

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
NOVEMBER 17, 2021
HANGAR 600, ROOM 100**

Call to Order

The meeting was called to order at 8:00 A.M. by Chair Kristin Gunn. Chair Gunn confirmed that a quorum was present, and Business and Communications Manager Kasey Windhorst noted the board meeting notice was published on Friday, November 12, 2021, with the board packet distributed on Monday, November 15, 2021.

Attendance

Attendance was taken. Chair Gunn, Directors Buer (via VTC) and Roberg were present. Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker; Director of Facilities and Construction Maynard Cunningham; Business and Communications Manager Kasey Windhorst; Airport Administration Specialist Michelle Moon; and Attorney Greg Bengtson were in attendance. Mitch Robinson, Salina Community Economic Development Organization; Julie Yager-Zucker, Avflight Salina, and JoAnne Bieker 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 October 20, 2021, regular board meeting and November 10, 2021 special board meeting. Director Roberg moved, seconded by Director Buer, to approve the minutes of the October 20, 2021 regular board meeting and the November 10, 2021 special board meeting. Motion passed unanimously.

Airport Activity and Financial Reports

Executive Director Rogers reported that the Salina Air Traffic Control Tower (ATCT) recorded 7,958 operations during October 2021, which was a 7% decrease compared to the October 2020 total of 8,532. For year-to-date, a total of 68,699 operations have occurred at the airport which is 34% more than the October 2020 year-to-date total of 51,101. October fuel flowage came in at 199,197 gallons which was a 4% decrease compared to October 2020 total of 208,081 gallons. For year-to-date, a total of 1,764,769 gallons has been delivered to the Airport which is 12% less than the 2020 year-to-date total of 2,009,247 gallons. United/SkyWest flights enplaned 1,967 passengers during the month of October, which is 215% over October 2020 with 624 passengers. Rogers reviewed the key performance indicators prepared by ArkStar Group.

Director of Administration and Finance Swanson reported on the financials for the month of October 2021. Total administrative expenses for October 2021 ended up 9% over budget while total maintenance expenses ended the month 14% over budget bringing total operating expenses to 11% over budget. Utility expenses associated with the February winter storm, increased building maintenance expense and airport promotion represent the majority of the resulting 11% overrun. Net operating income before depreciation reached \$177,024 at the end of October which is \$138,5833 ahead of budget.

Total capital contributed in grant funding equaled \$1,189,137 year-to-date. Total fixed asset additions YTD arrived at \$2,318,673 or 36% of the annual budget. Several items under the capital budget including Bldg. 595 rehabilitation, GA Hangar Construction and certain Terminal Concourse expenditures will not be completed before the end of the year and will carry forward into the 2022 budget. Non-restricted cash expenditures YTD on the Terminal Concourse, Bldg. 595 and GA Hangar development, will be reimbursed in November with the 2021-1 General Obligation Temporary Notes, which closed on November 10, 2021. Proceeds have been invested with Bennington State Bank to capitalize on the best interest rate for the funds until the project is complete, and all funds have been expended.

SAA entered an 8-day lease with 582nd Helicopter Group, Warren AFB, WY, for the leasing of 18,394 SF of hangar bay and office space in support of initial quality training for aircrew at Smoky Hill Weapons Range. This short-term agreement will generate \$3,200 in rental in November.

Triplett Self Storage, LLC Land Lease

Rogers provided an overview of the recently approved land lease with Triplett Self Storage. The approved land lease provided that all fixtures (i.e., buildings) attached to the premises would be removed by the tenant at the expiration of the land lease. The tenant prefers to amend the SAA approved land lease to provide that all fixtures (i.e., buildings) remain on the premises upon expiration of the land lease. The effect of the amendment is to allow for the fixtures to revert to the ownership of the Airport Authority upon lease expiration. The base lease is for a term of five (5) years with seven (7) additional terms of five (5) years each. Director Roberg moved to approve

a modification to paragraph 9, Ownership and Removal of Fixtures, to allow for the “any fixtures attached to the Premises or place on or about Premises by Lessee shall remain on the Premises upon expiration of this Lease.” and authorize the SAA board chair to sign the amended land lease agreement with Triplett Self Storage, LLC. Seconded by Director Buer. Motion carried 3-0.

Nex-Tech Wireless Airport Use Lease Agreement

Swanson provided an overview of the existing Airport Use Lease Agreement with Nex-Tech for use of the checkered tower located at 2725 Arnold Avenue, the corner of Arnold Ave. and General Jim Road. Nex-Tech desires to continue leasing the tower site and has agreed to another three-year lease term. The proposed rental will increase from \$325 to \$355 per month with Nex-Tech being responsible for all utilities and costs associated with their utilization. Director Roberg moved to approve the three-year Airport Use Lease Agreement with Nex-Tech, Inc. and to authorize Chair Gunn to sign the Agreement. Second by Director Bauer. Motion carried unanimously.

Stryten Salina, LLC – Bldg. 655, Unit A Lease Addendum #1

Swanson reviewed the existing lease and addendum #1 for Building 655, Unit A located at 2656 Arnold Avenue. The current lease between the SAA and Stryten Manufacturing was signed in October 2020 for 56,961 SF of warehouse space. The proposed addendum will expand their leased premises to 96,611 SF in building B655 to include Unit. A. Swanson presented the proposed lease terms.

Lease Addendum Effective Date: Dec. 1, 2021

Lease Term Expiration: Sept. 30, 2023

Basic rental:	\$17,570 per month
	\$210,840 per year
	\$2.18 per SF per year
Utilities:	Lessee responsibility
Bldg. Insurance	SAA responsibility

Director Roberg moved to approve the proposed B655 Lease Addendum #1 with Stryten Salina LLC and to authorize Chair Gunn to sign the Agreement. Second by Director Bauer. Motion carried unanimously.

Staff Reports

Rogers updated the board on the status of the GA hangars, proposed location and updated cost associated with the project. SAA staff will prepare a detailed proposal and will present at an upcoming board meeting.

SAA Resolution 21-11

Rogers presented SAA Resolution 21-11, recognizing Kenny Bieker for 13-years of service as the Airport Authority's Director of Facilities and Construction. Director Roberg moved to approve SAA Resolution No. 21-11 expressing gratitude and appreciation to Kenny Bieker for his services rendered to the City of Salina and its citizens; seconded by Director Bauer. Motion carried unanimously.

Upon a motion duly made, the meeting was adjourned at 9:15 A.M.

Minutes approved at the December 15, 2021 Board Meeting.

Secretary

(SEAL)

DRAFT