

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY**

SEPTEMBER 15, 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 on Friday, September 10, 2021, and the board packet was distributed on Monday, September 13, 2021.

Attendance

Attendance was taken. Chair Gunn, Directors Buer (via VTC), 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; Trent Davis, Salina City Commissioner; Eric Brown, Salina Area Chamber of Commerce; David Arteberry, Stifel, Nicolaus & Company, Inc.; Gina Reikhof, Gilmore & Bell; and Bob Vidrickson, Saline County Commissioner were in attendance as guests.

Additions to the Agenda

Chair Gunn asked if there were any additions to the agenda. Executive Director Rogers stated

there were no additions to the agenda.

Minutes

Chair Gunn asked if the board members had additions or corrections to the minutes of the August 18, 2021, regular board meeting. Director Weisel moved, seconded by Director Buer, to approve the minutes of the August 18, 2021, regular board meeting. Motion passed unanimously.

Salina Area Chamber of Commerce Workforce Recruitment Update

Salina Area Chamber of Commerce president and CEO, Eric Brown, reviewed the Imagine Salina campaign, data trends from the second quarter of 2021, county median wage comparison, labor basin, commuter data, marketing campaign, housing, and childcare. The Chamber is assisting the Airport and Airport Industrial Center employers with workforce recruitment and training needs.

Airport Activity and Financial Reports

Executive Director Rogers reported that the Salina Air Traffic Control Tower (ATCT) recorded 6,181 operations during August 2021, which was a 15% decrease compared to the August 2020 total of 7,318. For year-to-date a total of 53,535 operations have occurred at the airport which is 53% more than the August 2020 year-to-date total of 35,019. August fuel flowage came in at 226,367 gallons which was a 67% decrease compared to August 2020 total of 629,614 gallons. For year-to-date, a total of 1,394,313 gallons has been delivered to the Airport which is 17% less than the 2020 year-to-date total of 1,672,456 gallons. United/SkyWest flights enplaned 1,859 passengers, which was a 290% increase as compared to the August 2020 total of 476 enplaned

passengers.

Director of Administration and Finance Swanson reported on the financials for the month of August 2021. Total administrative expenses arrived 3% over budget while total maintenance expenses ended the month 18% over budget bringing total operating expenses to 8% over budget year-to-date. Net operating income before depreciation for August reached \$159,291 which is ahead of budget by \$128,542. Total capital contributed in grant funding for YTD equaled \$1,041,311. Total fixed asset additions YTD arrived at \$1,687,404 or 28% of the annual budget. Short-term leasing activity continues a positive trend. During the month of August, the SAA entered a one-year lease with Enel Green Power North America, Inc. for a small 1,955 sq. ft. area in Bldg. 808 for the storage of damaged wind turbine nacelle. This agreement will generate \$4,320 per year. SAA executed a one-year lease with RMA Engineering, LLC for short-term hangar storage in Hangar 506-2. This agreement will generate \$1,350 per month. A 4-day agreement was executed with Dynamic Aviation for flight test work. The agreement entails one small office, ramp space, and ground support equipment which will generate approximately \$2,040. In addition, the SAA executed a seasonal aerial applicator use agreement on September 9 with Tyree Ag. This agreement will generate \$750 per year plus the current fuel flowage fee for all fuel not purchased through AvFlight.

SAA Resolution 21-09 authorizing for sale of Taxable General Obligation Temporary

Notes, Series 2021-1

Swanson reviewed the next steps in the process of financing portions of the general aviation box hangars, public restroom, M.J. Kennedy Air Terminal Bldg. improvements, and the renovation of

Bldg. 595. SAA Resolution No. 21-09 would authorize the offering for sale of the taxable general obligation temporary notes in the amount not to exceed \$3,500,000, exclusive of bond issue costs. David Arteberry noted that the bond sale is scheduled for October 19th and results will be in by October 20th. Director Eichelberger moved to approve SAA Resolution 21-09 Authorizing for Sale Taxable General Obligation Temporary Notes, Series 2021-1 and authorize Chair Gunn to sign. Director Weisel seconded the motion. Motion passed unanimously.

Salina Airport Authority's 2022 to 2028 Airport Capital Improvement Program (ACIP)

Rogers updated the board on the five-year FAA CIP detailed project list and presented the board with a state and federal grand funding summary. The 2022-2028 estimated total cost will be \$36 million to complete needed capital improvement projects at the Salina Regional Airport. Potential federal and state grant funding is estimated to be \$32M. Local matching funds in the amount of \$4M will be needed over the next seven years. The SLN ACIP anticipates that availability of FAA grant funding from the following “buckets” of money:

1. Passenger Enplanement Entitlement
2. Military Airport Program
3. Airport Infrastructure Program
4. Airport Terminal Program
5. Kansas Department of Transportation
6. Economic Development Administration (EDA)

Kansas Erosion Products Lease Agreement (B1021, 3600 Airport Rd.)

Rogers provided a company overview of Kansas Erosion Products and Swanson reviewed the

current lease terms. The existing lease terms will be terminated and replaced by the following new lease terms.

Renewal:	Option to renew for two 3-year options (at the sole option of the Lessee)
Base Term:	3 years effective October 1, 2021
Rental:	\$19,725/month; \$236,700/year; \$3.24/SF/year
CPI Adjustments:	Biennially
Other:	Property taxes, insurance, utilities

Director Roberg moved to approve the lease agreement with Kansas Erosion Products for Bldg. 1021 and authorize Chair Gunn to sign. Motion was seconded by Director Eichelberger. Motion passed unanimously.

Building B1021 Office and Warehouse Improvements

Swanson reviewed the proposed building improvements for B1021 to include, new wall and floor coverings, removal and replacement of several interior doors, new acoustical ceiling tile, restroom and breakroom improvements. The on-call architect, Hutton, has estimated construction cost for these improvements to be \$139,170. A second loading dock would also be added for an estimated construction cost of \$35,000. Director Wiesel moved to authorize a budget of \$175,000 for the Bldg. 1021 office renovation and the addition of a loading dock. Seconded by Director Roberg. Motion passed unanimously.

Buildings B412, B520, and B700 Exterior Wall Repairs and Painting

Rogers reviewed the plans for exterior wall repairs and painting to be done on buildings B412,

B520, and B700. Bids were received from Brace Integrated Services, Wichita, KS and Painting, Inc., Overland Park, KS. These were the most responsive to the SAA's requirements for exterior wall repair (masonry block and stucco) and ability to complete the work during Fall 2021.

- Brace Integrated Services - \$92,986.64
- Painting, Inc. - \$84,012.64

Director Roberg moved to approve the low bid received from Painting, Inc. for exterior wall repairs and painting for buildings B412, B520, and B700. Seconded by Director Wiesel. Motion passed unanimously.

Staff Reports

GA Hangar Update

Rogers updated the board on the status of the GA hangar project. The FAA is reviewing the GA box hangar project and Hutton will prepare an updated price estimate for 50x50 box units.

North Ramp Development

Rogers discussed prospect activity and presented possible locations for maintenance, repair, overhaul (MRO) development located on the north ramp.

Upon a motion duly made, the meeting adjourned at 9:44 A.M.

Minutes approved at the October 20, 2021, Board Meeting.

Secretary

(SEAL)

DRAFT