

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
JANUARY 17, 2024
HANGAR 600, ROOM 100**

Call to Order

Chair Tod Roberg called the meeting to order at 8:00 A.M. and confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst reported that staff published the meeting notice on Monday, January 15, 2024 and distributed the board packet on Tuesday, January 16, 2024.

Attendance

Present were Directors Roberg (VTC), Carlin, Gunn, and O'Brien. Executive Director Tim Rogers; Deputy Executive Director Pieter Miller; 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. Guests at the meeting were Julie Yager-Zucker, Avflight Salina; Lindsey Dreiling, Dreiling Aviation Services; Gary Foss, ArkStar (VTC); Mitch Robinson, Salina Community Economic Development Organization; Bob Vidricksen, Saline County Commissioner; Cody Heiman, First Bank Kansas; Trent Davis, City Commissioner (VTC); and Nate King, Salina Post (VTC).

Minutes

Director Gunn moved to approve the minutes of the December 20, 2023 regular board meeting as presented. Director Carlin seconded the motion. Motion carried 4-0.

Airport Activity

Rogers provided an update on the December 2023 fuel flowage, enplanement, and air traffic to the board. December 2023 year-to-date fuel flowage (2,069,378 gallons) was lower than December 2022 year-to-date (2,371,174 gallons). The difference reflects a 2023 decrease in the number of military exercises from 2022. During December, a total of 1,184 passengers boarded flights out of SLN, compared to 1,318 passengers in December 2022. SkyWest enplanements continue to lag in 2023 due to the Hays tag. The tower reported an increase in air traffic for December 2023 of 4,297 operations as compared to the December 2022 total of 3,654 operations. Year-to-date operations for calendar year 2023 came in at 81,719 which was 20% more than the 2022 total of 68,262.

Financial Review

Swanson presented the preliminary year-end review and discussed the financial report for the month ending December 31, 2023. Total income year-to-date came in \$188,213 (6%) over the same period in 2022 and ended the year \$235,599 ahead of budget projections. Total Operating Expenses are 3% over the 2023 budget and remained flat compared to calendar year 2022. NOIBD equaled \$180,798 year-to-date. Unrestricted cash in bank arrived at \$1,852,964 at the end of December 2023. Swanson reviewed significant capital expenditures and provided a report of the disbursements from the bond proceeds project fund accounts for the month of December. Swanson provided the schedule for the upcoming annual audit by Adams Brown. Chair Roberg directed staff to file the financials for audit.

Salina and Saline County Air Service Development

Gary Foss, ArkStar presented an industry update and the proposed Remain Overnight (RON)

schedule for SkyWest. The flight schedule change results in SLN passengers being able to access 34% more connections (currently 115 connections, increasing to 192 connections) at Denver and Chicago. The RON schedule requires additional crew with the shift change being made at midday. Foss also recapped the results of the marketing plan, enplanements, fares compared to MCI, ICT and MHK, and operational performance for calendar year 2023. Foss highlighted 2024 opportunities at SLN.

Consideration of an architectural and engineering contract for the design of Room 111 at H626 for AIM Center training

Miller reviewed the scope of services and timeline for the AIM Center training room project. Architect One (AO) of Topeka submitted the successful bid for the project. Miller presented the 5 construction phases, with a completion date of August 2024. ALOFT Grant funds will be used for the \$75,000.00 lump sum contract. Director Gunn moved to approve the architectural and engineering contract with Architect One for Hangar H626 Room 111 design, bidding and construction observation, authorizing the Executive Director to sign the agreement. Director O'Brien seconded. The motion carried 4 – 0.

Lindsey Dreiling provided an update on the AIM Center enrollment interest, curriculum, and status of the first cohort. Students in this group are attending at no cost, with the requirement that all classes are attended and a post completion curriculum review and course feedback survey is submitted. Swanson is working with the State of Kansas to build a tuition assistance program.

Consideration of a change order to the Hangar H626 Hutton contract for installation of a clean agent fire suppression system

Miller reported on the award of \$900,000 from the Kansas Department of Transportation Innovative Technology Program Grant. The cost to complete the installation of the “clean agent” fire suppression system portion of the contract is \$985,500. Existing project contingency will fund the remaining \$85,500. As part of the change order with Hutton, Miller and Cunningham will provide daily inspections. The installation will be completed and functional by July 2024.

Director Carlin moved to approve the proposed hangar H626 \$985,500 Change Order for installation of a “clean agent” fire suppression system and authorize the Executive Director to sign the Change Order. Director Gunn seconded. Motion passed unanimously, 4 – 0.

Consideration of a lease termination agreement with Miller Pipeline LLC, Hangar H506-1

Swanson provided a history of the lease relationship with Miller Pipeline. The current lease agreement for Hangar H506-1 terminates March 31, 2024. A new tenant has been secured and the current tenant (Miller Pipeline) has requested early release from their contract. Director O’Brien moved to approve the Miller Pipeline lease termination agreement and authorize the Executive Director to sign the agreement, Director Gunn seconded the motion and the motion passed 4 – 0.

Consideration of a lease agreement with Safari, Inc. for Hangar H506-1

Swanson presented the proposed lease agreement for Hangar H506-1 with Safari, Inc., Terry Belcher. The lease agreement provides for aircraft storage and no commercial aviation activity.

Lease term: Five (5) years effective February 1, 2024

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| Option to Renew: | Five (5) additional terms of two (2) years each |
| Basic Rent: | \$1,520 per month, \$18,240 per year, \$3.72 per SF per year |

Director Gunn moved to approve the proposed lease agreement with Safari, Inc for Hangar H506-1 and authorize the Executive Director to sign the agreement. Director Carlin seconded the motion. The motion was unanimously approved.

Staff Reports

Rogers reported that the architect and design firm selection process for the K-AIRES project is underway. Completion date for the building is August 2025.

The terminal building parking lot and terminal building expansion projects were discussed. Rogers reported that the Build Back Kansas Grant Funding Award was announced for \$750,000. This amount will be applied to the grant match requirement for the building expansion project.

The north ramp hangar construction project was discussed. Cunningham noted the August 2025 deadline for the new MRO hangar.

Director Gunn moved to adjourn the meeting, seconded by Director Carlin. The meeting adjourned at 9:30 a.m. following a unanimous vote.

Minutes approved at the February 21, 2024 board meeting.

Kasey L. Windhorst, Board Clerk

(SEAL)