the Provisional Fund Memorandum enables the GSCF to accept donations to be distributed to the Airport Authority for the purchase of the gym.

Rogers recommended approval of the Project Rise Provisional Fund Memorandum. Director Gunn moved, seconded by Director Weisel to approve the Greater Salina Community Foundation Provisional Fund Memorandum and authorized Executive Director Rogers and Chairman Eichelberger to sign the agreement.

Roll call vote: Director Buer – Aye, Chairman Eichelberger – Aye, Director Gunn – Aye, Director Vancil - Aye and Director Weisel - Aye. Motion passed unanimously.

Advanced Remote Sensing, Inc Lease Agreement

Swanson commented on the proposed lease agreement with Advanced Remote Sensing, Inc (ARSI). ARSI is engaged in research and development projects associated with remote sensing analytics of earth observation satellite (EOS) data. The proposed lease provides ARSI access to the roof of Hangar H959 and the top of Tank No. 784 for the placement of satellite calibration targets. Swanson reviewed the below lease terms.

Lease term:	Two (2) years
Effective date:	June 1, 2020
Basic rent:	\$1,903 per month
	\$22,836 per year

Director Gunn moved to approve the lease agreement with Advanced Remote Sensing, Inc for the use of a portion of Hangar H959 and Tank No. 784 and authorized Chairman Eichelberger and Director Vancil to sign the agreement, seconded by Director Weisel.

Roll call vote: Director Buer – Aye, Chairman Eichelberger – Aye, Director Gunn – Aye, Director Vancil - Aye and Director Weisel - Aye. Motion passed unanimously.

MJ Kennedy Air Terminal Space Requirements and Expansion

Rogers presented options provided by Coffman Associates for the M.J. Kennedy Air Terminal space requirements and parking expansion in order to meet requirements for future passenger growth. The preferred options include expansion of the existing terminal building and parking lot. Cost estimates for the project will be provided by Coffman Associates.

Visitor's Forum

SAA T-hangar tenant Michael Bunn questioned the status of the new T-hangar construction project. Rogers stated the plan is to construct 48 T-hangars and 4 box hangars for a total of 52 units. The recent cost estimate for the project came in at \$6 million. SAA staff is working on several funding options and will offer pre-lease options to existing tenants. Bunn questioned the north-ramp location. Rogers stated alternative locations will be considered.

Staff Reports

Rogers reported that Runway 17/35 at the Salina Regional Airport will be closed from Thursday, April 16 until Tuesday, May 5 for needed heavy maintenance and repairs. The scope of work includes an asphalt mill and overly involving the south 800 feet of the runway, repairs to runway lighting and guidance signage, and repainting runway surface markings.

Upon a motion duly made, the meeting adjourned at 9:07 A.M.

Roll call vote: Director Buer – Aye, Chairman Eichelberger – Aye, Director Gunn – Aye,
Director Vancil - Aye and Director Weisel - Aye. Motion passed unanimously.

Minutes approved at the May 20, 2020 Board Meeting.

Secretary

(SEAL)

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