

**MINUTES OF THE REGULAR MEETING OF THE BOARD  
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY  
OCTOBER 21, 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. Steve Benson, Coffman and Associates; Aaron Mauer and Julie Yager-Zucker, Avflight Salina; 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 September 16, 2020 regular board meeting. Director Gunn moved, seconded by Director Vancil, to approve the minutes of the September 16, 2020 board meeting. Motion passed unanimously.

## **Airport Activity and Financial Reports**

Executive Director Rogers reported that the Salina Air Traffic Control Tower (ATCT) recorded 7,550 operations during September 2020, which was a 5% increase compared to the same period last year. A total of 42,569 operations have occurred year-to-date which is 27% less than the September 2019 year-to-date total of 58,654. K-State professional pilot flight training has returned to pre-COVID levels. September fuel flowage came in at 128,710 gallons which was a 20% decrease compared to September 2019 total of 161,888 gallons. A total of 1,801,166 gallons have been delivered on the airport during 2020 which is a 3% decrease from the 2019 total of 1,859,571. SkyWest reported 1,093 total passengers (552 enplaned and 541 deplaned) during the month of September. For year-to-date a total of 6,023 passengers have boarded United/SkyWest flights at SLN which is a 58% decrease compared to the same period last year.

Director of Administration and Finance, Shelli Swanson reported on the financials for the month of September 2020. Total operating income arrived at 9% over budget projections.

Administrative expenses ended up 4% under budget at the end of September while maintenance expenses arrived 6% under bringing total operating costs under budget 5% or \$93,868. Net income before depreciation reached \$322,342 at the end of September. Swanson noted the \$-2,305,610 reported in Gain/Loss on the sale of assets reflects the transfer of the 31.439 acres of Authority land to SFC Global Supply Chain, Inc. for the 400,000 sq. ft. Schwan's Food Company plant expansion at the Salina Airport Industrial Center. This transaction included the transfer of 8.15 acres of Authority land, the acquisition and transfer of the Pratt Properties, Inc. land and building (17.478 acres) and the acquisition and disposition of the former K-State gymnasium, all adjacent to the existing plant and necessary for the Schwan's expansion.

Swanson reviewed detailed expenditures from the 2020-1 Temporary Note project fund account from September 1 – October 15. Chairman Eichelberger directed staff to file the financials for

audit.

### **10-Year Trend Analysis (January – August)**

Director of Administration and Finance Swanson reviewed the third quarter 10-year trend analysis report (January – September) 2011 – 2020. Swanson reported a 10-year high in 2020 operating revenue. SAA staff is working with Moody’s Investors Service analyst to review the Airport Authority’s financial performance through Q3 2020.

### **2021 Operating Revenue Projections**

Executive Director Rogers distributed and reviewed projected operating revenue for CY 2021. The forecast includes scheduled FOL events and CPI adjustments. A total of eleven FOL events are scheduled at SLN for 2021. Swanson reported on a modest increase for hangar and building rental. The target gross operating revenue for 2021 is \$2,499,415. Forecasted operating expenses will be presented to the board at the November board meeting.

### **Stryten Lease Agreement**

Director of Administration and Finance Swanson presented the lease agreement with Stryten Salina, LLC for 56,961 square feet of warehouse space (Units B and C) in Building B655. Atlas Holdings acquired the Exide Technologies Salina plant, and the proposed agreement puts the warehouse space formerly leased by Exide into a lease agreement with Stryten. This past August, Atlas Holdings established Stryten Manufacturing to operate former Exide Technologies’ plants, including Salina. The proposed lease terms are as follows:

Lease term: Three (3) years effective October 1, 2020

Basic rental: \$9,970 per month

\$119,640 per year

\$2.10 per SF per year

Director Weisel moved to approve the proposed B655 lease agreement with Stryten Salina LLC, seconded by Director Gunn. Motion passed unanimously.

**ARFF, Operations and Airfield Maintenance Equipment**

Executive Director Rogers reviewed equipment needs for Airport Authority ARFF (Aircraft Rescue and Fire Fighting), airfield operations and maintenance obligations per Federal Aviation Regulation (FAR) Part 139 that governs airport operations and safety requirements. Equipment will be purchased in two groups and will be funded by CARES Act grant funds. The **Group 1** bids totaled \$208,383. Below is a summary of the low bids received. Each low bid met Airport Authority specifications.

<b>Item</b>	<b>Supplier</b>	<b>Bid</b>
<b>(1) Skid loader with seven (7) attachments</b>	<b>Bobcat</b>	<b>\$76,774</b>
<b>(1) Skid loader pavement markings remover</b>	<b>Keystone Flatliner</b>	<b>\$46,800</b>
<b>(2) Zero-turn mowers</b>	<b>Hometown Outdoor Power</b>	<b>\$31,898</b>
<b>(1) AFFF testing equipment</b>	<b>No Foam System</b>	<b>\$38,686</b>
<b>(1) 200 lb. skid mount, dry chem extinguisher</b>	<b>Air &amp; Fire Systems</b>	<b>\$4,040</b>
<b>(1) 200-gallon skid mount, water tank/pump</b>	<b>Kimtek Corporation</b>	<b>\$10,185</b>

Rogers recommended approval of the purchase of Group 1 ARFF, Operations, safety, and

airfield maintenance equipment at a cost not to exceed \$208,383. Director Gunn moved, seconded by Director Vancil. Motion passed unanimously.

### **Terminal Area Master Plan Report**

Executive Director Rogers introduced Steve Benson, Coffman and Associates. Benson presented the final draft of the terminal building requirements study to the board. The full document is available online at <https://www.salinaairport.com/media/36478/sln-master-plan-draft-final-100520.pdf>. FAA accepted the report's passenger forecast on December 20, 2019 and recently requested adding **Appendix C, Impact of COVID-19 on Air Passenger Demand**. Benson commented on facility requirements, parking development, funding eligibilities and cost summary. The report is a step in the process of establishing SLN terminal building requirements, updating the SLN Airport Master Plan and making sure that SLN terminal building improvements are eligible for FAA grant funding. The report's findings will be used to update SLN's Airport Capital Improvement Program (ACIP) that is maintained by the FAA and sets priorities for Airport Improvement Program (AIP) grant funding.

### **Runway 17/35 Rehabilitation and Funding Options**

Rogers reviewed Runway 17/35 rehabilitation priorities and scope of work. The near-term objective is to prepare a preliminary engineer's design report that will be used to maximize FAA AIP grant funding for the Runway 17/35 rehabilitation project. To maintain the runway's current 12,300 length will require maximum FAA AIP grant funding, KDOT grant funding and Salina Airport Authority funding.

### **Former Schilling Air Force Base Site Environmental Project Management Agreement**

Rogers commented on the final draft of the proposed Former Schilling Air Force Base Site Environmental Project Management Agreement. The agreement replaces the December 2012 Interlocal Agreement with the City of Salina, K-State and USD-305 that provided for the management of the RI/FS/CAD phase the Schilling Project. The new agreement provides for the financing, administering, and completing the Response Action (RA) according to a KDHE Consent and Final Order (CAFO) relating to the Former Schilling Force Base. The CEOs of the City, Airport Authority, K-State Polytechnic and USD-305 will continue to provide Schilling Project administrative oversight. Environmental engineering and consulting services will continue to be provided by Dragun Corporation. The proposed 2020 Management Agreement will provide for the preparation of the Schilling Remedial Design (RD) and completion the project's Remedial Action (RA) on time and under budget. Director Vancil moved to approve the **Former Schilling Air Force Base Site Environmental Project Management Agreement**, seconded by Director Weisel. Motion passed unanimously.

### **Staff Reports**

Rogers commented on appointing a new board member to the Salina Community Economic Development Organization (SCEDO) board. Director Eichelberger recommended Jim Maes as a candidate to be contacted. SAA staff will prepare a ranking form and will distribute to the board with candidate resumes.

Upon a motion duly made, the meeting adjourned at 9:56 AM.

Minutes approved at the November 18, 2020 Board Meeting.

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Secretary

(SEAL)

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