

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
SEPTEMBER 16, 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 and the meeting notice was published.

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. Robinson, Salina Community Economic Development Organization and Scott Hillegeist, SLN ATCT Manager 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 August 19, 2020 regular board meeting. Director Vancil moved, seconded by Director Gunn, to approve the minutes of the August 19, 2020 board meeting. Motion passed unanimously.

Airport Activity and Financial Reports

Executive Director Rogers reported that the Salina Air Traffic Control Tower (ATCT) recorded 7,318 operations during August 2020, which was a 32% increase compared to the same period last year. A total of 35,019 operations have occurred year-to-date which is 32% less than the August 2019 year-to-date total of 51,467. Military and flight test operations scheduled for September and October will keep the air traffic count trending upward. August fuel flowage came in at 692,613 gallons which was 7% more than the August 2019 total of 645,834 gallons. A total of 1,672,456 gallons have been delivered on the airport during 2020 which is a 1.5% decrease from the 2019 total of 1,697,683. SkyWest reported 907 total passengers (476 enplaned and 431 deplaned) during the month of August. For year-to-date a total of 5,471 passengers have boarded United/SkyWest flights at SLN which is a 57% decrease compared to the same period last year. During the month of August, total passenger enplaned (scheduled service and charter flights) passed the 10,000 level assuring SLN will continue to be categorized as a primary commercial airport and eligible for a minimum of \$1M in FAA Airport Improvement Program grant funds during fiscal year 2021.

Director of Administration and Finance, Shelli Swanson reported on the financials for the month of August 2020. Total operating income arrived at 8% over budget projections and 10.6% ahead of the same period in 2019. Total operating expenses are tracking under budget by 7% and \$53,872 less year-over-year. Net income before depreciation hit \$291,891 and is well ahead of budget and \$226,236 more than Aug. 2019. SAA's CARES Act grant reimbursements received through the end of August equals \$830,080. Swanson commented on the closing of the Lease Purchase Agreement (LPA) with Bennington State Bank for the financing to fund the improvements at Bldg. 824, the new location for the Durham School Bus transportation facility. On the Statement of Net Assets, the \$460,000 is reported under current assets representing the escrow account holding the proceedings and the liability of the same amount is included in long-term debt. Chairman

Eichelberger directed staff to file the financials for audit.

10-Year Trend Analysis (January – August)

Director of Administration and Finance Swanson reviewed the 10-year trend analysis report (January – August) 2011 – 2020. Swanson reported that 2020 operating income is exceeding prior years and operating expenses compare favorable to prior years. Operating cash for 2020 has increased as compared to prior years reported on the report.

Schwan's Expansion Project Estimated Economic Impact Report

Executive Director Rogers commented on the highlights and provided an overview of the Estimate of the Expected Economic Impact from the Retention/Expansion of the Schwan's Facility located at the Salina Airport Industrial Center report prepared by the Docking Institute of Public Affairs, Fort Hays State University. The report measures the impact of new jobs created, jobs retained, and new construction jobs associated with the construction of the 400,000 SF plant expansion. The results of the analysis show that the retention of the existing workers and the planned construction and expansion of the Schwan's Company facility at the Salina Airport Industrial Center will have a substantial long-term impact on the local economy (Salina and Saline County) and the State of Kansas.

Leasing and Prospect Activity

Executive Director Rogers discussed Airport and Airport Industrial Center tenant and prospect activity. Over eleven new leases and Letters of Agreements have been executed resulting in an additional \$405,202 revenue annually. SAA staff is currently working with ten prospects for either long-term leasing, short-term leasing or land purchase agreements which could provide an additional \$510,000 in revenue annually.

Citizen Volunteer Boards and Commissions Policy of the City of Salina

Executive Director Rogers noted the Citizen Volunteer Boards and Commissions policy of the City of Salina was distributed to the Salina Airport Authority board members at the August board meeting. SAA board members signed the acknowledgment of receipt that they have received and reviewed the volunteer board documents.

SCEDO Board of Directors Appointment

Rogers noted as a founding member of the Salina Community Economic Development Organization (SCEDO) the Salina Airport Authority appoints two members of the nine member SCEDO board. SAA's first two appointments were Pete Brundgardt and Jeff Thompson. On December 18, 2019, the SAA board reappointed Pete to his final, full three (3) year term that expires on January 31, 2023. Jeff Thompson has decided to step down from the SCEDO board when his current term expires on January 31, 2021. SAA board members suggested several qualified community members to serve on the SCEDO board. Rogers will reach out to each potential board member and provide an update to the board at the October board meeting.

Upon a motion duly made, the meeting adjourned at 9:24 AM

Minutes approved at the October 21, 2020 Board Meeting.

Secretary

(SEAL)

DRAFT