Salina Airport Authority **Board of Directors Regular Meeting**

SEPTEMBER 15, 2021



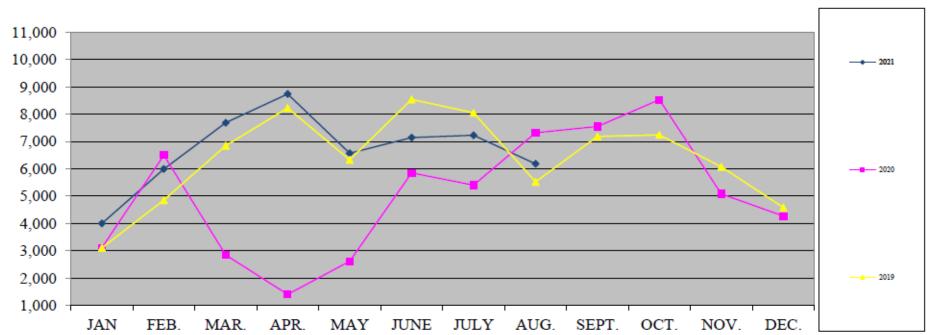
Agenda Review

- Salina Regional Airport and Airport Industrial Center capital improvements funding
- Airport Industrial Center building leasing
- Airport Industrial Center buildings deferred maintenance
- Workforce recruitment for Airport and Airport Industrial Center employees
- M.J. Kennedy Air Terminal passenger concourse improvements
- General Aviation hangar construction

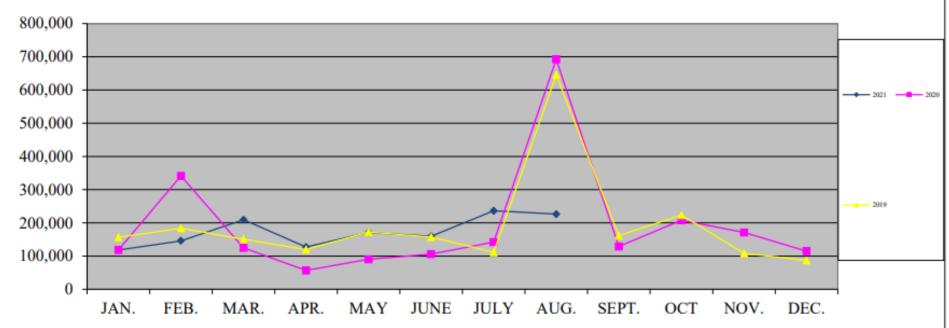
Review of Airport Activity and Financial Reports for the Month ending August 31, 2021

TIM ROGERS, A.A.E. SHELLI SWANSON, C.M.

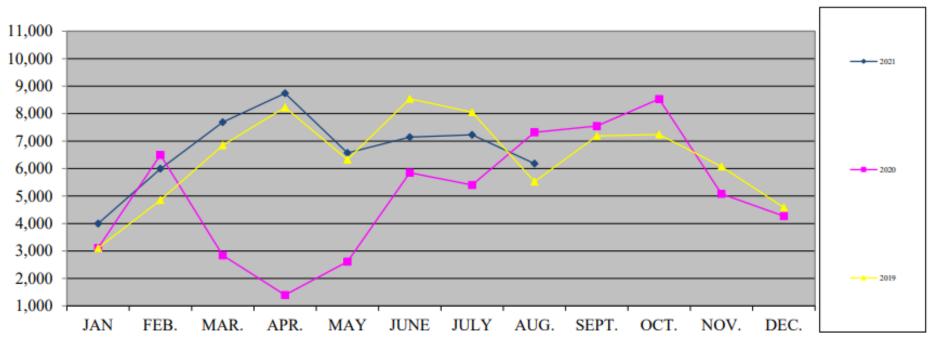


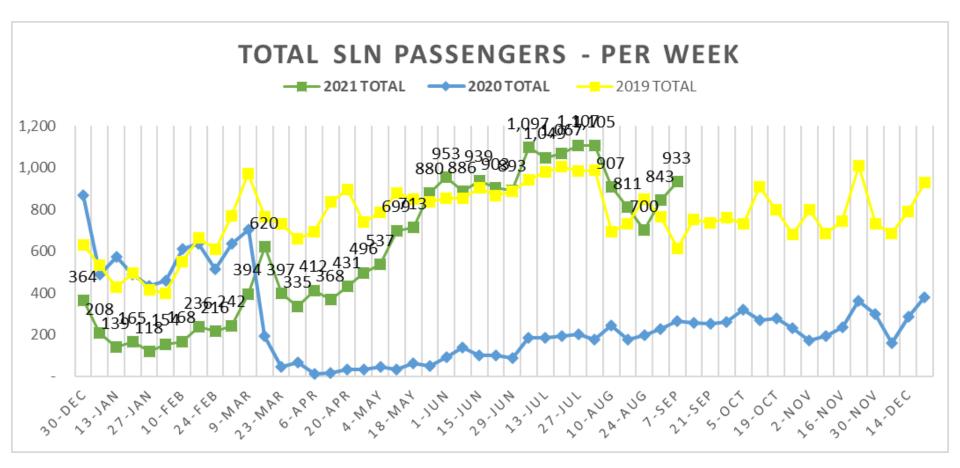




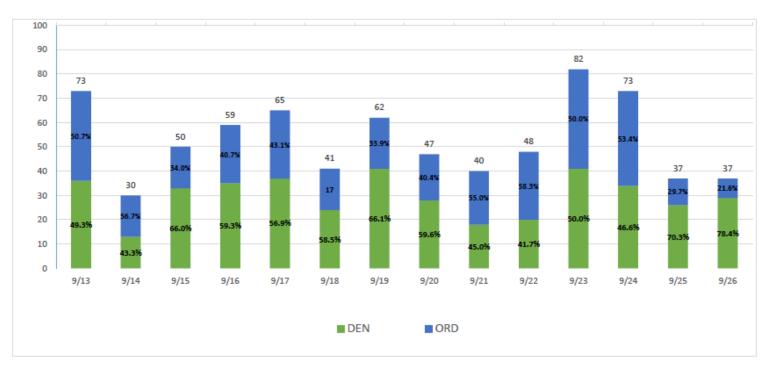


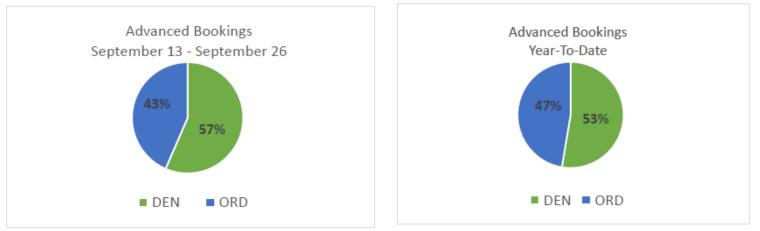


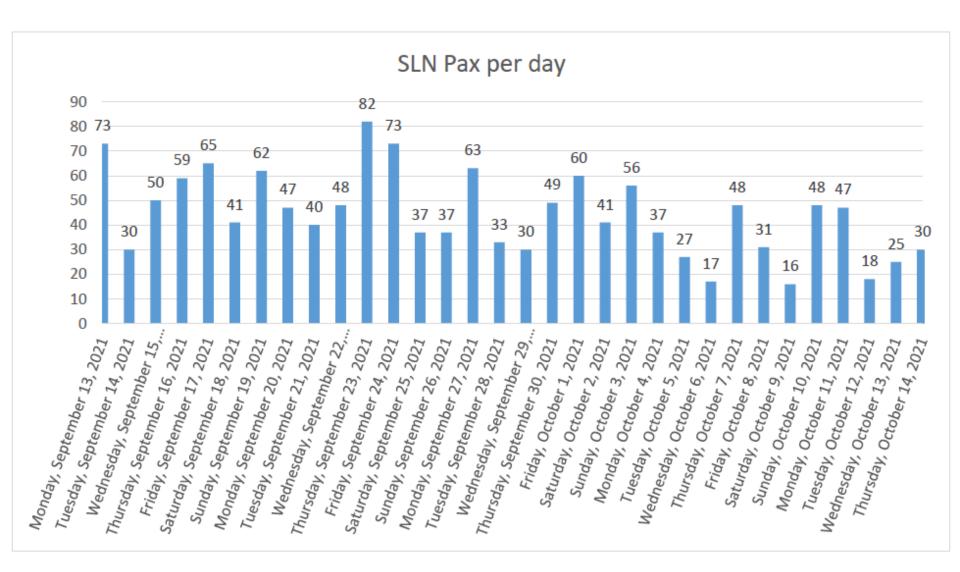




Advanced Bookings



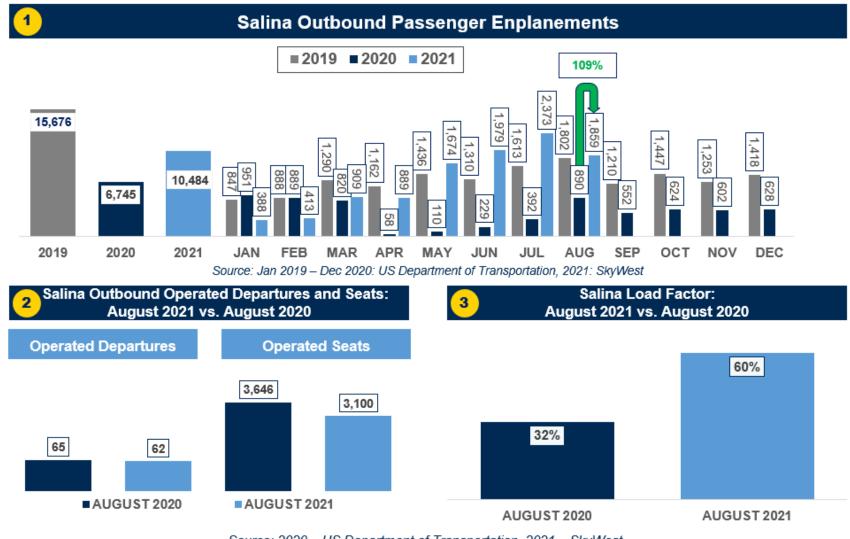




August Market Review

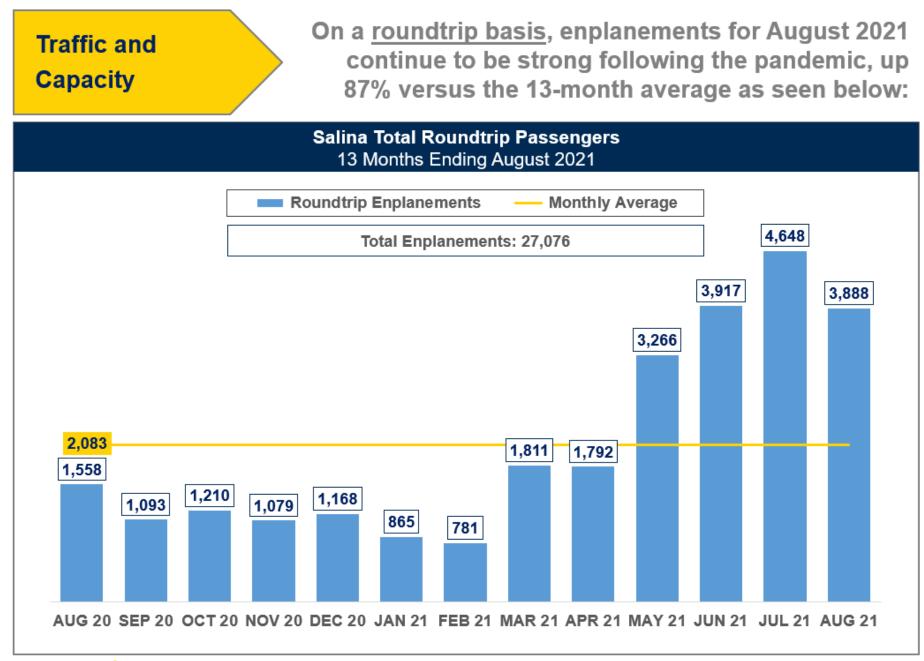
Salina Regional Airport





Source: 2020 – US Department of Transportation. 2021 – SkyWest

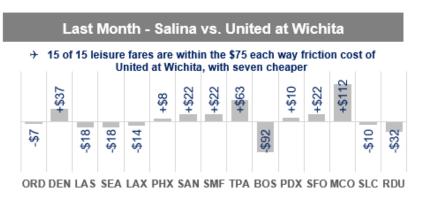


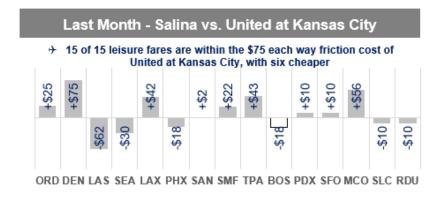




Leisure Market Fare Differential 4 Salina vs. United at Wichita Salina vs. United at Kansas City → 15 of 15 leisure fares are within the \$75 each way friction cost of + 15 of 15 leisure fares are within the \$75 each way friction cost of United at Wichita, with eleven cheaper United at Kansas City, with seven cheaper +\$75 +\$38 \$10 ş +\$47 -\$18 -\$18 -\$18 \$18 -\$18 -\$18 -\$18 -\$8 -\$92 \$ -\$18 -\$18 -\$18 \$52 \$18 3 \$52 ORD DEN LAX SEA LAS PDX BOS SLC SMF MCO PHX TPA FLL EWR SFO ORD DEN LAX SEA LAS PDX BOS SLC SMF MCO PHX TPA FLL EWR SFO

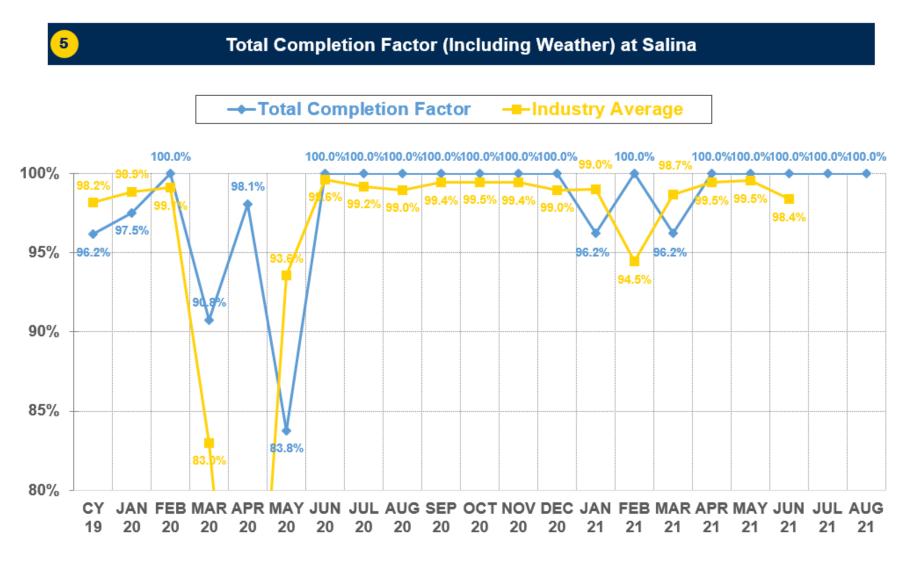
Source: itasoftware.com as of 09/09/21 - Roundtrip Fare for Travel 10/14/21 returning 10/21/21





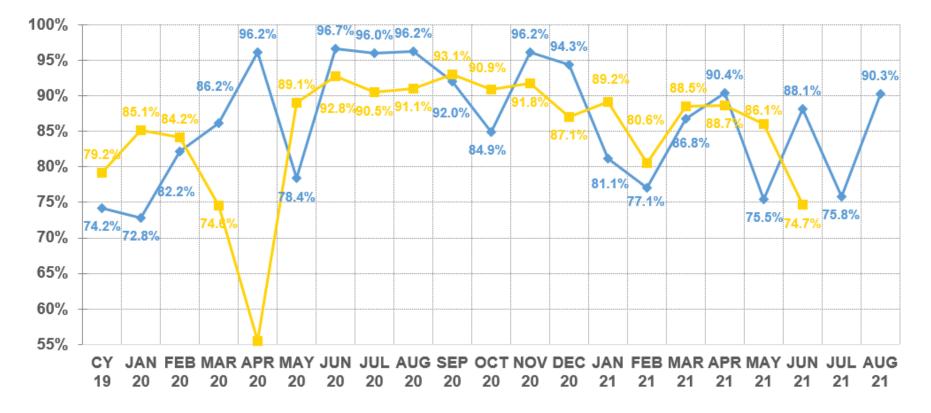
Source: itasoftware.com as of 08/08/21 - Roundtrip Fare for Travel 09/16/21 returning 09/23/21







Arrivals at Salina within 14 Minutes

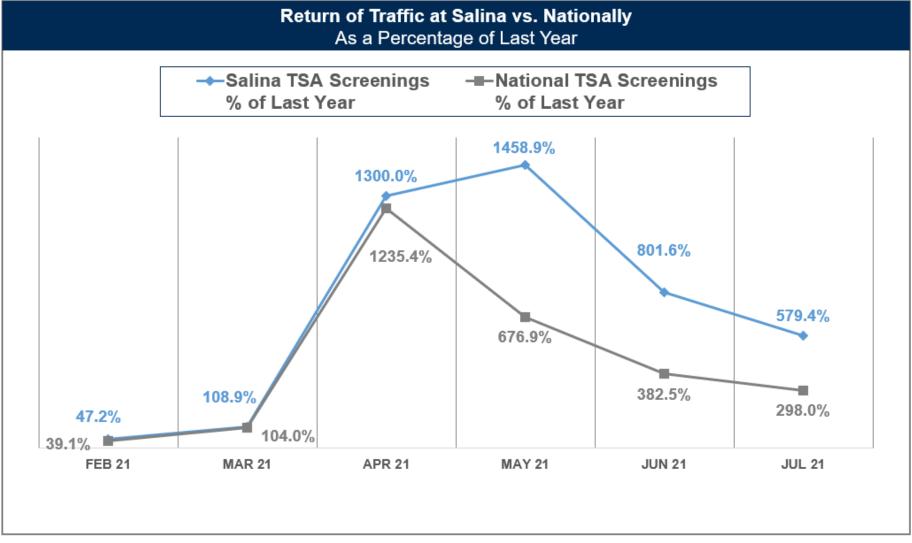




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Traffic and Capacity

For the February through July 2021 reporting period, the average for the Salina TSA passenger traffic has returned at a faster rate than the National average



ArkSXar

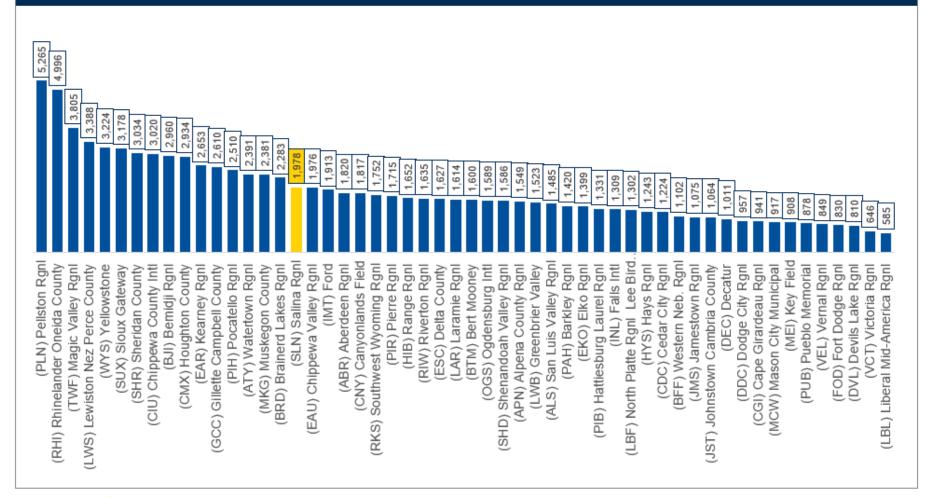
Page 6

SkyWest Prorate Market Traffic

In the 28-day period ending August 21, Salina recorded 1,978 passenger screenings, again placing it 17th among the 54 prorate markets shown

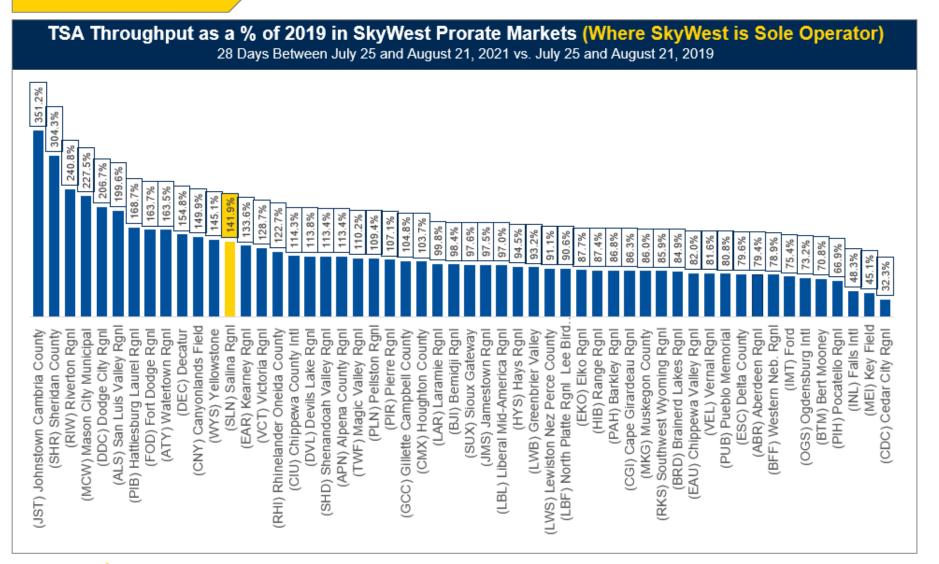
TSA Throughput in SkyWest Prorate Markets (Where SkyWest is Sole Operator)

28 Days Between July 25 and August 21, 2021 (Latest 28 Days of Data Available as of September 9, 2021)



SkyWest Prorate Market Traffic vs. 2019

It is the thirteenth most improved market shown when compared year-over-year





Financial Reports

Salina Airport Authority Profit & Loss Prev Year Comparison January through August 2021

12:31 PM

09/13/2021

Accrual Basis

	Jan - Aug 21	Jan - Aug 20	\$ Change	% Change
Ordinary Income/Expense				
Income				
Total Airfield revenue	741,688.25	653,287.74	88,400.51	13.53%
Total Building and land rent	1,129,431.89	1,010,405.64	119,026.25	11.78%
Total Other revenue	61,361.07	137,397.58	-76,036.51	-55.34%
Total Income	1,932,481.21	1,801,090.96	131,390.25	7.3%
Gross Profit	1,932,481.21	1,801,090.96	131,390.25	7.3%
Expense				
Total Administrative expenses	1,094,020.54	991,132.48	102,888.06	10.38%
Total Maintenance expenses	679,166.43	526,225.26	152,941.17	29.06%
Total Expense	1,773,186.97	1,517,357.74	255,829.23	16.86%
Net Ordinary Income	159,294.24	283,733.22	-124,438.98	-43.86%
Total Other Income	2,925,030.98	2,796,728.62	128,302.36	4.59%
Total Other Expense	2,442,632.99	2,316,096.30	126,536.69	5.46%
Net Other Income	482,397.99	480,632.32	1,765.67	0.37%
et Income	641,692.23	764,365.54	-122,673.31	-16.05%

Financial Reports

Salina Airport Authority Capital Additions Budget vs. Actual As of August 31, 2021

10:29 AM

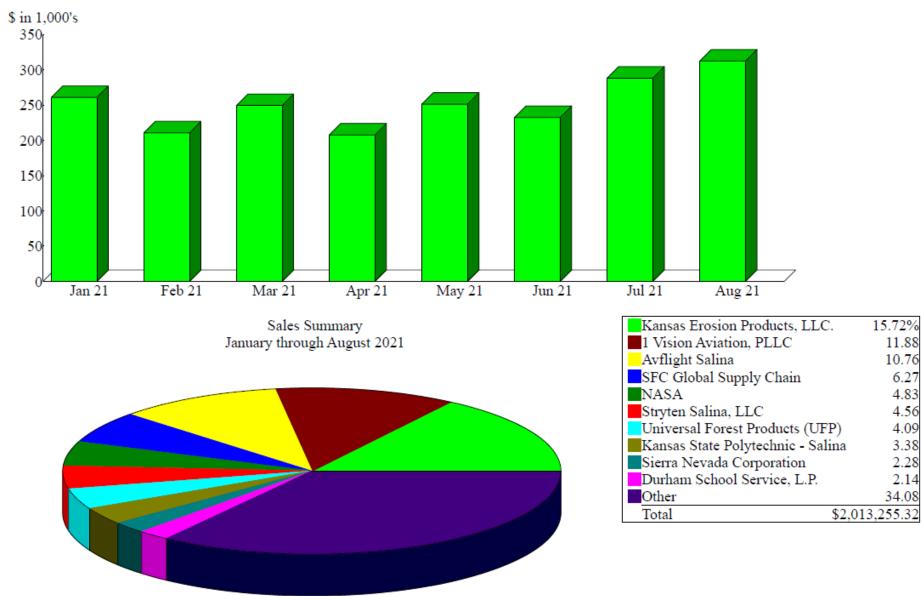
09/13/2021

Accrual Basis

	Aug 21	Jan - Aug 21	Annual Budget	+/- Annual Budget	% of Annual Budget
ASSETS					
Fixed Assets					
Fixed assets at cost					
Total Airfeld	87,894	572,209	1,785,000	-1,212,791	32%
Total Buildings & Improvements	68,376	471,439	3,148,559	-2,677,120	15%
Total Equipment	0	597,558	1,118,185	-520,627	53%
Total Land	0	46,198	25,000	21,198	185%
Total Fixed assets at cost	156,270	1,687,404	6,076,744	-4,389,340	28%

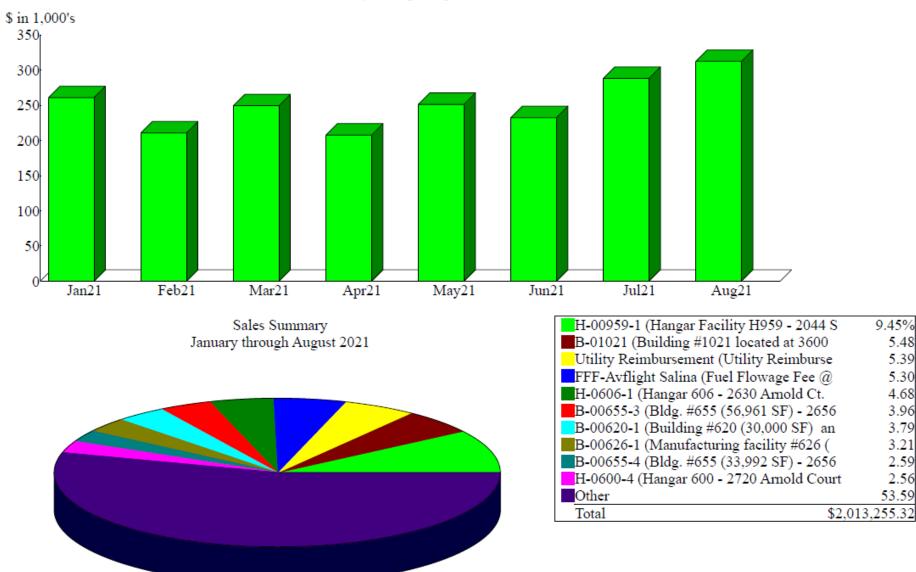
Sales by Month January through August 2021

Dollar Sales



Dollar Sales

Sales by Month January through August 2021



Approval of SAA Resolution 21-09 authorizing the offering for sale of Taxable General Obligation Temporary Notes, Series 2021-1

SHELLI SWANSON, C.M.

Review of the Salina Airport Authority's 2022-2028 Airport Capital Improvement Program (ACIP)

SHELLI SWANSON, C.M.

TIM ROGERS, A.A.E.

Revised Sept. 3, 2021

State and Federal Grant Funding Summary							
Calendar Year	Project	Total Co	t	Grant \$	Grant Status	Agency	SAA Local Share
2022	Runway 17/35, South 7,500 ft construction	\$ 4,321,	31 \$	4,200,979	Awarded 6-23-2021	FAA	\$ 120,552
2022	Runway 17/35, North 4,800 ft construction	1,691,	85	1,352,948	Application in Process	KDOT	338,237
2022	PH 305 rehabilitation design	168,	50	151,875	MAP Program Acceptance 8-12-2021	FAA	16,875
2022	Terminal Bldg. expansion & renovation design	562,	00	506,250	Airport Terminal Program	FAA	56,250
2022	Runway 12/30 rehabilitation design	285,	50	256,725	Airport Infrastructure Program	FAA	28,525
2023	Hangar 626 rehabilitation design and construction	4,000,	00	3,200,000	Application in Development	EDA	800,000
2023	PH 305 rehab construction	1,121.3	75	1,009,148	MAP Program Acceptance 8-12-2021	FAA	112,128
2023	Runway 12/30 rehabilitation construction	3,750,	00	3,375,000	Airport Infrastructure Program	FAA	375,000
2023	Snow blower with broom attachment & two snow plows	900,	00	\$10,000	AIP Entitlement	FAA	90,000
2024	Terminal parking lot rehabilitation design	185,	50	167,175	MAP Program Acceptance 8-12-2021	FAA	18,575
2025	Terminal parking lot rehabilitation construction	1,544,	00	1,389,600	MAP Program Acceptance 8-12-2021	FAA	154,400
2025	Terminal building remodel & expansion phase's I, II & III constru-	7,996,	00	7,196,850	Airport Terminal Program	FAA	799,650
2025	T/W's A, B, C, D, E & from Rwy 35 to T/W G design	575,	00	517,500	AIP Entitlement	FAA	57,500
2026	T/Ws A, B, C, D, E & from Rwy 35 to T/W G construction	4,500,	00	4,050,000	AIP Entitlement	FAA	450,000
2027	Upgrade Runways 17-35 & 12-30 lighting systems design	435,	00	391,500	Airport Infrastructure Program	FAA	43,500
2028	Upgrade Runways 17-35 & 12-30 lighting systems construction	3,950,	00	3,555,000	Airport Infrastructure Program	FAA	395,000
		\$ 35,986,	41 \$	32,130,550			\$ 3,856,192

Mill Levy / Matching Grant Funds

<u>Funds</u> Balance as of 07/31/2021 Anticipated tax receipts through 12-31-2021 Reimbursement from AIP 42 grant (Rwy 17/35 A/E) Total projected balance at 12-31-2021	\$ 313,206 35,000 <u>363,340</u> 711,546
Projected 2021 Mill Levy (Received in 2022) Total available Mill Levy through 2022	420,000 1,131,546
2022 Projects Rumway 17/35, South 7,500 ft (FAA) Rumway 17/35, North 4,800 ft (KDOT) PH 305 rehabilitation design Terminal Bldg. expansion & renovation design Rumway 12/30 rehabilitation design	120,552 338,237 16,875 56,250 28,525
	560,439
Projected Balance at 12-31-2022	\$ 571,107

Consideration of a lease with Kansas Erosion Products for Building B1021 located at 3600 Airport Rd

SHELLI SWANSON, C.M.

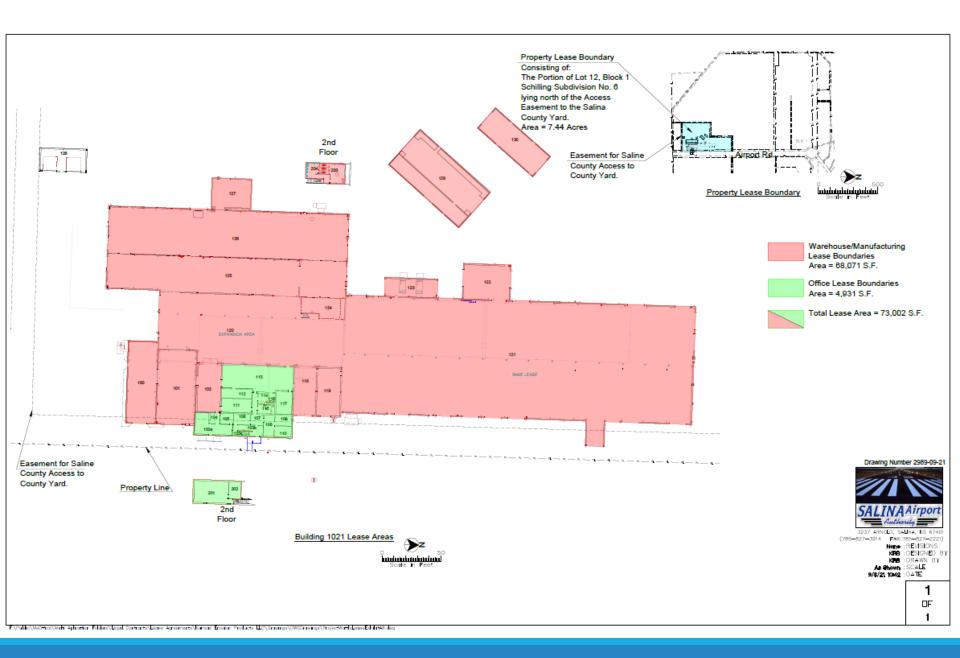
TIM ROGERS, A.A.E.

Approval of building B1021 office and warehouse improvements

TIM ROGERS, A.A.E.

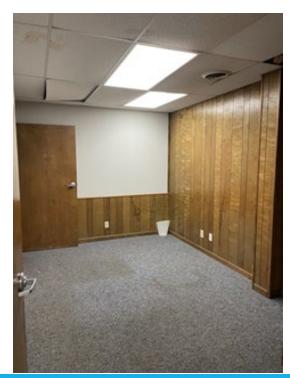
SHELLI SWANSON, C.M.

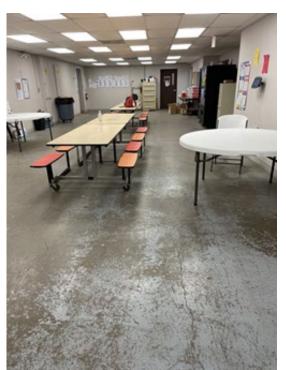


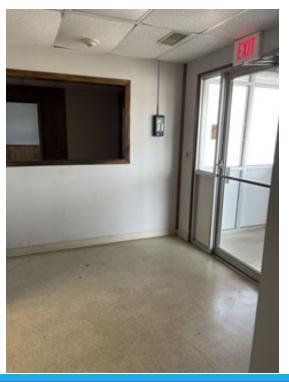


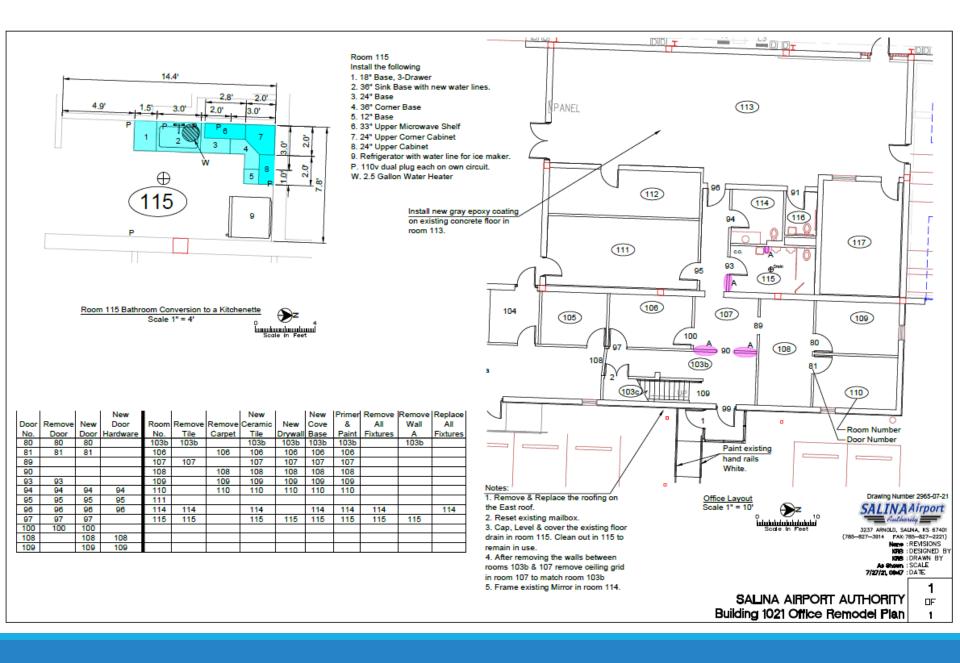












Consideration of bids received for exterior wall repairs and painting for buildings B412, B520, and B700

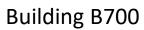
SHELLI SWANSON, C.M.

KENNY BIEKER





Building B412





Building B520

Salina Area Chamber of Commerce workforce recruitment update

TIM ROGERS, A.A.E.

September 15, 2021 Salina Area Chamber of Commerce

Workforce Update for Salina Airport Authority Board



Imagine Salina Campaign

Core Goals

- Through recruitment, training/professional development and retention of talent, create a talented and ready workforce pipeline
- Support the growth of existing employers in Salina and Saline County by providing project assistance, resource information, and advocacy



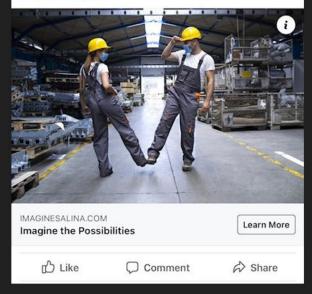
Imagine Salina Campaign

- Website with links to information on jobs, housing, schools, and quality of life
- Printable materials with information and resources
- Key messaging points for employers
- Videos, blog, and other content that can be shared and embedded
- Digital marketing campaign, along with some coordinated television, print and billboard collateral

Imagine Salina

Imagine getting to work in less than 15 minutes, having great advancement opportunities, and a big-city lifestyle with all the perks of small-town living.

Imagine getting relocation support and sign-on a bonus to make it happen.



Data Trends: 2nd Quarter of 2021



- 29,088 labor force participation (+ 6.3% from last quarter)
- **4.2%** unemployment rate for June (up from May's 3.0%)
- 3,876 job listings (+25% from last quarter and +63% from Q4 of 2020)



County Median Wage Comparison

OUp to \$18.27/hour in 2021 from \$17.44/ hour in 2020 (increase of 4.76%)

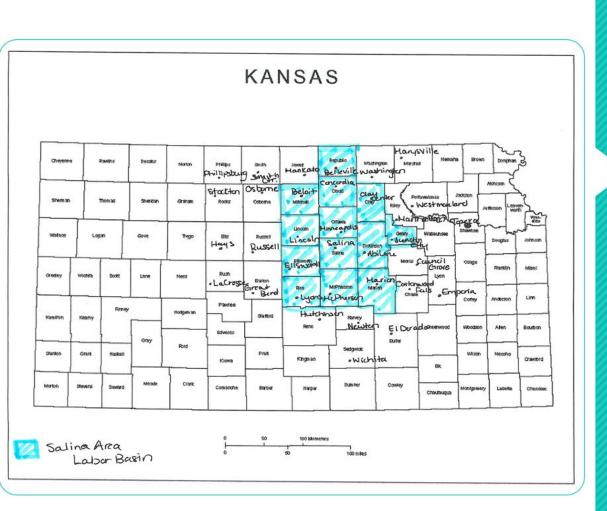
• Saline County falls in the top 28% for wages in Kansas

• Ten KS counties median wage at \$20/hour or more

Labor Basin Median Wage Data

County	2021
Saline	\$18.27
Clay	\$16.92
Cloud	\$15.10
Dickinson	\$14.63
Ellsworth	\$18.75
Geary	\$19.34
Lincoln	\$16.41
Marion	\$16.56
Mitchell	\$15.80
McPherson	\$17.02
Ottawa	\$12.19
Republic	\$18.16
Rice	\$15.34





Labor Basin Map

Commuter Data

91.5% of our workforce both live and work in Saline County Another 2,243 of our labor force living here and work outside of Saline County (8.5%) We have approximately 6,307 workers who commute in from throughout the region



o Commuters are our 7th most important economic driver

 This part of our economy has grown from \$51 million in 1990 to \$136 million in 2019 in household earnings.

Commuter Data

Region	Residents of Saline
Saline	23,878
Sedgwick	278
McPherson	255
Dickinson	237
Shawnee	155
Riley	139
Johnson	88
Reno	85
Geary	76
Ellis	69
Ottawa	65
Ellsworth	52
Pottawatomie	40
Barton	39

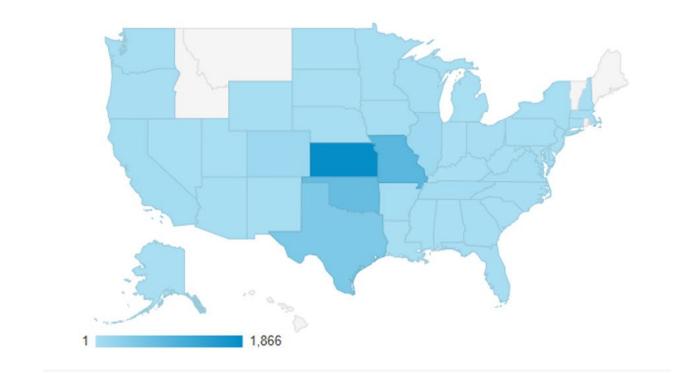
Region	Work in Saline
Saline	23,878
Ottawa	795
Dickinson	772
Riley	403
McPherson	372
Sedgwick	335
Johnson	246
Reno	178
Butler	135
Ellsworth	134
Lincoln	128
Geary	108
Pottawatomie	105
Cloud	102

Where They Live



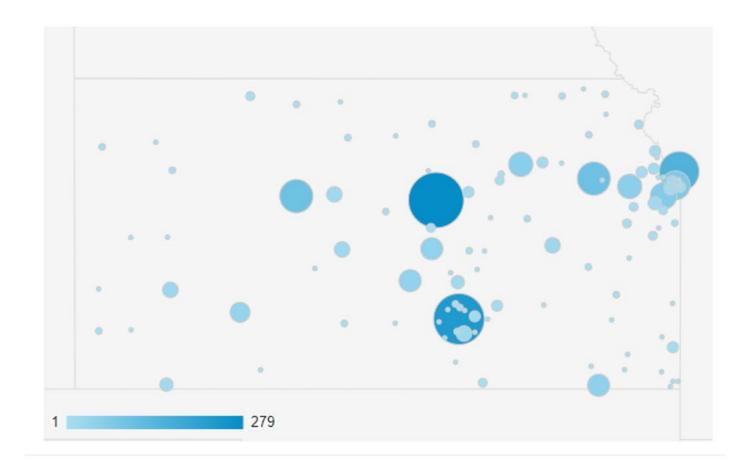
2nd Quarter Campaign Numbers
5,602 new visitors to website (-15.33% from Q1)
29 resumes submitted (-21%)
5 Customized Tours (same)
611 followers on FB (+15%)
407 followers on Instagram (+15%)







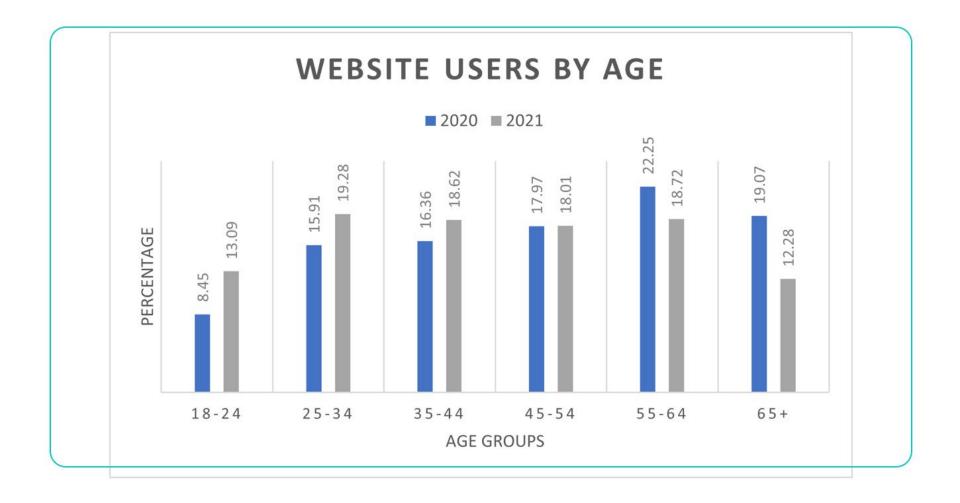
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New Users by Location

	Percentage of New Users-Q1	Percentage of New Users-Q2
Salina	13.52%	14.01%
Kansas City	10.17%	8.0%
Topeka	6.30%	5.24%
Wichita	3.48%	<mark>12.58%</mark>
Oklahoma City	4.37%	<mark>15.19%</mark>
Dallas	5.24%	<mark>9.77%</mark>



Resume Activity

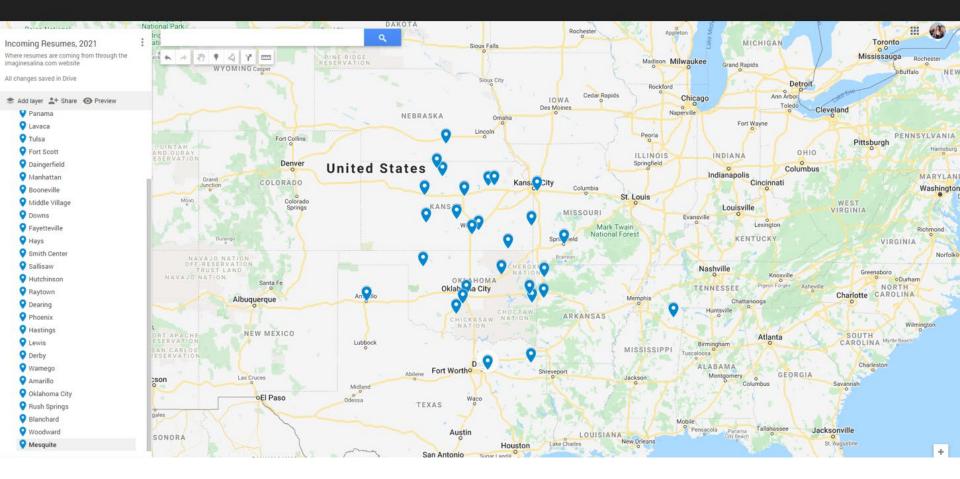
Q2 2021: 29 resumes submitted

YTD: 55 resumes submitted

Trailing spouse resumes: 20

Only 4% of resumes submitted are already living in Salina

Resume Map





The comfort and charm of a small hometown with all of the vibrancy and opportunity of a metropolitan locale

Imagine yourself in Salina

visitsalinaks.org

imaginesalina.com

Imagine Salina Campaign

- ONew strategy and content for the Fall!
- Focus on areas with high unemployment/low wages
- Looking into capabilities of advertising/reaching alumni of postsecondary programs





Housing & Childcare Conversations

Working closely with City of Salina, Saline County, SCEDO, developers, state & local leadership, and other partners to work toward creative solutions for our housing needs.

Participate in the local childcare consortia to advocate and initiate dialogue with employers regarding childcare needs and gaps

Building Bridges: USD 305

- Invites workers throughout the community to engage with USD 305, and build connections between education and workforce
- Helps solicit volunteers to provide job shadowing, internships, tours/field trips, mock interviews, equipment/materials, or other support for career and technical education
- Creates a dialogue to learn where skills gaps are, as well as creating opportunities for students to get hands-on experience as well as build local connections



Next Quarter Priorities

- O Continue tracking marketing performance
- Re-activate a Business Retention and Expansion (BRE) program, in collaboration with SCEDO and KDOC
- Continue to look for opportunities to get in front of work force- specifically targeting low wage/high unemployment areas as well as alumni
- Schedule a webinar with the Puerto Rico Chamber of Commerce to educate/inform area employers on opportunities for recruitment
- Look at expanding Manufacturing Day/Building Bridges efforts w/ area high schools
- Continue to work with post-secondary programs on building training/education opportunities to meet skills gaps

Thank you!

Renee Duxler, Economic & Workforce Development Director 785-827-9301 x127 rduxler@salinakansas.org

Directors' Forum

KRISTIN GUNN, CHAIR

Visitor's Questions & Comments

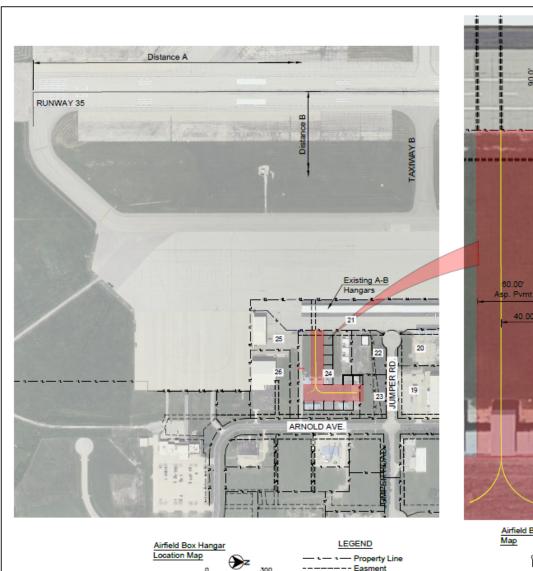


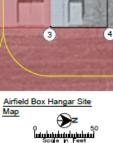
Staff Reports

TIM ROGERS, A.A.E.

General Aviation Box Hangars

TIM ROGERS, A.A.E.





ò 80

(1)

40.00'

PROPOSED BOX HANGAR (250' X 48')

2

Existing A-B Hangars

Point No.	1	2	3	4
Dist A	1465	1513	1465	1513
Dist B	1233	1233	1483	1483
Latitude	38-46-50.43n	38-46-50.91n	38-46-50.43n	38-46-50.91n
Longitude	97-38-29.66w	97-38-29.66w	97-38-26.49w	97-38-26.49w
R/W Centerline El.	1266	1266	1266	1266
100:1 Elevation	1279	1279	1281	1281
Structure Top El.	1284	1278	1284	1278
Ground El.	1262	1260	1261	1260
Structure Height	22	18	22	18

Notes: Distance A is from the 35 threshold to the building corner parallel with the runway.

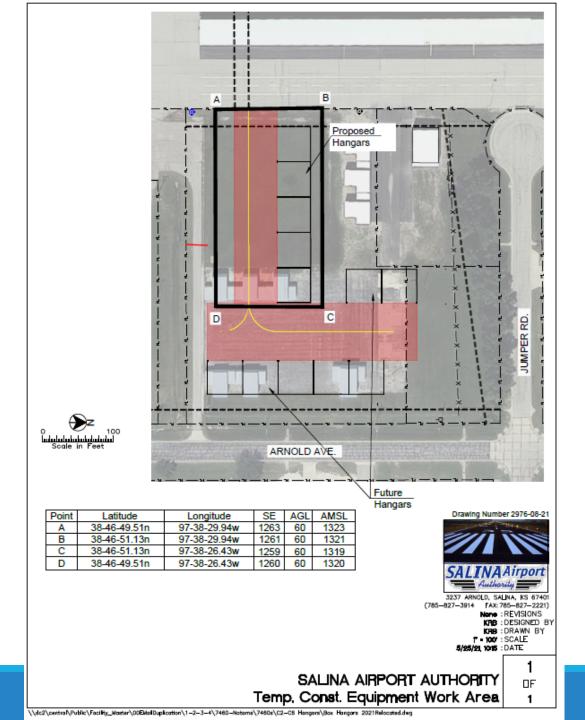
Distance B is from the runway centerline to the building corner perpendicular to the runway

A 250'x48' hangar will be constructed in Lots 23 & 24 of Schilling Subdivision No. 5 that were acquired by a GSA Quit Claim Deed. Also a new taxilane (275'x60') will be constructed. Lots 23, & 24 are both owned by the Salina Airport Authority. The hangar will be divided into 5 units and serve ADG I aircraft for aeronautical use. The existing T-Hangars will be relocated or demolished at the east end of the project. Design was done by Hutton Builds Contractor & the construction will also be by Hutton Builds. There will be no water or sewer serving the hangar. Electrical service will be provided. The project is funded with SAA operating cash and General Obligation Bond proceeds



F\Public\Facility_Master\00EMatDeplication\1-2-3-4\7460-Notams\7460s\C2-C6 Hangars\Box Hangars 2021Relocated.dwg

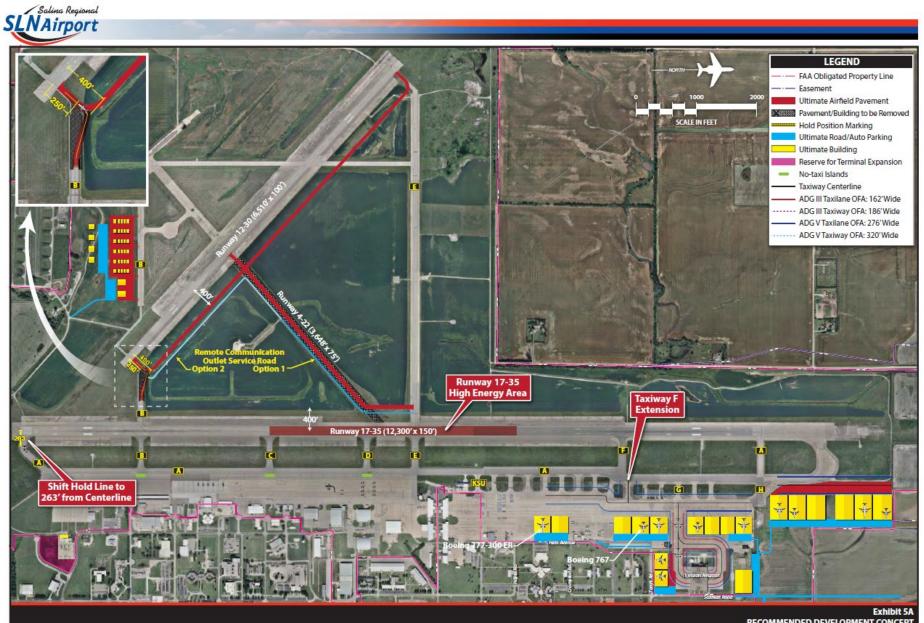
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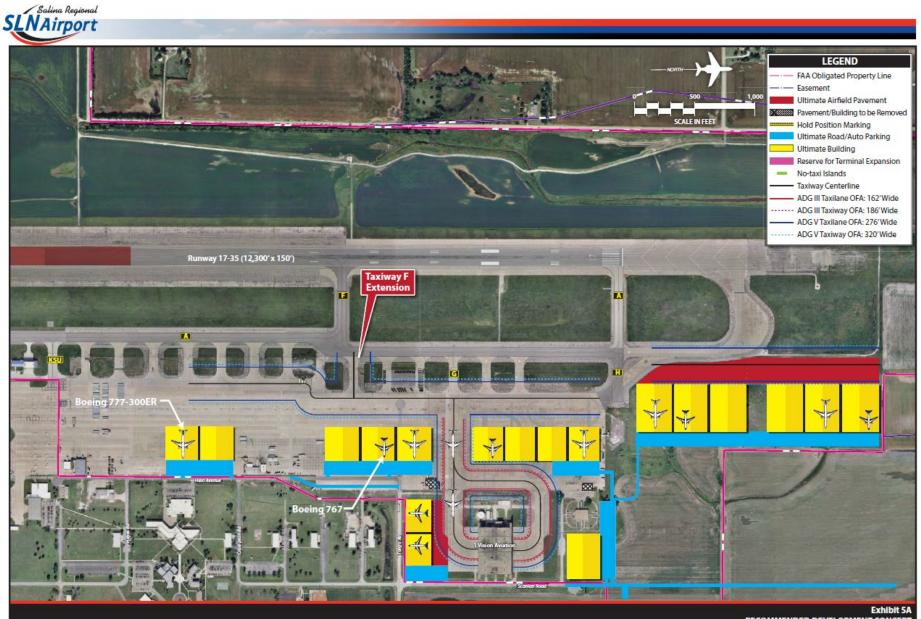
North Ramp Development

TIM ROGERS, A.A.E.

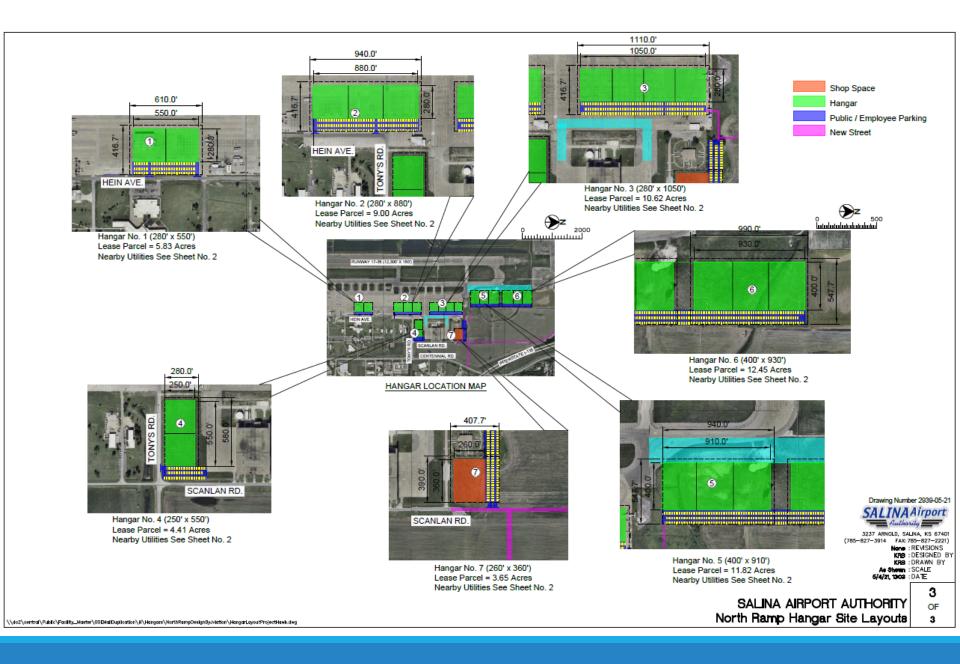




RECOMMENDED DEVELOPMENT CONCEPT



RECOMMENDED DEVELOPMENT CONCEPT



FOR THE EXCLUSIVE USE OF TROGERS@SALAIR.ORG

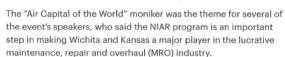
From the Wichita Business Journal: https://www.bizjournals.com/wichita/news/2021/09/08/niarfreighter-conversion.html

NIAR shows off freighter conversion program

Sep 8, 2021, 2:11pm CDT

In a first step stakeholders believe can be a transformational addition to the production-heavy aerospace industry in Wichita, a Boeing Co. 777 passenger jet formerly used by Emirates has arrived for conversion into a cargo jet.

The work is being done by the National Institute for Aviation Research at Wichita State University, which unveiled a 777 formerly flown as a passenger jet by Emirates at an event Wednesday at NIAR's facility adjacent to Spirit AeroSystems Inc. on the Air Capital Flight Line.



DANIEL MCCOY

aircraft.

NIAR has received the first Boeing

Co. 777 passenger jet that the local

institute will convert into a freighter

"We want to be the MRO capital of the world," said John Tomblin, NIAR's executive director and senior vice president for industry and defense programs at WSU.

After announcing plans for the conversion work last year, NIAR in May was granted approval by the Federal Aviation Administration to be a Part 145 repair station and officially stood up the new WERX lab, headed by Dave Jones, to preform the work.

The NIAR WERX team in total consists of around 200 engineers, 100 aircraft mechanics and 45 students.

"This is a rare opportunity for students to gain experience working on an industry program alongside and under the guidance of NIAR's seasoned team of experts," Jones said. "Our engineers have the unique chance to pass their combined 7,500 years of experience in design, production and testing on to the next generation of aviation professionals."

The employment numbers are expected to grow significantly in the years ahead as the organization brings in more work on freighter conversions and other programs.

'We're growing our own workforce at the same time we are producing," Tomblin says.

To do the work, a company had to be formed. That resulted in the creation of the Kansas Modification Center, which is led by Jim Gibbs.

On Wednesday, Gibbs said the goal of KMC is in turn create an avenue for Wichita's aerospace industry to generate generational opportunities.

And the company is thinking big, with Gibbs saying that KMC has submitted a proposal with the U.S. Air Force for a 777 conversion program that could be used to supply refueling tankers.

Gibbs and Tomblin said what is being done with KMC has been a statewide project, including the involvement of the Salina Airport Authority and Kansas Gov. Laura Kelly.

"This opportunity is tailor-made for our state and our aerospace assets," Kelly said Wednesday. "It's a win-win for everyone." Concluding the media event was U.S. Sen. Jerry Moran, R-Kan., whom Tomblin credited for continuously connecting the dots that help Wichita and Kansas attract new aerospace work.

In the case of the WERX lab, that's included around \$6 million from various federal agencies to help stand up the organization.

Moran remembered Wednesday saying several years ago at a Textron Aviation event that he feared Wichita was in danger of losing the Air Capital title.

But, he said, the work to diversify and grow in recent years by local manufacturers and other companies in the industry gives him confidence that Wichita will hold claim to the name.

However, he added, the formation of WERX is an example of how the city and state still has to keep pushing forward.

"We can never rest on our laurels or our assets, because the competition is great," Moran said.

Daniel McCoy Reporter Wichita Business Journal



Announcements

- 34th Weapons Squadron H600
 - September 13 October 2
- U.S. National Aerobatic Championships H606 & H509
 - September 19 24
- Kansas Air Tour
 - September 24 25







Adjournment