

**MINUTES OF THE REGULAR MEETING OF THE BOARD  
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY  
JUNE 17, 2020  
HANGAR 600 FIRST FLOOR CONFERENCE ROOM**

**Call to Order**

The meeting was called to order at 8:00 AM by Chairman Alan Eichelberger. Chairman Eichelberger confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst noted the board meeting notice was published and distributed on Friday, June 12<sup>th</sup>.

**Attendance**

Attendance was taken. Chairman Eichelberger, Directors Buer, Gunn, Vancil and Weisel were present. Also present were Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker; Business and Communications Manager Kasey Windhorst and Attorney Greg Bengtson. Melissa Hodges, Salina City Commissioner and Michael Bunn, T-hangar tenant were guest.

**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 May 20, 2020 regular board meeting. Director Gunn moved, seconded by Director Vancil, to

approve the minutes of the May 20, 2020 board meeting. Motion passed unanimously.

Chairman Eichelberger asked if the board members had additions or corrections to the minutes of the June 10, 2020 special board meeting. Director Vancil moved, seconded by Director Gunn, to approve the minutes of the June 10, 2020 special board meeting. Motion passed unanimously.

### **Airport Activity and Financial Reports**

Executive Director Rogers reported on airport activity for the month of May 2020. The Salina Air Traffic Control Tower (ATCT) recorded 2,614 operations during May 2020, which was a 59% decrease compared to the same period last year. A total of 16,456 operations have occurred year-to-date which is a 44% less than the May 2019 year-to-date total of 29,355. Rogers noted that KSUP resumed flight operations on May 20, 2020. May fuel flowage came in at 90,236 gallons which was 48% less than the May 2019 total of 172,835 gallons. A total of 731,622 gallons have been delivered on the airport during 2020 which is a 7% decrease from the 2019 total of 783,326. Upcoming military training scheduled for the month of August 2020 will result in increased fuel sales. SkyWest reported 105 enplaned passengers for the month of May which was a 94% decrease compared to the May 2019 total of 1,865 passengers. The July 6<sup>th</sup> schedule change will restore non-stop service from SLN – ORD and add connections to over 100 US destinations.

Director of Administration and Finance, Shelli Swanson reported on the financials for the month of May 2020. Total operating income arrived within 1% of budget and is tracking \$73,806 ahead of the same period last year. Administrative expenses ended up 6% under budget while

maintenance expenses arrived 8% under budget bringing total operating cost to \$65,764 or 7% below budget. Year-to-date net operating income before depreciation equaled \$87,634.

Swanson commented on receipt of first reimbursement under the CARES act grant in the amount of \$438,388. The grant funds are reported in contributed capital on the P&L statement under other income. Swanson noted an airport use agreement has been executed with Heinen Brothers Agra Service. Heinen operates as an ag service company specializing in aerial applications. Heinen will pay the SAA an annual permit fee of \$750 and fuel flowage fees while operating from SLN. Chairman Eichelberger directed staff to file the financials for audit.

### **2019 Comprehensive Annual Financial Report**

Director of Administration and Finance Swanson commented on the completion of the 2019 Comprehensive Annual Financial (CAFR) Report. The complete CAFR can be found on the Salina Airport Authority's website at <https://www.salinaairport.com/media/36394/2019-saa-cafr.pdf>. Swanson reviewed the independent auditors report and commented on the governance letter provided by Adams Brown Beran & Ball.

### **Airline Industry Recovery Status and Fly SLN Marketing Updates**

Executive Director Rogers presented the results of the U.S. airline industry recovery status post COVID-19 prepared by Gary Foss, air service consultant. Rogers noted leisure travel is expected to return prior to business travel. Over 67 destinations have been lost out of SLN without the service to Chicago. The return of Chicago flights on July 6 will offer Salina travelers connections to over 100 destinations. Rogers updated the board on the revised Fly SLN campaign which will include digital and video ads, social media post, and native ads. The ads

will feature three messages; Be There, Be Here, and Make a Clean Getaway. Rogers recommended increasing the airport promotion budget by \$17,500 from \$135,000 to \$152,500. SAA board had no objections to an increase in air service marketing expenditures.

### **M.J. Kennedy Terminal Requirements and Estimated Cost**

Executive Director Rogers presented alternatives from Coffman Associates for the M.J. Kennedy Air Terminal building requirements and parking lot improvements. Rogers reviewed the preferred Alternative No. 2 which adds additional space for screening, restrooms, ticket counter, rental car spaces, and an improved walkway. The parking lot improvements would include utility relocation and drainage improvements. The estimated cost to complete the project is \$11M. SAA staff is working on finalizing the study's financial plan and working with Coffman to prepare the final report.

### **SAA Staffing Requirements and Recruiting Efforts**

Rogers updated the board on the current staffing requirements and recruiting efforts by the SAA to obtain additional Aircraft Rescue and Firefighting (ARFF) and Operations Specialist. Currently, the SAA has four vacancies in the ARFF/Operations job classification and two vacancies on the maintenance staff.

### **Staff Reports**

#### **Aircraft Storage Hangar Construction Project**

Rogers briefed the board on the status of the potential new aircraft storage hangar construction project. SAA staff have received five responses from the letters of interest that was sent out to

existing hangar tenants and to aircraft owners on the waiting list. Rogers commented that staff is preparing a bid package that will include plan and specs for the project. Contractor bids should be received prior to the August board meeting. The rental rate will be based on actual bids received and construction cost.

Building B824 Renovation Project

Director of Finance and Administration Swanson reported on the renovation project for Building B824, 2359 Hein. Improvements to the building include new lighting, HVAC, paint, asbestos abatement, and improved restrooms. The bid opening is scheduled for Friday, June 19<sup>th</sup> at 2:00 PM at Hangar 600 conference room.

Upon a motion duly made, the meeting adjourned at 9:06 AM

Minutes approved at the July 15, 2020 Board Meeting.

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Secretary

(SEAL)