

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
MAY 19, 2021
HANGAR 600, ROOM 100**

Call to Order

The meeting was called to order at 8:00 AM by Chair Kristin Gunn. Chair Gunn confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst noted the board meeting notice was published and distributed on Friday, May 14, 2021.

Attendance

Attendance was taken. Chair Gunn, Directors Eichelberger, Roberg and Weisel were present. Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker; Business and Communications Manager Kasey Windhorst; Airport Administration Specialist Jazstyn Moyer; and Attorney Greg Bengtson was in attendance. Mitch Robinson, Salina Community Economic Development Organization; Scott Hillegeist, SLN ATCT; Julie Yager-Zucker, Avflight Salina and Michael Bunn, T-hangar tenant were in attendance as guest.

Additions to the Agenda

Chair Gunn asked if there were any additions to the agenda. Executive Director Rogers stated no additions to the agenda.

Minutes

Chair Gunn asked if the board members had additions or corrections to the minutes of the April

21, 2021 regular board meeting. Director Eichelberger moved, seconded by Director Weisel, to approve the minutes of the April 21, 2021 regular board. Motion passed unanimously.

Airport Activity and Financial Reports

Executive Director Rogers reported that the Salina Air Traffic Control Tower (ATCT) recorded 8,739 operations during April 2021, which was a 6% increase compared to the April 2020 total of 8,225. For year-to-date a total of 26,412 operations have occurred at the airport which is 90% more than the April year-to-date total of 13,842. April fuel flowage came in at 127,107 gallons which was a 124% increase compared to April 2020 total of 56,765 gallons. United/SkyWest flights enplaned 904 passengers, which was a 1,638% increase as compared to the April 2020 total of 52 enplaned passengers. Rogers noted SkyWest will resume two flights per day seven days per week with non-stop service to Denver and Chicago effective June 3, 2021. SAA staff is working with local partners to add a third flight to the SLN schedule.

Director of Administration and Finance Swanson reported on the financials for the month of April 2021. Total operating income arrived 6% over budget and is tracking nearly 8% ahead and \$64,976 more than the same period in 2020. Administrative expenses ended up 2% over budget at the end of April while maintenance expenses arrived over budget by 39% bringing total operating costs over budget 15% or \$121,507.

Both short and long-term leasing activity continues to remain strong. During the month of April, the SAA entered into a 1-year lease agreement for 11,844 SF of shop and office space in Bldg. 313 with Gartner Refrigeration, Inc. This short-term agreement will generate \$5,250/month or

\$63,000 for the term. SAA staff executed a one-year lease renewal with Superior Energy Services (SES) for 14.17 acres of ground located at the SAA's equipment yard on Airport Road generating \$3,650 per month or \$43,800 on an annual basis.

Swanson commented on significant capital expenditures during the month of April. Chair Gunn directed staff to file the financials for audit.

United Rentals, LLC Land Lease

Director of Finance and Administration Swanson discussed the proposed land lease with United Rentals, LLC for storing, staging, drop-off and pick-up of equipment. The 2-acre parcel of land is located at the Airport Road equipment yard. Swanson reviewed the following lease terms and conditions.

Term: Three (3) years

Option to Renew: One three (3) year option to renew

Base Rental: \$785/month

CPI Adjustments: Biennial

Type: Modified net. Tenant responsible for property taxes, insurance, maintenance, utilities and any improvements.

Director Weisel moved to approve the basic terms as presented for the 2-acre land lease with United Rentals and authorize staff to work on the agreement form with the assistance of legal counsel and when finalized, authorize Chair Gunn to sign the Lease provided there are no substantive changes to the terms above. Seconded by Director Eichelberger. Motion passed unanimously.

GA Aircraft Storage Hangars

Executive Director Rogers provided an update to the board on the three signed leases received for space in the five (5) unit aircraft storage hangars. A one-year lease was offered at \$685 per month and a three-year lease was offered at \$635 per month.

Director Weisel moved to approve a three-year lease with Tod Roberg, SLN Aviation for Hangar C-2 in the amount of \$635 per month. Seconded by Director Eichelberger. Motion passed 3-0.

Director Roberg abstained from discussion and motion.

Director Roberg moved to approve a three-year lease with Dennis Russel, Centurion Aviation for Hangar C-3 in the amount of \$635 per month. Seconded by Director Weisel. Motion passed unanimously.

Director Eichelberger moved to approve a one-year lease with Glenn Stroer for Hangar C-4 in the amount of \$685 per month. Seconded by Director Weisel. Motion passed unanimously.

Director Eichelberger moved to issue a Notice to Proceed to Hutton for the construction of the aircraft storage hangars and authorize the Executive Director to sign the document. Seconded by Director Weisel. Motion passed unanimously.

Economic Impact Report

Executive Director Rogers reviewed the results of the 2021 Docking Institute of Public Affairs report on the economic impact of the Salina Regional Airport and Airport Industrial Center on the City of Salina and Saline County. The combined impact of business and organizations located at the Airport and Airport Industrial Center continues to be a positive for our community. Employment at the Airport and Airport Industry now amounts to 17.6% of total Saline County employment. Rogers reviewed the following 2019 data compared to 2021.

Category	2019	2021	Percent Change
Total economic impact	\$1,168,468,360	\$1,297,934,889	+11%
Percent of Saline County GRP	41%	42%	+2.4%
Total Employment	5,996	7,005	+17%
Percent of Saline County Employment	14%	17.6%	+26%
Average Annual Salary/Wage	\$58,000	\$58,450	+1%
Average Hourly Wage	\$28.00	\$28.10	+1%

Source: The Docking Institute of Public Affairs Fort Hays State University

The full report can be viewed online at <https://www.salinaairport.com/media/36624/saa-2021-report-v6-51121.pdf>.

Directors Forum

Director Gunn recommended the GoToMeeting option be available for SAA Board of Director

meetings. Rogers stated the VTC option would be available.

Director Eichelberger recommended a review of bank fees paid by the Airport Authority.

Rogers noted staff would prepare a report and present it to the board at the June 16 regular board meeting..

Staff Reports

Executive Director Rogers reported on the Runway 17/35 grant with the Federal Aviation Administration. The grant would fund the rehab of the south 7,500' of Runway 17/35. Swanson discussed the multi-year grant process and issuance of short-term temp notes to fund the construction until grant funds are received. KDOT grant funds are available to rehab the north 4,800' of Runway 17/35, Taxiway A connector, Taxiway H and Taxiway F.

Rogers updated the board on the Schwan's construction expansion project. The project remains on schedule.

Rogers discussed the updated real estate score card noting leasing activity at the Salina Regional Airport and Airport Industrial Center. One June 1, 2021 the occupancy rate will be at 80% as compared to 58% during April 2014.

Upon a motion duly made, the meeting adjourned at 9:29 A.M.

Minutes approved at the June 16, 2021 Board Meeting.

Secretary

(SEAL)

DRAFT