

**MINUTES OF THE REGULAR MEETING OF THE BOARD  
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY  
FEBRUARY 15, 2023  
HANGAR 600, ROOM 100**

**Call to Order**

Chair Kent Buer called the meeting to order at 8:00 A.M. and confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst stated that the meeting notice was published on Friday, February 10, 2023 and the board packet was published and distributed on Monday, February 13, 2023.

**Attendance**

Attendance was taken. Present were Chair Buer, Directors Roberg, Carlin, and Eichelberger. Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Maynard Cunningham; Business and Communications Manager Kasey Windhorst; Airport Administration Specialist Michelle Moon; and Attorney Greg Bengtson attended. Guests were Mitch Robinson, Salina Community Economic Development Organization; Julie Yager-Zucker, Avflight Salina; Michael Bunn, Tenant; Gary Foss, Arkstar; Saline County Commissioner Bob Vidricksen; and City Commissioner Dr. Trent Davis.

**Additions to the Agenda**

Chair Buer asked if there were any additions to the agenda. Executive Director Rogers stated that there were no additions to the agenda. Rogers provided an overview of the agenda items.

**Minutes**

Chair Buer asked if the board members had additions or corrections to the minutes. Director

Eichelberger moved to approve the minutes of the January 18, 2023 regular board meeting as written. Director Carlin seconded the motion. Motion carried 4-0.

### **Airport Activity**

Executive Director Rogers reported that air traffic was up 26% for the month of January 2023 over 2022 activity due to Kansas State University Salina student pilots returning after the holiday break. Fuel flowage came in 11% less than January 2022 with 134,955 gallons delivered for the month of January 2023. Enplanements of 842 passengers is down from January 2022 by 32% (1,233) due to the tag with Hays; total passengers (1,859) through SLN for January 2023 is down by 26% from January 2022 (2,526). Swanson reported on the MRA Conference that she and Julie Yager-Zucker attended the week prior to recruit additional FOL activity at SLN.

### **Financial Reports**

Director of Administration and Finance Swanson reviewed the financial reports for the month ending January 31, 2023. Total assets were up 8% year over year with unrestricted cash in bank at \$2,735,691, including two certificates of deposits earning 4.458%. Income for January 2023 came in at \$21,981 ahead of 2022 and is tracking 1% of the budget. Total operating expenses came in 21% under budget and running 9.85% less than 2022. Receipt of reimbursement funds from FEMA (\$283,802) is reflected in the contributed capital for the month. Swanson commented on disbursements from the 2021-1 and 2022-1 GO Temporary Note project funds. Chair Buer directed the staff to file the financials for audit.

### **First Amendment to the Salina Community Economic Development Organization, Inc.**

## **Members Agreements**

Rogers reviewed the SCEDO Members Agreement and discussions from the SCEDO Board meeting regarding the financial audit format. The proposed amendment is to clarify the type of financial reporting required by the body per accounting standards. Bengtson explained that the language provides for both audit formats (a full review or an audit of financial statements), defines conditions, and maintains the SCEDO board's discretion. Director Carlin moved to approve the proposed First Amendment to the Salina Community Economic Development Organization, Inc. Members Agreement, Director Roberg seconded. Motion carried 4 – 0.

## **Air Service Update**

Rogers introduced Gary Foss, ArkStar Group Managing Partner, to the board. Foss provided an overview of SkyWest activity. The air travel industry has recovered from the pandemic and demand is high for air travel (up 113% over 2019), which in turn drives ticket prices up. Scheduling around the industry is changing from a business service model to a blended service model as travelers are combining business and vacations. The industry continues to face pilot shortages, supply chain issues and fleet shortages. Staffing limitations in air traffic control also impacts the industry. SkyWest at SLN is working to remove the tag with Hays. Foss provided details of the opportunities that may develop in 2023 for SLN with SkyWest Airlines and SkyWest Charter. Rogers discussed the SLN EAS Subsidy contract timeline. Rogers recommends requesting an extension from the DOT regarding the EAS proposal deadline, from March 1, 2023 to July 7, 2023, allowing time for the USDOT to approve SkyWest Charter Part 135 Commuter Authority.

## **Aircraft Fleet Maintenance Agreement**

Rogers provided an overview of the Aircraft Fleet Maintenance Agreement with SkyWest Airlines to designate the Salina Regional Airport as an overnight maintenance base. The agreement provides for the following:

- A term of one-year effective from the date the Agreement is approved and signed by the Authority.
- The flow of aircraft to/from SLN for overnight maintenance.
- The agreement is contingent upon the award of a new USDOT EAS subsidy contract for SLN.
- The agreement is contingent upon the start of overnight maintenance at SLN by December 31, 2023.
- A maximum reimbursement of \$900,000 for administrative, training, travel, and equipment expenses incurred to establish and startup a SLN overnight maintenance base.
- Eligible startup expenses include:
  - Training
  - Maintenance equipment and tooling
  - Travel expense
  - Ground service equipment
  - FAA certification and approvals
  - Administrative expense

Director Eichelberger moved to approve the Salina Airport Authority \$100,000 contribution to fund the proposed SkyWest Airlines Aircraft Fleet Maintenance Agreement in partnership with the City of Salina and Saline County. Director Roberg seconded. The motion carried 4 – 0.

### **Staff Reports**

Rogers reported that FEMA has obligated \$1M for the GA hangar repairs and mitigation. Staff will provide a project status update at the March board meeting.

Hangar 626 is being considered for an Economic Development Administration (EDA) grant to fund H626 improvements for aviation worker apprenticeship and job training center that would occupy a portion of H626.

### **SAA Resolutions**

Director Roberg presented Resolution No. 23-03 to the board recognizing Al Eichelberger for six years of service as a member of the Salina Airport Authority board of directors and expressing gratitude and appreciation to his services rendered to the City of Salina and its citizens. Director Carlin moved to approve SAA Resolution No. 22-03, seconded by Director Buer. Motion passed unanimously.

Director Roberg presented Resolution No. 23-02 recognizing Kent Buer for six years of service as a member of the Salina Airport Authority board of directors and expressing gratitude and appreciation to his services rendered to the City of Salina and its citizens. Director Carlin moved

to approve SAA Resolution No. 22-02, seconded by Director Eichelberger. Motion passed unanimously.

### **Directors' Forum**

Chairman Buer presented the 2023 Chairman's Award for Excellence to Gary Foss, ArkStar Group Managing Partner, for exceptional airline industry consulting services provided to the Salina Airport Authority and the Salina, KS community.

### **Visitor's Questions and Comments**

City Commissioner Davis expressed appreciation to the Salina Airport Authority staff and board for their partnership with the economic development team.

### **Announcements**

The Board Strategic Planning meeting is scheduled for March 29, 2023 at 2:00 p.m. in Hangar 600, Room 100. Rogers reported the new board member orientation is scheduled for March 8, 2023 for the two appointees.

Upon a motion duly made the meeting adjourned at 9:37 A.M.

Minutes approved at the March 15, 2023, board meeting.

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Kasey L. Windhorst, Board Clerk

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