

DATE: June 21, 2024

TO: SAA Board of Directors

FROM: Tim Rogers, Pieter Miller and Shelli Swanson

SUBJECT: **June 26, 2024, SAA Regular Board Meeting**

Enclosed are comments and items for your review prior to Wednesday's meeting. Please note that the meeting will be held in the **first-floor conference room, Hangar 600, 2720 Arnold Ct.** A map showing the location of Hangar 600 is enclosed in your board meeting packet. The meeting is also available via the following GoTo link.

<https://meet.goto.com/salinaairport/salina-airport-authority-board-meeting>

Wednesday's meeting features agenda items that support Airport Authority **STARS** objectives:

- Drive economic growth by adopting strategies and initiatives that attract new business, industries, investments and jobs to the Salina Airport and Airport Industrial Center.
- Consider the use of the Airport Authority's one mill capability for federal and state grant matching funds.
- Complete the platting, rezoning and annexation process for the Airport Industrial Center Subdivision No. 3.
- Complete the sale of Airport Industrial Center lots to support new building construction and job growth.
- M. J. Kennedy Air Terminal Building expansion to support scheduled air service growth
- Project AAERO grant funding to support future UAS and AAM business growth at the Salina Airport.

The June 26 SAA board meeting will be a memorable milestone. The agenda includes three agenda items involving the sale of Airport Industrial Center lots for new business expansion and capital investment. The sale of the lots is consistent with the Airport Authority's "Rooted in Community" core value that emphasizes action that drives economic growth for Salina and Saline County.

The sale of three industrial center development lots that total over 39 acres makes the platting, rezoning and annexation of the Airport Authority's 80 acres parcel at Water Well and Centennial a priority. More construction ready industrial lots are needed to support continued community economic growth.

Further evidence of community economic growth is seen in increased United Express passenger enplanements. The new Denver nonstop, overnight flight coupled with a new nonstop Chicago provides Salina dual hub service. The new nonstop flights position Salina Airport for record CY 2024 passenger enplanements. The expansion of the M.J. Kennedy Air Terminal will meet the need for more space for passengers passing through the M.J. Kennedy Air Terminal on trips to and from Salina to over 340 domestic and international destinations. Efforts are underway to add a nonstop Houston flight to provide the community and NCK region even more opportunities to "Fly SLN."

The SAA's June 26 board meeting reflects the Airport Authority's **STARS** Core Values of **Safety, Trust, Adaptability, Rooted in Community and Success.**



Please note the following agenda item comments.

Agenda Item #5 – Airport Activity, Scheduled Air Service and Financial Statement Reports for the Month Ending May 31, 2024 (Rogers and Swanson)

Airport Activity – Air Traffic (Rogers)

The Salina air traffic control tower (ATCT) recorded 6,133 operations during May 2024 which was a 21% decrease as compared to the May 2023 total of 7,734. For the year-to-date, a total of 28,267 operations have occurred at Salina Airport which is 21% less than the May 2023 YTD total of 35,680.

Airport Activity – Fuel Flowage (Rogers)

The May 2024 fuel flowage came in at 164,602 gallons which was 13% less than the May 2023 total of 190,510 gallons. For the year-to-date, a total of 728,843 gallons have been delivered at the airport which is 7% less than the May 2023 YTD total of 780,776 gallons.

Airport Activity – Passenger Enplanements (Rogers)

During May 2024 SkyWest enplaned 1,958 passengers, which was a 10% increase over the May 2023 total of 1,783 passengers. The May 2024 total passenger count was 3,596 which was a 4% decrease as compared to the May 2023 total of 3,753. Total YTD passenger enplanements on SkyWest flights totaled 5,944 which was a 3% decrease as compared to the May 2023 YTD total of 6,148. The May 2024 increase in enplanements over May 2023 is further evidence that new Denver nonstop is bringing passengers back to SLN.

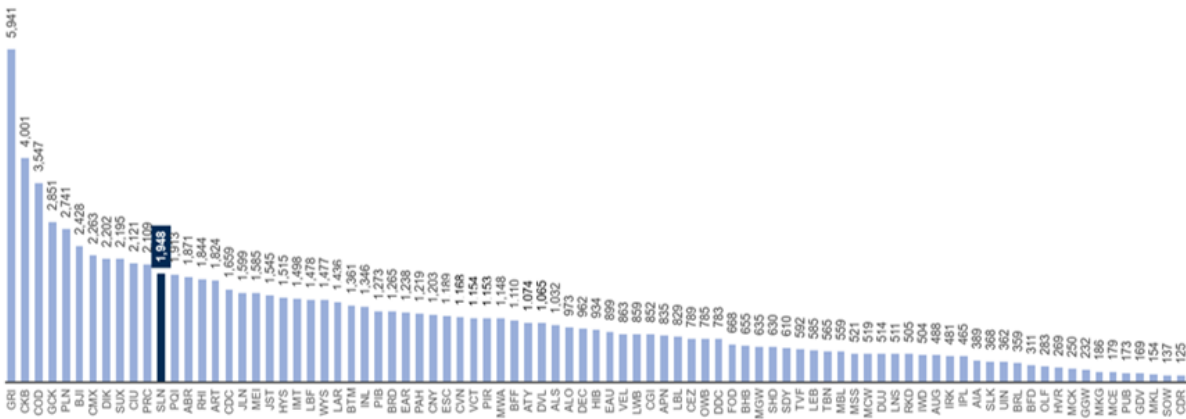
Scheduled Air Service Updates (Rogers)

Attached is the ARPA funding quarterly report that was submitted to Saline County on May 28, 2024. The report confirms that the incentive agreement with SkyWest Airlines for nonstop Denver overnight flights has been successful. Advance bookings continue to show load factors greater than 70%. During the 4th of July and Labor Day holidays United Express flights will be full and load factors will exceed 80%.

Another measure of air service development success is Salina's move back to the top of the rankings of Essential Air Service (EAS) communities. The following chart shows SLN's ranking among the 87 EAS communities for May 12 through June 8, 2024. Salina has quickly jumped from the bottom of the EAS communities list to 12th position. SLN is ranked behind three other United Express communities, Prescott, AZ, Sioux City, IA, and Cody, WY. With the new nonstop Denver and Chicago schedules in place SLN will most certainly move into the top 10.

TSA Throughput in Contiguous US Essential Air Service (EAS) Markets

May 12 through June 08, 2024 (Latest Four Weeks of Data)



Financial Reports – Comments and Notes (Swanson)

Highlights from the May financials include:

➤ Cash in Bank:

- At the end of May, the unrestricted cash balance was \$2,060,041, after accounting for \$127,424 in returnable security deposits. As indicated in the Statement of Net Position, the current bond funds on deposit total \$5.1 million, AIM Center funds are at \$930,324, and Mill Levy funds amount to \$3.2 million, making the total cash in the bank \$11.4 million.

➤ Revenue Performance:

- Year-to-date operating income has remained steady compared to the same period in 2023, ranging between \$1.35 million and \$1.37 million. While airfield revenue has slightly declined year-over-year, it is anticipated to increase with rental income from Hangar 626 starting in July, along with additional hangar FOL revenue. Other operating income has seen a slight increase, though building and land rentals combined have decreased by 3% compared to the previous period.

➤ Expense Management:

- Total operating expenses are currently on budget but have risen by \$194,555, or 16%, compared to 2023. This increase is mainly due to higher consultant fees, salaries, medical insurance premiums, and airfield maintenance costs year-over-year.

➤ Net Operating Income Analysis:

- Net operating income for the month was \$4,788, while the year-to-date figure stands at -\$50,982 due to the timing of several significant expenditures in the first quarter. These expenditures include 50% of the 2023 audit costs, 50% of the payment to the Docking Institute for the economic impact study, and costs related to refreshing the air service marketing campaign. Additionally, the rehabilitation of Hangar 626 is expected to be completed by the end of June, which will allow for revenue generation in the second half of the year, helping to stabilize our net income before depreciation (NIBD) and work towards our annual year-end budget target of \$57,046.

➤ Other Operating Income and Expenses.

- The total net income for the month was -\$95,029, bringing the year-to-date total to \$629,583. Contributions from various federal, state, and local grants are included in the non-operating income section of the Profit and Loss Statements.

Financial Reports – May 2024 Significant Capital Expenditures/Payables Report Enclosed

Financial Reports – Accounts Receivable Past Due 31 days or more as of June 21, 2024

(Swanson)

| Account | Amount | Days | Comments |
|----------------------|---------------|-------------|--------------------------------|
| AGCO Corporation | \$1,444 | >90 | Utilities and Finance Charges |
| Brown, Shane | \$322 | 31-90 | Storage Igloo Rent |
| Eastern Airlines | \$5,475 | 31-90 | Landing Fees and ARFF Coverage |
| The Sherwin Williams | \$3,614 | >90 | Utilities and Finance Charges |

Short-term Leasing Activity

On May 17 the SAA entered into a 26-day lease agreement with Bell Helicopter, a division of Textron, Inc., for the leasing of portions of Hangar 600 and ground support equipment. This agreement will generate \$36,230 in rental income and we anticipate Bell will be a frequent customer and user of SLN for flight test work.

Agenda Item #6 – Consideration of SAA Resolution No. 24-06 Declaring the Airport Authority's Intent to Levy a Maximum One (1) Mill to Provide Matching Funds for State and Federal Grants.

(Swanson)

Enclosed is a copy of SAA Resolution No. 24-06 that declares the Airport Authority's intent to levy up to a 1-mill property tax as permitted by K.S.A. 27-322(b). The declaration of intent does not commit the Airport Authority to a 1-mill tax levy for federal and state matching funds currently. The declaration of intent allows for public comment before final action by the Airport Authority at our September 18, 2024, board meeting. As provided in K.S.A. 27-322(b), the Airport Authority will publish a notice of intent that gives opportunity for public comment or petition.

Funds raised by a 1-mill tax levy would be used to provide a required local match for airfield improvement projects such as the M.J. Kennedy Terminal Building expansion, new aviation fuel storage, and Taxiway B rehabilitation.

Recommendation: Approval of SAA Resolution No. 24-06 and authorize Chair Carlin to sign the resolution.

Agenda Item #7 – Consider and Approval of the Sale of Lot 2, Block 1, Airport Industrial Center Subdivision to the City of Salina which is Approximately 9.33 acres to Superior Contracting and Manufacturing Services, Co., Inc. (Swanson)

Enclosed is a copy of the October 10, 2023, **Option Agreement** for the sale of Lot 2, Block 1, Airport Industrial Center Subdivision to the City of Salina which is approximately 9.33 acres to Superior Contracting and Manufacturing Services, Co., Inc. Superior has notified the Airport Authority of the firm's intent to exercise their option to purchase the lot. Paragraph 4. **Purchase and Lease Price** sets the purchase price if the option to purchase is exercised on or before 02/28/2025. The price is \$238,398.40.

Superior plans to use the site for construction of a multitenant warehouse and expansion space for the expansion of Superior lines of business. Construction is planned to start in 2024 and be completed in 2025.

Enclosed is a copy of the **Contract of Sale of Real Estate** agreement that has been signed by Superior.

Recommendation: Approval of the sale of Lot 2, Block 1, Airport Industrial Center Subdivision to the City of Salina which is approximately 9.33 acres to Superior Contracting and Manufacturing Services, Co., Inc.

Agenda Item #8 – Consider and Approval of the Sale of Lot 1, Block 5, Airport Industrial Center Subdivision to the City of Salina, which is Approximately 10.33 acres to Kejr, Inc. (Swanson)

Enclosed is a copy of the June 28, 2023, **Option Agreement** for the sale of Lot 1, Block 5, Airport Industrial Center Subdivision to the City of Salina, which is approximately 10.33 acres to Kejr, Inc. d/b/a Geoprobe Systems. Geoprobe has notified the Airport Authority of the firm's intent to exercise their option to purchase the lot. Paragraph 4. **Purchase and Lease Price** sets the purchase price if the option to purchase is exercised on or before 06/30/2024. The price is \$251,089.65.

Geoprobe plans to use the site for future expansion of Geoprobe Systems office and manufacturing space.

Enclosed is a copy of the **Contract of Sale of Real Estate** agreement that has been signed by Kejr, Inc.

Recommendation: Approval of the sale of Lot 1, Block 5, Airport Industrial Center Subdivision to the City of Salina, which is approximately 10.33 acres to Kejr, Inc. d/b/a Geoprobe Systems, and authorize Chair Carlin to sign the **Contract of Sale of Real Estate**.

Agenda Item #9 – Airport Industrial Center No. 3 Subdivision Update. (Miller and Cunningham)

At the meeting, Pieter and Maynard will provide an update on progress made with the Airport Industrial Center No.3 Subdivision platting, rezoning and annexation process. Construction plans for subdivision streets, utilities and stormwater drainage will also be reviewed. Below is a summary of key tasks and dates.

| Task | Date |
|---|--------|
| Preliminary Plat, Annexation, and Zoning Submittal | 24-May |
| Special Assessment Financing Feasibility Study Request | 24-May |
| Annexation and Zoning Public Hearing | 2-Jul |
| Annexation and Zoning Ordinance | 26-Jul |
| Phase 1 Final Drawings (Utilities/Roadways/Temp Drainage Detention) | 2-Aug |
| Phase 1 Bid Documents/Advertisement | 3-Sep |
| City Commission Action | 9-Sep |
| Recording or Final Plat | 23-Sep |
| Special Assessment Financing | 23-Sep |

| | |
|--|-------|
| Phase 1 Bid Opening | 1-Oct |
| Phase II (Centennial Road/Final Drainage Detention) | TBD |
| | |

Agenda Item #10 – SAA Board of Directors Executive Session to Discuss Trade Secrets and Financial Affairs of Corporation. (Carlin and Miller)

I move that the Airport Authority board of directors recess into an executive session for fifteen (15) minutes to discuss the subject of a potential economic development expansion project based upon the need to discuss data relating to the financial affairs or trade secrets of corporations, partnerships, trusts and individual proprietorships pursuant to K.S.A. 75-4319(b)(4). The open meeting will resume in this room at ____ AM.

There is a possibility of Airport Authority board action following the executive session.

Agenda Item #11 – Ratification and Approval of Alternate No. 1 to the Hutton Construction Contract for H626 Hangar and H626 Room 111 Improvements to Support AIM Center Workforce Training (Miller)

At the May 15 SAA board meeting, the board approved (Agenda Item #12) the base bid submitted by Hutton for construction of H626, Room 111 improvements for use as the permanent location for AIM Center workforce training. Project bidding included a bid alternate that covered the installation of AIM Center shop equipment. It was determined that installation of the AIM Center paint booth and sanding booth and associated compressed air lines would be best accomplished by Hutton and the Room 111 subcontractors. The cost of the bid alternate is \$20,800. The AIM Center base bid was \$826,800. The addition of bid alternate No.1 increases the total Room 111 construction cost to \$847,600 which is \$221,400 less than the next highest project bidder.

On May 30, 2024, executive director Rogers signed an addendum to the Hutton contract adding the bid alternate to the Room 111 remodeling project to bring the total project cost to \$847,600. As reported at the May 15 board meeting the cost of Room 111 remodeling project is funded 100% by Airport Authority's Kansas Department of Transportation ALOFT grant. Ratification of the Hutton contract \$20,800 addendum is needed to meet ALOFT grant requirements.

Recommendation: Approval and ratification of \$20,800 Addendum to the Hutton construction for H626, Room 111 Alternate No. 1 construction.

Agenda Item #12 – M.J. Kennedy Air Terminal Expansion Update. (Miller and Cunningham)

Terminal building architectural and engineering design work is nearing completion. Below is a summary of key project dates.

| Task | Date |
|---|---------|
| DRT Meeting, City of Salina | 26-June |
| Final Drawings Complete/ Bid Advertisement | 02-July |
| Bid Opening | 24-July |
| Contract Award Notification | 25-July |

| | |
|-----------------------------------|---------|
| Grant Application Due Date | 26-July |
| Construction Start | TBD |

At the meeting Pieter and Maynard will provide more details concerning project design.

Agenda Item #13 – Project AAERO update. (Dreiling and Rogers)

Project AAERO continues to become a center piece of the Salina Airport Authority’s planning for the future of UAS and AAM flight operations at the Salina Regional Airport. Earlier this year the Airport Authority submitted a FY25 \$1M USDOT funding request to Senator Moran for Project AAERO (see attached Project AAERO summary). A grant funding opportunity that we’re working on is a FY24 USDOT Strengthening Mobility and Revolutionizing Transportation (SMART) grant. SMART grant funding would allow the Airport Authority to fund the selection of a consulting firm that can help design detect and avoid systems and procedures for routine UAS and AAM flight operations. Lindsey Dreiling will provide the board with a more detailed Project AAERO update.

Hangar H626 Update and Tour: (Miller and Cunningham)

We expect to receive the Certificate of Occupancy for H626 before the June 26 board meeting. Board members and board meeting visitors will have the opportunity to tour the completed H626 project.

Please let me know if you have any questions or concerns that staff can be addressed prior to the board meeting.

SALINA AIRPORT AUTHORITY REGULAR BOARD MEETING
Hangar H600, First Floor Conference Room
2720 Arnold Court

June 26, 2024 – 8:00 AM

AGENDA

Action Items and Reports (Carlin)

1. Call to order, determine that a quorum is present and confirm that the meeting notice has been published. (Carlin)
2. Recognition of guests. (Carlin)
3. Additions to the agenda and agenda overview. (Miller)
4. Approval of the minutes of the May 15, 2024, regular board meeting. (Carlin)
5. Review of airport activity, air service and financial reports for the month ending May 31, 2024. (Miller, Rogers and Swanson)
6. Consideration of SAA Resolution No. 24-06 declaring the Salina Airport Authority's intent to levy a one mill tax to provide funds to match federal or state grants relating to the development, improvement, operation, or maintenance of the Salina Regional Airport. (Swanson)
7. Consider and approval of the sale of Lot 2, Block 1, Airport Industrial Center Subdivision to the City of Salina which is approximately 9.33 acres to Superior Contracting and Manufacturing Services, Co., Inc. (Swanson)
8. Consider and approval of the sale of Lot 1, Block 5, Airport Industrial Center Subdivision to the City of Salina, which is approximately 10.33 acres to Kejr, Inc. (Swanson)
9. Airport Industrial Center No. 3 Subdivision update. (Miller and Cunningham)
10. An executive session of the board of directors to discuss trade secrets and financial affairs of a corporation. (Carlin)

I move that the Airport Authority board of directors' recess into an executive session for fifteen (15) minutes to discuss the subject of a potential economic development expansion project based upon the need to discuss data relating to the financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships pursuant to K.S.A. 75-4319(b)(4). The open meeting will resume in this room at ____ AM.

There is the possibility of Airport Authority board action following the executive session.



11. Ratification and approval of Alternate No. 1 to the Hutton construction contract for H626 hangar and H626 Room 111 improvements to support AIM Center workforce training. (Miller)

Staff Reports: (Miller)

12. M.J. Kennedy Air Terminal expansion update. (Miller and Cunningham)

13. Project AAERO update. (Dreiling and Rogers)

Directors' Forum: (Carlin)

Visitor's Questions and Comments: (Carlin)

Announcements: (Windhorst)

Hangar H626 Update and Tour: (Miller and Cunningham)

Adjournment: (Carlin)

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
MAY 15, 2024
HANGAR 600, ROOM 100**

Call to Order

Chair Stephanie Carlin 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 and distributed the meeting notice and board packet on Friday, May 10, 2024.

Attendance

Present were Directors Carlin, O'Brien, Roberg, Commerford and Boos (VTC). 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 Anne Marie Yatsula, Clark, Mize and Linville; Eric Brown, Hutton; Brandon Walker, Midwest ATC Service, Inc.; Stephanie Flanagan, SkyWest; Bob Vidricksen, Saline County Commissioner; Lindsey Dreiling, Drieling Aviation Services; Mitch Robinson, Salina Community Economic Development Organization; and Cody Heiman, First Bank Kansas. Guests attending by remote access (VTC) were Mitch Walter, Gilmore & Bell; and David Arteberry, Stifel.

Agenda

Deputy Executive Director Miller provided a review of the agenda and stated that there were no additions to the agenda.

Minutes

Director O'Brien moved to accept as presented the minutes of the April 17, 2024 regular board meeting and the minutes of the April 24, 2024 special board meeting. The motion was seconded by Director Commerford. Motion passed 5 – 0.

Airport Activity

Rogers presented the airport activity report. Operations reported by the tower for April 2024 numbered 5,430 (down 29% compared to April 2023) reflecting the maintenance closure of runway 12/30 for two weeks in the period. Fuel delivered at the airport for April 2024 was 110,346 gallons, an increase over April 2023 of 14%. SkyWest had 1,352 passenger enplanements for April 2024. Advance bookings are trending upward following the tag elimination with Hays for the Denver flight. Rogers noted that the latest two-week period for the advanced bookings report had an average load factor of 79%. Rogers discussed the economic impact SkyWest flights have on the Salina community. 1 Vision is receiving C Checks (heavy) from SKW, prompting 1 Vision to hire 30 new technicians.

Financial Review

Swanson provided the highlights of the April 2024 financial reports. Total assets are up 29% year over year. Cash in bank is \$12.8M inclusive of bond deposits, AIM Center activity, Mill Levy funds, and GA Hangar project FEMA money. Unrestricted operating funds are \$1.8M. Year-to-date operating income is stable (\$1.1M). Operating expenses are slightly under budget but higher consultant fees, salaries, insurance premiums, and airfield maintenance increased the line item by 13% over the 2023 budget. Net income before depreciation is \$755,415 year-to-date. The Profit and Loss statement has a new line item for the RON capital contribution activity. Chair Carlin

directed the staff to file the financials for audit.

Consent Agenda

Director Carlin called for a motion regarding the following items presented under the consent agenda.

Lessee: **Kansas Highway Patrol**
Lease term: Five (5) years effective June 1, 2024
Premises: 22,500 SF of land
Option to Renew: Two (2) additional terms of five (5) years each
Basic Rent: \$260 per month, \$3,120 per year, \$.14/SF/year
Rate Adjustments: Option Period 1: \$300/Month Option Period 2: \$340/month
Lease Type: Modified Gross; tenant responsible for utilities, taxes, insurance, and maintenance to the site improvements (ARMAG). SAA is responsible for maintaining the airport perimeter fencing.
Authorization: Chair Carlin to sign the agreement.

Lessee: **Kansas State University, Kansas**
Lease term: One (1) year effective June 1, 2024
Premises: 9,435 SF Office, 20,040 SF Hangar, 29,475 total SF
Option to Renew: N/A
Basic Rent: \$15,621.75 per month, \$187,461 per year, \$6.36/SF/year
Lease Type: Modified Gross; tenant responsible for pro-rata share of utilities and janitorial. SAA is responsible for building insurance, repairs, and maintenance.
Authorization: Executive Director Rogers to sign the agreement.

Lessee: **RMA Engineering, LLC, Unit E, Salina Development Center**
Lease term: One (1) year effective May 1, 2024
Premises: 1,126 SF Office, 1,764 SF Warehouse, 2,890 SF total
Basic Rent: \$1,600 per month, \$19,200 per year, \$6.40/SF/year
Lease Type: Modified Gross; tenant responsible for pro-rata share of utilities and janitorial. SAA is responsible for building insurance, repairs, and maintenance.
Authorization: Executive Director Rogers to sign the agreement.

Lessee: **RMA Engineering, LLC, Unit E, Salina Development Center**
Addendum: Hangar H506-2 lease that approves a sublease to FAR Part 135 charter operator AirResource Group
Authorization: Chair Carlin to sign the Amendment.

Agreement: Federal Aviation Administration (FAA) grant offer and agreement for the purchase of airport snow removal equipment.

Terms: \$1,279,802: FAA 90% of the total cost of the equipment in the form of two FAA grant programs, AIP Supplemental Grant funding 22 and BIL-AIG grant 2024 for a combined grant allocation in the amount of \$1,599,592 from the FAA.

Authorization: Chair Carlin and Attorney Greg Bengston to sign.

Director O'Brien moved to approve the consent agenda items, Director Roberg seconded the motion. Motion carried 5-0.

Approval of Construction Bids for AIM Center of Excellence classroom and shop space at Hangar 626

Miller reviewed the bid process and bids received for the project. Three (3) bids were received. Miller presented the bid tabs, options for the alternate construction items, and budget review. Completion date is scheduled for September 10, 2024. Director Roberg moved to approve the base bid of \$842,000 as stated in the submittal from Hutton Construction and authorize the executive director to sign the contract. Seconded by Director O'Brien, the motion passed unanimously.

Review and discussion of plans to develop the Airport Authority's 80-acre plot

Miller reviewed the plan to develop the area in two phases and the efforts of the City of Salina, Wilson & Company, and airport staff in this priority project's progress. Current timeline goals are to complete the first phase of the development including all utilities by October, 2025. The board discussed marketing the new development in larger lots, starting with 15 acres, rather than three (3) lots of five (5) acres, each. No action was warranted.

Consideration of SAA Resolution 24-05 General Obligation Bond Temporary Notes

Swanson presented a review of the three capital improvement projects for funding. Development of the 80-acre area project, as well as the waterline at the terminal building, are tax exempt projects, whereas the North MRO hangar project is taxable.

SAA Resolution 24-05 General Obligation Bond Temporary Notes

Swanson distributed the revised resolution and discussed the update. The authority's financial rating should not be affected by the bond based on projected growth plans. Arteberry noted that the temporary notes would not be part of the authority's long-term debt or need additional mill levy dollars to address. Director Commerford moved to approve Resolution 24-05 and authorize Chair Carlin to sign, Director Roberg seconded. The motion passed 5-0.

Consideration of Engineering Agreement with Wilson & Co for design of Project 80

Miller recapped the project to date and the background for the supplemental design agreement with Wilson & Co. The supplemental agreement is an addition to the board approved contract for the initial plat design, zoning, and annexation of the 80-acre development approved in February 2024. The Supplemental Agreement is \$478,130 and covers preliminary and final design for roadways, drainage, as well as services related to bidding and construction. Cunningham provided clarification on items E and F of the proposal from Wilson.

Director O'Brien moved to approve the Supplemental Agreement from Wilson & Co. in the amount of \$478,130 and authorize the executive director to sign the contract. Director Boos seconded. With three board members voting in favor of the motion, Director Commerford and Director Roberg voting against the motion, the motion passed.

Terminal Building Expansion Update

Miller updated the board on the terminal building expansion project. Plans are 75% designed and submitted. Miller introduced the newest design element: public art. Brad Anderson, the Director of Arts & Humanities for the City of Salina, joined a recent design meeting to discuss ideas and opportunities for integrating public art into the terminal. Miller identified for the board locations in the new terminal that would be ideal for murals or other artistic installations. Miller requested further input at the June board meeting for ideas on the message or story that the artwork should convey and the format for the artwork.

STAR Award

Director Carlin presented the STAR Award to Stephanie Flanagan, SkyWest Airlines station manager. Flanagan was recognized for Star Recognition – Adaptability, for exemplary service during the RON conversion and for continued daily customer support.

Announcements

Windhorst announced Tim's retirement reception on June 27, 2024 at Hangar 600. The reception is scheduled from 3:00p.m – 6:00p.m.

Director Roberg moved to adjourn the meeting, seconded by Director Commerford. The meeting adjourned at 10:04 A.M. following the unanimous vote.

Minutes approved at the June 26, 2024 board meeting.

Kasey L. Windhorst, Board Clerk

(SEAL)

SALINA AIRPORT AUTHORITY
AIRPORT ACTIVITY REPORT
2024

AIR TRAFFIC/ATCT

| | |
|-------------------------|---|
| May, 2024 | 6,133 Operations 607 Instrument Operations 443 Peak Day |
| May, 2023 | 7,734 Operations 715 Instrument Operations 473 Peak Day |
| January 2024 - May 2024 | 28,267 Operations |
| January 2023 - May 2023 | 35,680 Operations |
| January 2022 - May 2022 | 27,804 Operations |

FUEL FLOWAGE

| | |
|-------------------------|-------------------|
| May, 2024 | 164,602 Gallons |
| May, 2023 | 190,510 Gallons |
| January 2024 - May 2024 | 728,843 Gallons |
| January 2023 - May 2023 | 780,776 Gallons |
| January 2022 - May 2022 | 1,036,868 Gallons |

| | | Avflight | |
|--------|-----------------|----------------|-----------------|
| | | Military/Gov't | Self-fuel |
| KSU-S | Avflight Salina | Portion | Station Portion |
| 7,596 | 157,005 | 61,018 | 263 |
| 8,465 | 182,045 | 58,945 | 440 |
| 41,153 | 687,689 | 202,249 | 939 |
| 51,165 | 729,611 | 171,846 | 1,406 |
| 52,787 | 984,081 | 305,877 | 1,352 |

SkyWest Airlines

| | ENPLANEMENTS | DEPLANEMENTS | TOTAL |
|-------------------------|------------------|------------------|-------|
| May, 2024 | 1,958 Passengers | 1,638 Passengers | 3,596 |
| May, 2023 | 1,783 Passengers | 1,790 Passengers | 3,573 |
| January 2024 - May 2024 | 5,944 Passengers | | |
| January 2023 - May 2023 | 6,148 Passengers | | |
| January 2022 - May 2022 | 7,845 Passengers | | |

ENPLANEMENTS - Charter Flights

| | |
|-------------------------|------------------|
| May, 2024 | 0 Passengers |
| May, 2023 | 199 Passengers |
| January 2024 - May 2024 | 1,220 Passengers |
| January 2023 - May 2023 | 462 Passengers |
| January 2022 - May 2022 | 2,065 Passengers |

TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights

| | |
|-------------------------|------------------|
| May, 2024 | 1,958 Passengers |
| May, 2023 | 1,982 Passengers |
| January 2024 - May 2024 | 7,164 Passengers |
| January 2023 - May 2023 | 6,610 Passengers |
| January 2022 - May 2022 | 9,910 Passengers |

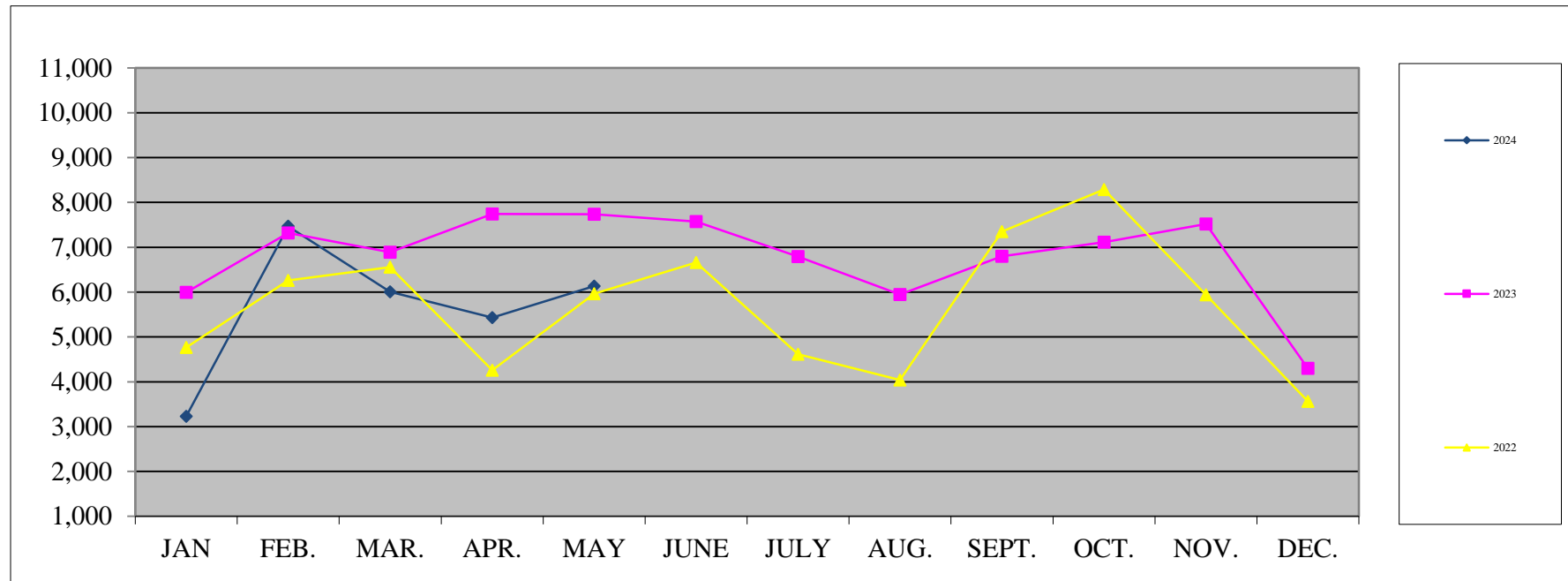
AIRPORT TRAFFIC RECORD

2023 - 2024

| | ITINERANT | | | | | LOCAL | | | |
|-----------------------------|-----------------------------|---------------|---------------------|--------------|-----------------|---------------|--------------|---------------|------------------|
| | AC | AT | GA | MI | Total Itinerant | Civil | Military | Total Local | Total Operations |
| 2024 | | | | | | | | | |
| January, 24 | 126 | 861 | 482 | 240 | 1,709 | 1,448 | 74 | 1,522 | 3,231 |
| February, 24 | 138 | 1,905 | 818 | 182 | 3,043 | 4,166 | 257 | 4,423 | 7,466 |
| March, 24 | 143 | 1,364 | 772 | 302 | 2,581 | 3,254 | 172 | 3,426 | 6,007 |
| April, 24 | 89 | 1,512 | 755 | 171 | 2,527 | 2,835 | 68 | 2,903 | 5,430 |
| May, 24 | 89 | 1,285 | 894 | 181 | 2,449 | 3,596 | 88 | 3,684 | 6,133 |
| June, 24 | | | | | | | | | |
| July, 24 | | | | | | | | | |
| August, 24 | | | | | | | | | |
| September, 24 | | | | | | | | | |
| October, 24 | | | | | | | | | |
| November, 24 | | | | | | | | | |
| December, 24 | | | | | | | | | |
| Totals January - May | 585 | 6,927 | 3,721 | 1,076 | 12,309 | 15,299 | 659 | 15,958 | 28,267 |
| 2023 | | | | | | | | | |
| January, 23 | 125 | 1,650 | 655 | 267 | 2,697 | 3,018 | 278 | 3,296 | 5,993 |
| February, 23 | 130 | 2,351 | 701 | 299 | 3,481 | 3,615 | 224 | 3,839 | 7,320 |
| March, 23 | 138 | 1,757 | 652 | 349 | 2,896 | 3,766 | 228 | 3,994 | 6,890 |
| April, 23 | 130 | 2,074 | 759 | 348 | 3,311 | 4,246 | 186 | 4,432 | 7,743 |
| May, 23 | 128 | 1,893 | 898 | 341 | 3,260 | 4,184 | 290 | 4,474 | 7,734 |
| June, 23 | | | | | | | | | |
| July, 23 | | | | | | | | | |
| August, 23 | | | | | | | | | |
| September, 23 | | | | | | | | | |
| October, 23 | | | | | | | | | |
| November, 23 | | | | | | | | | |
| December, 23 | | | | | | | | | |
| Totals January - May | 651 | 9,725 | 3,665 | 1,604 | 15,645 | 18,829 | 1,206 | 20,035 | 35,680 |
| Difference | -66 | -2,798 | 56 | -528 | -3,336 | -3,530 | -547 | -4,077 | -7,413 |
| YTD % Change | -10% | -29% | 2% | -33% | -21% | -19% | -45% | -20% | -21% |
| Legend: | AC: Air Carrier | | AT: Air Taxi | | | | | | |
| | GA: General Aviation | | MI: Military | | | | | | |

AIR TRAFFIC

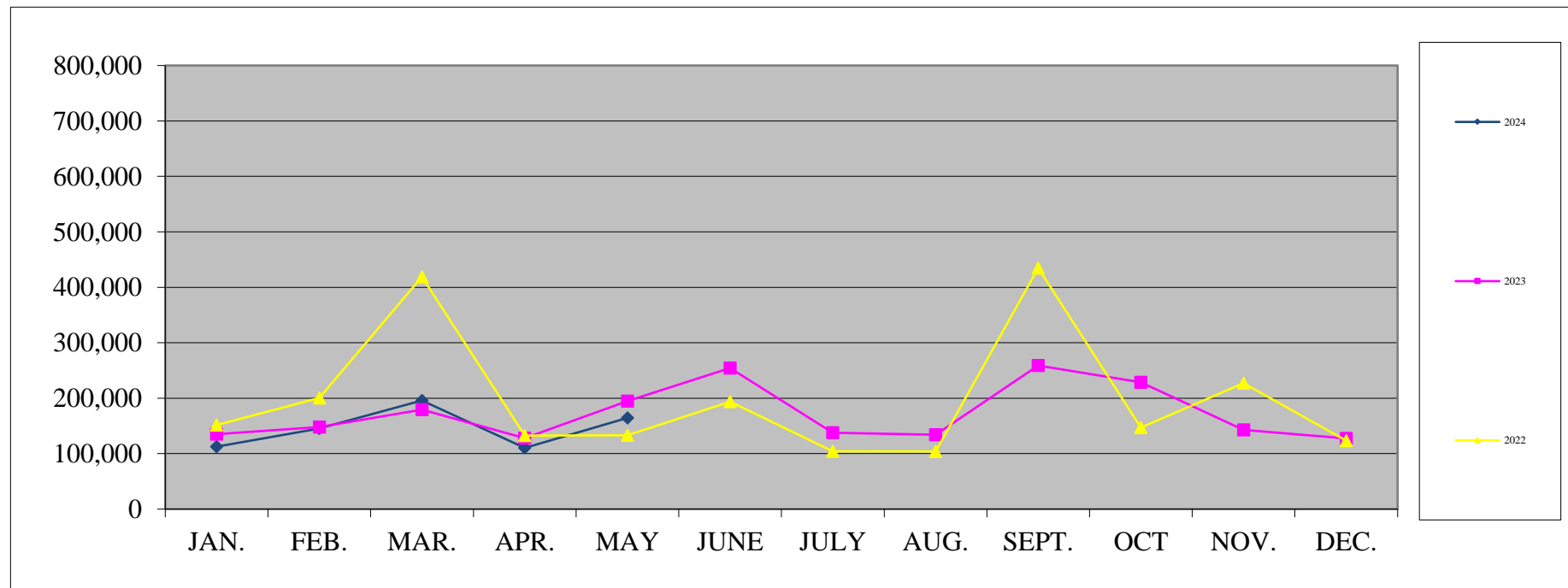
| | <u>JAN</u> | <u>FEB.</u> | <u>MAR.</u> | <u>APR.</u> | <u>MAY</u> | <u>JUNE</u> | <u>JULY</u> | <u>AUG.</u> | <u>SEPT.</u> | <u>OCT.</u> | <u>NOV.</u> | <u>DEC.</u> | <u>TOTAL</u> |
|-------------|------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|---------------|
| 2024 | 3,231 | 7,466 | 6,007 | 5,430 | 6,133 | | | | | | | | 28,267 |
| 2023 | 5,993 | 7,320 | 6,890 | 7,743 | 7,734 | 7,572 | 6,791 | 5,945 | 6,801 | 7,112 | 7,521 | 4,297 | 81,719 |
| 2022 | 4,764 | 6,260 | 6,557 | 4,258 | 5,965 | 6,660 | 4,613 | 4,040 | 7,352 | 8,289 | 5,940 | 3,564 | 68,262 |
| 2021 | 3,996 | 5,989 | 7,688 | 8,739 | 6,570 | 7,142 | 7,230 | 6,181 | 7,206 | 7,958 | 6,808 | 5,463 | 80,970 |
| 2020 | 3,109 | 6,494 | 2,841 | 1,398 | 2,614 | 5,846 | 5,399 | 7,318 | 7,550 | 8,532 | 5,078 | 4,269 | 60,448 |
| 2019 | 3,102 | 4,852 | 6,848 | 8,225 | 6,328 | 8,541 | 8,051 | 5,520 | 7,187 | 7,240 | 6,072 | 4,587 | 76,553 |
| 2018 | 3,418 | 4,601 | 6,312 | 5,510 | 5,094 | 6,865 | 6,865 | 4,910 | 6,336 | 9,974 | 5,317 | 4,091 | 69,293 |
| 2017 | 3,539 | 6,598 | 5,329 | 5,340 | 4,253 | 4,338 | 3,613 | 4,717 | 7,081 | 6,177 | 6,062 | 4,094 | 61,141 |
| 2016 | 4,422 | 7,789 | 7,962 | 7,312 | 6,898 | 8,011 | 5,877 | 4,789 | 7,593 | 6,052 | 5,458 | 4,948 | 77,111 |
| 2015 | 6,918 | 7,133 | 8,557 | 8,870 | 8,022 | 7,268 | 8,089 | 5,426 | 8,846 | 11,367 | 8,753 | 7,101 | 96,350 |
| 2014 | 6,511 | 6,887 | 7,143 | 8,426 | 8,365 | 7,234 | 7,423 | 5,756 | 9,035 | 10,496 | 8,316 | 5,509 | 91,101 |



FUEL FLOWAGE

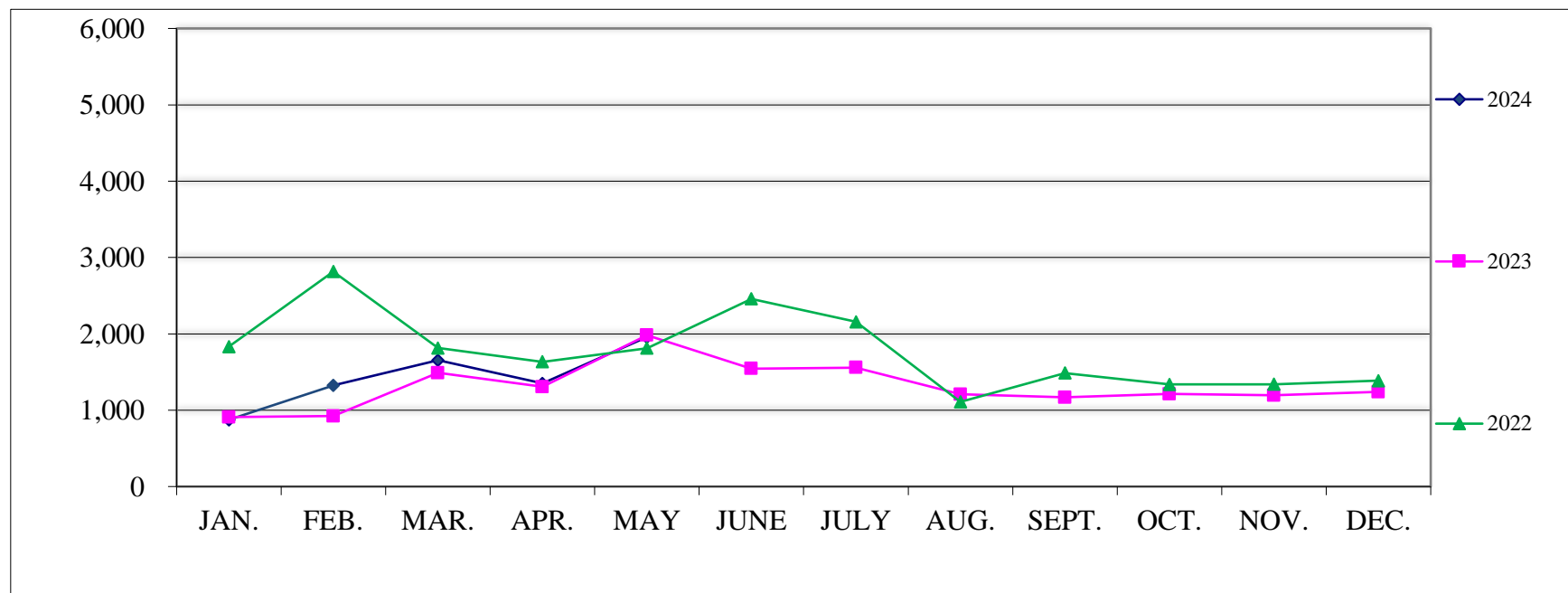
Gallons of Fuel Sold at SLN

| | <u>JAN.</u> | <u>FEB.</u> | <u>MAR.</u> | <u>APR.</u> | <u>MAY</u> | <u>JUNE</u> | <u>JULY</u> | <u>AUG.</u> | <u>SEPT.</u> | <u>OCT</u> | <u>NOV.</u> | <u>DEC.</u> | <u>TOTAL</u> |
|-------------|-------------|-------------|-------------|-------------|----------------|-------------|-------------|-------------|--------------|------------|-------------|-------------|----------------|
| 2024 | 112,666 | 145,336 | 195,892 | 110,346 | 164,602 | | | | | | | | 728,843 |
| 2023 | 134,955 | 147,775 | 179,414 | 128,122 | 194,746 | 254,599 | 137,603 | 134,249 | 258,893 | 228,702 | 142,909 | 127,411 | 2,069,378 |
| 2022 | 151,697 | 200,550 | 418,947 | 132,791 | 132,881 | 193,611 | 104,328 | 103,932 | 434,725 | 147,216 | 227,214 | 123,281 | 2,371,173 |
| 2021 | 118,269 | 145,726 | 209,376 | 127,107 | 171,289 | 159,725 | 236,452 | 226,367 | 171,259 | 199,197 | 160,279 | 171,150 | 2,096,198 |
| 2020 | 118,337 | 341,329 | 124,865 | 56,765 | 90,326 | 105,987 | 142,234 | 692,613 | 128,710 | 208,081 | 170,893 | 114,869 | 2,295,009 |
| 2019 | 156,531 | 183,334 | 150,881 | 119,745 | 172,835 | 157,376 | 111,147 | 645,834 | 161,888 | 223,382 | 108,525 | 87,182 | 2,278,659 |
| 2018 | 74,807 | 186,507 | 172,561 | 154,513 | 131,941 | 367,663 | 288,977 | 303,273 | 348,454 | 161,563 | 125,129 | 99,437 | 2,414,825 |
| 2017 | 115,075 | 588,072 | 203,387 | 149,134 | 143,801 | 211,351 | 160,134 | 126,751 | 418,616 | 172,614 | 200,050 | 133,173 | 2,622,158 |
| 2016 | 80,221 | 136,763 | 130,990 | 94,673 | 153,410 | 132,964 | 208,846 | 375,330 | 137,906 | 126,983 | 100,764 | 182,062 | 1,860,912 |
| 2015 | 176,746 | 188,406 | 290,470 | 132,543 | 128,100 | 126,428 | 237,782 | 108,581 | 143,816 | 717,601 | 147,853 | 89,277 | 2,487,603 |
| 2014 | 115,573 | 135,651 | 112,694 | 95,549 | 110,387 | 282,468 | 103,108 | 83,757 | 91,423 | 652,207 | 90,948 | 97,295 | 1,971,061 |



ENPLANEMENTS

| | <u>JAN.</u> | <u>FEB.</u> | <u>MAR.</u> | <u>APR.</u> | <u>MAY</u> | <u>JUNE</u> | <u>JULY</u> | <u>AUG.</u> | <u>SEPT.</u> | <u>OCT.</u> | <u>NOV.</u> | <u>DEC.</u> | <u>TOTAL</u> |
|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|--------------|
| 2024 | 875 | 1,324 | 1,655 | 1,352 | <u>1,958</u> | | | | | | | | <u>7,164</u> |
| 2023 | 910 | 922 | 1,489 | 1,307 | 1,982 | 1,544 | 1,558 | 1,209 | 1,167 | 1,212 | 1,195 | 1,239 | 15,734 |
| 2022 | 1,833 | 2,815 | 1,815 | 1,634 | 1,813 | 2,458 | 2,157 | 1,109 | 1,486 | 1,338 | 1,339 | 1,386 | 20,252 |
| 2021 | 638 | 548 | 909 | 904 | 2,151 | 1,979 | 2,379 | 1,859 | 2,050 | 2,182 | 1,949 | 2,032 | 19,407 |
| 2020 | 1,232 | 4,716 | 2,219 | 52 | 105 | 338 | 392 | 1,705 | 552 | 624 | 602 | 628 | 10,561 |
| 2019 | 996 | 1,659 | 1,698 | 1,548 | 1,865 | 1,727 | 2,065 | 2,556 | 1,540 | 1,958 | 1,703 | 1,874 | 21,189 |
| 2018 | 414 | 715 | 370 | 783 | 1,387 | 1,751 | 1,623 | 5,553 | 2,095 | 2,230 | 1,756 | 1,622 | 20,299 |
| 2017 | 720 | 1,344 | 731 | 756 | 761 | 852 | 793 | 746 | 3,874 | 946 | 1,229 | 1,207 | 13,959 |
| 2016 | 36 | 0 | 0 | 0 | 0 | 104 | 372 | 910 | 637 | 558 | 574 | 692 | 3,883 |
| 2015 | 528 | 107 | 4,550 | 531 | 122 | 88 | 77 | 79 | 61 | 3,574 | 592 | 80 | 10,389 |
| 2014 | 145 | 109 | 140 | 135 | 175 | 403 | 282 | 223 | 178 | 431 | 157 | 178 | 2,556 |



****Adjustment based on Nonscheduled/On-Demand Air Carrier Filings FAA Form 1800-31**

Salina Airport Authority (SAA) – Quarterly Report to Saline County

ARPA Funding for SkyWest Overnight Flight

5/28/2024

Monthly Performance Metrics: SkyWest successfully completed its first month of overnight flights to Denver in April 2024, achieving a 100% completion rate with 29 flights. Gary Foss, the SAA's air service consultant, reported that, as of May 6, 51% of all SLN seats for May have been sold. This represents a significant increase of 18 percentage points compared to April, where 33% of seats were sold by April 2. The initiation of nonstop flights between Chicago and SLN on June 1 is expected to further enhance SLN passenger enplanements.

Maintenance Operations: A significant development occurred on April 24, when SkyWest informed us that they have commenced heavy maintenance checks at the 1 Vision facility. The first three SkyWest jets have already arrived for maintenance. If operations proceed as planned, SkyWest will send approximately 60 jets to 1 Vision for heavy maintenance checks and painting over the next 30 to 36 months. This long-term commitment indicates a promising future for continued maintenance and operational support at SLN.

Employment and Economic Impact: As a direct result of SkyWest's decision, 1 Vision is immediately hiring 30 new employees, with plans to recruit an additional 30 by the end of the year. Initially, overnight maintenance work on SkyWest jets was anticipated to create six to 12 jobs. However, with the commitment to heavy maintenance checks and paint work, the impact on local employment and economic activity is significantly greater. These 60 new jobs will generate an additional \$3,488,340 in new payroll which is a \$27.95 per hour average wage or an average of \$58,139 per year per employee.

Strategic Implications: SkyWest's ongoing engagement with Salina and 1 Vision enhances the likelihood of establishing SLN-to-Houston flights. The availability of financial assistance from the State of Kansas for a Minimum Revenue Guarantee (MRG) agreement, combined with SLN's emerging status as a top-tier SkyWest city, strengthens Salina's negotiating position. SLN is rapidly becoming a critical "operating bridge" airport within SkyWest's network.

Advanced Bookings: Below are the 14-day advanced booking numbers for upcoming flights.

| 2024 SkyWest Airlines | | | | | | | | | | | | | | |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Advance Bookings - Enplanements | | | | | | | | | | | | | | |
| Pax Comparison (DEN and ORD) | | | | | | | | | | | | | | |
| | Mon | Tue | Wed | Thu | Fri | Sat | Sun | Mon | Tue | Wed | Thu | Fri | Sat | Sun |
| | 5/13 | 5/14 | 5/15 | 5/16 | 5/17 | 5/18 | 5/19 | 5/20 | 5/21 | 5/22 | 5/23 | 5/24 | 5/25 | 5/26 |
| DEN | 42 | 47 | 37 | 37 | 33 | 40 | 44 | 48 | 39 | 42 | 32 | 40 | 36 | 36 |
| SLN Load Factor | 84% | 94% | 74% | 74% | 66% | 80% | 88% | 96% | 78% | 84% | 64% | 80% | 72% | 72% |

AVG LF
79.00%

Salina's Strategic Success with Denver Overnight Flight Initiative

Salina's forward-thinking strategy and efforts to negotiate and fund the Denver overnight flight have yielded exceptional results, surpassing initial expectations.

Key Outcomes:

1. **High Load Factor:** The Denver non-stop flight has achieved a load factor of 79%, significantly exceeding initial projections.
2. **Job Creation:** The incentive contract with SkyWest has led to more job creation than anticipated. SkyWest's decision to send jets to 1 Vision for heavy maintenance work has resulted in the creation of 60 new jobs. This outcome would not have been possible without the Denver overnight incentive contract.

The attached slide provides a comprehensive summary of the Denver overnight flight's overall impact, highlighting:

- Enhanced connectivity at Denver and Chicago.
- Initiation of heavy check maintenance at 1 Vision.
- Creation of new jobs at 1 Vision.

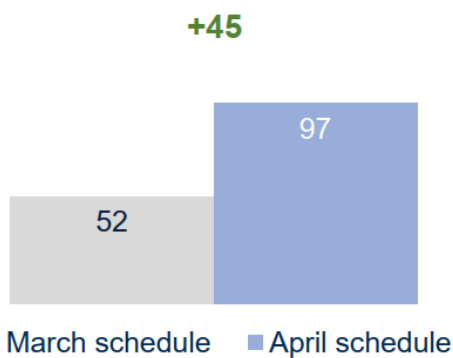
Conclusion: Salina's proactive measures have not only improved air connectivity but also spurred significant economic growth through job creation and new business opportunities. The Denver overnight flight initiative stands as a testament to the community's strategic vision and effective execution.

The New SLN Schedule

Implementing an overnight flight with an early morning departure and late evening arrival to DEN and “untagging” SLN from HYS to both ORD and DEN resulted in connections to 45 more cities AND new Heavy Check maintenance

Unique roundtrip domestic city pairs

United Airlines connecting over Denver (DEN), Chicago O'Hare (ORD), and the combined total of unique destinations



- Heavy Check Maintenance was the desired outcome of a guaranteed overnight flight schedule
- The first three jets have arrived at 1 Vision
- As a result of our initiative, 1 Vision is in process of hiring an incremental 30 employees with another 30 by year end

Source: Airline Data Inc.

Note: Analysis excludes pairs that connect out over DEN, then return over ORD or vice-versa

***SALINA** Airport*

Authority

MAY 2024

FINANCIAL STATEMENTS

Moody's Credit Opinion -
Salina Airport Authority, KS /
8 May 2023

Salina Airport Authority
Statement of Net Position Prev Year Comparison
As of May 31, 2024

06/21/2024

| | May 31, 24 | Apr 30, 24 | \$ Change | May 31, 23 | \$ Change | % Change |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Checking/Savings | | | | | | |
| Cash in Bank-Bond Funds | 5,108,799 | 7,055,448 | -1,946,649 | 578,742 | 4,530,057 | 783% |
| Cash in bank-Operating Funds | 2,187,465 | 2,676,037 | -488,572 | 1,747,913 | 439,552 | 25% |
| Cash in Bank - AIM Center | 930,324 | 1,080,966 | -150,642 | 0 | 930,324 | 100% |
| Cash in Bank - Mill Levy | 3,175,590 | 2,014,693 | 1,160,897 | 2,573,046 | 602,544 | 23% |
| Total Checking/Savings | 11,402,178 | 12,827,144 | -1,424,966 | 4,899,701 | 6,502,477 | 133% |
| Accounts Receivable | | | | | | |
| Accounts Receivable | 85,091 | 108,335 | -23,244 | 115,231 | -30,140 | -26% |
| Total Accounts Receivable | 85,091 | 108,335 | -23,244 | 115,231 | -30,140 | -26% |
| Other Current Assets | | | | | | |
| Agri Land Receivable | 71,000 | 71,000 | 0 | 71,000 | 0 | 0% |
| Mill Levy receivable | 293,470 | 1,505,481 | -1,212,011 | 235,117 | 58,353 | 25% |
| Other current assets | 839,454 | 855,453 | -15,999 | 1,095,332 | -255,878 | -23% |
| Undeposited Funds | 0 | 30,804 | -30,804 | 11,752 | -11,752 | -100% |
| Total Other Current Assets | 1,203,924 | 2,462,738 | -1,258,814 | 1,413,201 | -209,277 | -15% |
| Total Current Assets | 12,691,193 | 15,398,217 | -2,707,024 | 6,428,133 | 6,263,060 | 97% |
| Fixed Assets | | | | | | |
| Fixed assets at cost | 115,551,296 | 115,086,566 | 464,730 | 103,277,992 | 12,273,304 | 12% |
| Less accumulated depreciation | -57,783,721 | -57,533,721 | -250,000 | -54,703,721 | -3,080,000 | -6% |
| Total Fixed Assets | 57,767,575 | 57,552,845 | 214,730 | 48,574,271 | 9,193,304 | 19% |
| Other Assets | | | | | | |
| Deferred Outflow of Resources | 1,020,668 | 1,020,668 | 0 | 1,147,779 | -127,111 | -11% |
| Other assets | 3,009,970 | 3,009,970 | 0 | 3,009,970 | 0 | 0% |
| Total Other Assets | 4,030,638 | 4,030,638 | 0 | 4,157,749 | -127,111 | -3% |
| TOTAL ASSETS | 74,489,406 | 76,981,700 | -2,492,294 | 59,160,153 | 15,329,253 | 26% |
| LIABILITIES & EQUITY | | | | | | |
| Liabilities | | | | | | |
| Current Liabilities | | | | | | |
| Accounts Payable | | | | | | |
| Accounts payable | 432,572 | 2,643,258 | -2,210,686 | 462,500 | -29,928 | -6% |
| Total Accounts Payable | 432,572 | 2,643,258 | -2,210,686 | 462,500 | -29,928 | -6% |
| Total Credit Cards | 1,678 | -977 | 2,655 | 4,204 | -2,526 | -60% |
| Other Current Liabilities | | | | | | |
| Accrued debt interest payable | 354,535 | 234,677 | 119,858 | 149,195 | 205,340 | 138% |
| Debt, current portion | 6,803,560 | 6,803,560 | 0 | 8,397,157 | -1,593,597 | -19% |
| Deferred Agri Land Revenue | 41,417 | 47,333 | -5,916 | 41,417 | 0 | 0% |
| Deferred Mill Levy revenue | 2,035,155 | 2,325,891 | -290,736 | 1,594,175 | 440,980 | 28% |
| Other current liabilities | 259,665 | 275,431 | -15,766 | 197,547 | 62,118 | 31% |
| Total Other Current Liabilities | 9,494,332 | 9,686,892 | -192,560 | 10,379,491 | -885,159 | -9% |
| Total Current Liabilities | 9,928,582 | 12,329,173 | -2,400,591 | 10,846,195 | -917,613 | -8% |
| Long Term Liabilities | | | | | | |
| Debt - Long Term | 38,272,068 | 38,272,068 | 0 | 25,243,583 | 13,028,485 | 52% |
| Deferred Inflows of Resources | 3,621,787 | 3,621,787 | 0 | 3,621,787 | 0 | 0% |
| Less current portion | -6,803,560 | -6,803,560 | 0 | -8,397,157 | 1,593,597 | 19% |
| Net OPEB Liability (KPERs) | 9,003 | 9,003 | 0 | 9,003 | 0 | 0% |
| Net Pension Liability | 942,015 | 942,015 | 0 | 942,015 | 0 | 0% |
| Security Deposits Returnable | 127,424 | 124,099 | 3,325 | 124,712 | 2,712 | 2% |
| Total Long Term Liabilities | 36,168,737 | 36,165,412 | 3,325 | 21,543,943 | 14,624,794 | 68% |
| Total Liabilities | 46,097,319 | 48,494,585 | -2,397,266 | 32,390,138 | 13,707,181 | 42% |
| Equity | | | | | | |
| Invested in Capital Assets net | 24,950,264 | 24,388,313 | 561,951 | 24,325,734 | 624,530 | 3% |
| Net assets, Designated | 90,000 | 90,000 | 0 | 90,000 | 0 | 0% |
| Net assets, Unrestricted | 2,722,234 | 3,284,185 | -561,951 | 2,205,358 | 516,876 | 23% |
| Net Income | 629,588 | 724,614 | -95,026 | 148,925 | 480,663 | 323% |
| Total Equity | 28,392,086 | 28,487,112 | -95,026 | 26,770,017 | 1,622,069 | 6% |
| TOTAL LIABILITIES & EQUITY | 74,489,405 | 76,981,697 | -2,492,292 | 59,160,155 | 15,329,250 | 26% |

Salina Airport Authority
Profit & Loss Budget Performance
May 2024

10:14 AM
06/21/2024
Accrual Basis

| | May 24 | Jan - May 24 | YTD Budget | \$ Over Budget | % of Budget | Annual Budget |
|------------------------------------|---------|--------------|------------|----------------|-------------|---------------|
| Ordinary Income/Expense | | | | | | |
| Income | | | | | | |
| Airfield revenue | | | | | | |
| Fuel Flowage Fees | 15,704 | 71,644 | 85,417 | -13,773 | 84% | 205,000 |
| Hangar rent | 82,673 | 423,332 | 477,083 | -53,751 | 89% | 1,145,000 |
| Landing fees | 1,944 | 15,018 | 12,917 | 2,101 | 116% | 31,000 |
| Ramp rent | 6,525 | 32,625 | 28,542 | 4,083 | 114% | 68,500 |
| Total Airfield revenue | 106,846 | 542,619 | 603,959 | -61,340 | 90% | 1,449,500 |
| Building and land rent | | | | | | |
| Agri land rent | 5,917 | 29,583 | 29,583 | 0 | 100% | 71,000 |
| Building rents - Long Term | | | | | | |
| Short-term leasing | 26,934 | 129,494 | 250,833 | -121,339 | 52% | 602,000 |
| Building rents - Long Term - Other | 94,307 | 468,474 | 376,250 | 92,224 | 125% | 903,000 |
| Total Building rents - Long Term | 121,241 | 597,968 | 627,083 | -29,115 | 95% | 1,505,000 |
| Land rent | | | | | | |
| Basic Land Rent | 11,097 | 59,196 | 47,208 | 11,988 | 125% | 113,300 |
| Property tax - tenant share | 10,975 | 54,875 | 54,875 | 0 | 100% | 131,700 |
| Total Land rent | 22,072 | 114,071 | 102,083 | 11,988 | 112% | 245,000 |
| Tank rent | 1,306 | 6,530 | 8,333 | -1,803 | 78% | 20,000 |
| Total Building and land rent | 150,536 | 748,152 | 767,082 | -18,930 | 98% | 1,841,000 |
| Other revenue | | | | | | |
| Airport Marketing | 0 | 20,000 | 20,000 | 0 | 100% | 20,000 |
| Commissions | 1,511 | 9,311 | 10,417 | -1,106 | 89% | 25,000 |
| Other income | 2,185 | 26,889 | 31,250 | -4,361 | 86% | 75,000 |
| Total Other revenue | 3,696 | 56,200 | 61,667 | -5,467 | 91% | 120,000 |
| Total Income | 261,078 | 1,346,971 | 1,432,708 | -85,737 | 94% | 3,410,500 |
| Gross Profit | 261,078 | 1,346,971 | 1,432,708 | -85,737 | 94% | 3,410,500 |
| Expense | | | | | | |
| Administrative expenses | | | | | | |
| A/E, consultants, brokers | 7,274 | 48,906 | 35,417 | 13,489 | 138% | 85,000 |
| Airport promotion | 19,417 | 88,191 | 106,250 | -18,059 | 83% | 255,000 |
| Bad Debt Expense | 0 | 0 | 2,083 | -2,083 | 0% | 5,000 |
| Computer/Network Admin. | 3,917 | 18,818 | 22,917 | -4,099 | 82% | 55,000 |
| Dues and subscriptions | 1,362 | 10,393 | 12,500 | -2,107 | 83% | 30,000 |
| Employee retirement | 9,535 | 50,682 | 48,898 | 1,784 | 104% | 117,354 |
| FICA and medicare tax expense | 7,019 | 37,118 | 35,833 | 1,285 | 104% | 86,000 |
| Industrial development | 4,792 | 23,958 | 25,000 | -1,042 | 96% | 60,000 |
| Insurance , property | 18,750 | 94,517 | 100,000 | -5,483 | 95% | 240,000 |
| Insurance, medical | 20,638 | 83,849 | 101,667 | -17,818 | 82% | 244,000 |
| Kansas unemployment tax | 0 | 299 | 417 | -118 | 72% | 1,000 |
| Legal and accounting | 1,125 | 29,093 | 25,417 | 3,676 | 114% | 61,000 |
| Office salaries | 56,855 | 295,562 | 279,583 | 15,979 | 106% | 671,000 |
| Office Supplies | 240 | 5,906 | 4,375 | 1,531 | 135% | 10,500 |
| Other administrative expense | 2,175 | 6,855 | 6,250 | 605 | 110% | 15,000 |
| Postage | 0 | 449 | 833 | -384 | 54% | 2,000 |
| Property tax expense | 12,083 | 60,417 | 62,500 | -2,083 | 97% | 150,000 |
| Special Events | 267 | 267 | 833 | -566 | 32% | 2,000 |
| Telephone | 1,557 | 7,735 | 11,875 | -4,140 | 65% | 28,500 |
| Training | 0 | 890 | 5,000 | -4,110 | 18% | 12,000 |
| Travel and meetings | 1,705 | 4,271 | 6,250 | -1,979 | 68% | 15,000 |
| Total Administrative expenses | 168,711 | 868,176 | 893,898 | -25,722 | 97% | 2,145,354 |

| | May 24 | Jan - May 24 | YTD Budget | \$ Over Budget | % of Budget | Annual Budget |
|--|----------------|------------------|------------------|-------------------|--------------|-------------------|
| Maintenance expenses | | | | | | |
| Airfield maintenance | 11,865 | 55,442 | 21,875 | 33,567 | 253% | 52,500 |
| Airport Security | 0 | 234 | 1,083 | -849 | 22% | 2,600 |
| Building maintenance | 17,452 | 104,005 | 83,333 | 20,672 | 125% | 200,000 |
| Equipment fuel and repairs | 6,309 | 56,181 | 37,500 | 18,681 | 150% | 90,000 |
| Fire Services | 0 | 1,978 | 14,583 | -12,605 | 14% | 35,000 |
| Grounds maintenance | 1,857 | 3,297 | 9,583 | -6,286 | 34% | 23,000 |
| Maintenance salaries | 35,346 | 191,929 | 195,833 | -3,904 | 98% | 470,000 |
| Other maintenance expenses | 1,038 | 8,928 | 9,375 | -447 | 95% | 22,500 |
| Snow removal expense | 0 | 3,151 | 9,375 | -6,224 | 34% | 22,500 |
| Utilities | 13,712 | 104,632 | 120,833 | -16,201 | 87% | 290,000 |
| Total Maintenance expenses | 87,579 | 529,777 | 503,373 | 26,404 | 105% | 1,208,100 |
| Total Expense | 256,290 | 1,397,953 | 1,397,271 | 682 | 100% | 3,353,454 |
| Net Ordinary Income | 4,788 | -50,982 | 35,437 | -86,419 | -144% | 57,046 |
| Other Income/Expense | | | | | | |
| Other Income | | | | | | |
| AIM Center Tuition | 1,000 | 1,400 | 2,600 | -1,200 | 54% | 8,600 |
| Capital contributed | | | | | | |
| Air Service Grants | 33,333 | 233,333 | 233,333 | 0 | 100% | 666,664 |
| Capital contributed - Other | 0 | 1,002,425 | 4,825,000 | -3,822,575 | 21% | 13,825,000 |
| Total Capital contributed | 33,333 | 1,235,758 | 5,058,333 | -3,822,575 | 24% | 14,491,664 |
| Interest income | | | | | | |
| Int. Income -2023 Bond Proceeds | 26,412 | 156,680 | 75,000 | 81,680 | 209% | 180,000 |
| Interest income on deposits | 12,610 | 72,810 | 10,000 | 62,810 | 728% | 24,000 |
| Total Interest income | 39,022 | 229,490 | 85,000 | 144,490 | 270% | 204,000 |
| Mill levy income | 291,137 | 1,454,083 | 1,453,682 | 401 | 100% | 3,488,837 |
| Total Other Income | 364,492 | 2,920,731 | 6,599,615 | -3,678,884 | 44% | 18,193,101 |
| Other Expense | | | | | | |
| AIM Center Expenses | | | | | | |
| Consultants | 0 | 20,432 | 21,305 | -873 | 96% | 36,472 |
| Equipment, Fuel & Repairs | 9 | 1,151 | 500 | 651 | 230% | 2,500 |
| Events | 339 | 2,721 | 2,000 | 721 | 136% | 4,000 |
| Instructors / Vendor 3rd Party | 0 | 55,741 | 50,000 | 5,741 | 111% | 95,000 |
| Marketing/Communication | 0 | 45,687 | 23,563 | 22,124 | 194% | 90,230 |
| Other | 0 | 1,239 | 1,000 | 239 | 124% | 1,500 |
| Technology | 0 | 2,802 | 10,000 | -7,198 | 28% | 15,000 |
| Total AIM Center Expenses | 348 | 129,773 | 108,368 | 21,405 | 120% | 244,702 |
| Debt interest expense net | | | | | | |
| Bond issue cost | 1,103 | 1,103 | 0 | 1,103 | 100% | 50,000 |
| Interest Expense on Debt | 119,858 | 599,290 | 599,290 | 0 | 100% | 1,438,296 |
| Total Debt interest expense net | 120,961 | 600,393 | 599,290 | 1,103 | 100% | 1,488,296 |
| Depreciation expense | 250,000 | 1,330,000 | 1,350,000 | -20,000 | 99% | 3,240,000 |
| SkyWest Overnight Flight | 93,000 | 180,000 | 180,000 | 0 | 100% | 810,000 |
| Total Other Expense | 464,309 | 2,240,166 | 2,237,658 | 2,508 | 100% | 5,782,998 |
| Net Other Income | -99,817 | 680,565 | 4,361,957 | -3,681,392 | 16% | 12,410,103 |
| Net Income | -95,029 | 629,583 | 4,397,394 | -3,767,811 | 14% | 12,467,149 |

Salina Airport Authority
Profit & Loss Prev Year Comparison
January through May 2024

10:14 AM
06/21/2024
Accrual Basis

| | Jan - May 24 | Jan - May 23 | \$ Change | % Change |
|--------------------------------------|--------------|--------------|-----------|----------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| Airfield revenue | | | | |
| Fuel Flowage Fees | 71,644 | 70,590 | 1,054 | 1% |
| Hangar rent | 423,332 | 432,506 | -9,174 | -2% |
| Landing fees | 15,018 | 10,747 | 4,271 | 40% |
| Ramp rent | 32,625 | 32,137 | 488 | 2% |
| Total Airfield revenue | 542,619 | 545,980 | -3,361 | -1% |
| Building and land rent | | | | |
| Agri land rent | 29,583 | 30,083 | -500 | -2% |
| Building rents - Long Term | | | | |
| Short-term leasing | 129,494 | 192,354 | -62,860 | -33% |
| Building rents - Long Term - Other | 468,474 | 442,446 | 26,028 | 6% |
| Total Building rents - Long Term | 597,968 | 634,800 | -36,832 | -6% |
| Land rent | | | | |
| Basic Land Rent | 59,196 | 57,678 | 1,518 | 3% |
| Property tax - tenant share | 54,875 | 45,833 | 9,042 | 20% |
| Total Land rent | 114,071 | 103,511 | 10,560 | 10% |
| Tank rent | 6,530 | 6,100 | 430 | 7% |
| Total Building and land rent | 748,152 | 774,494 | -26,342 | -3% |
| Other revenue | | | | |
| Airport Marketing | 20,000 | 20,000 | 0 | 0% |
| Commissions | 9,311 | 9,423 | -112 | -1% |
| Other income | 26,889 | 24,803 | 2,086 | 8% |
| Total Other revenue | 56,200 | 54,226 | 1,974 | 4% |
| Total Income | 1,346,971 | 1,374,700 | -27,729 | -2% |
| Gross Profit | 1,346,971 | 1,374,700 | -27,729 | -2% |
| Expense | | | | |
| Administrative expenses | | | | |
| A/E, consultants, brokers | 48,906 | 27,803 | 21,103 | 76% |
| Airport promotion | | | | |
| Air Serv. Mktg - SAA | 85,442 | 98,845 | -13,403 | -14% |
| Airport promotion - Other | 2,749 | 4,054 | -1,305 | -32% |
| Total Airport promotion | 88,191 | 102,899 | -14,708 | -14% |
| Computer/Network Admin. | 18,818 | 19,200 | -382 | -2% |
| Dues and subscriptions | 10,393 | 12,648 | -2,255 | -18% |
| Employee retirement | 50,682 | 38,618 | 12,064 | 31% |
| FICA and medicare tax expense | 37,118 | 30,679 | 6,439 | 21% |
| Industrial development | 23,958 | 23,958 | 0 | 0% |
| Insurance , property | 94,517 | 94,167 | 350 | 0% |
| Insurance, medical | 83,849 | 70,722 | 13,127 | 19% |
| Kansas unemployment tax | 299 | 246 | 53 | 22% |
| Legal and accounting | 29,093 | 19,337 | 9,756 | 50% |
| Office salaries | 295,562 | 237,276 | 58,286 | 25% |
| Office Supplies | 5,906 | 2,357 | 3,549 | 151% |
| Other administrative expense | | | | |
| Merchant Processing Fees | 5,872 | 3,180 | 2,692 | 85% |
| Other administrative expense - Other | 982 | 1,760 | -778 | -44% |
| Total Other administrative expense | 6,854 | 4,940 | 1,914 | 39% |
| Payroll expenses | 0 | 0 | 0 | 0% |
| Postage | 449 | 609 | -160 | -26% |
| Property tax expense | 60,417 | 60,417 | 0 | 0% |
| Special Events | 267 | 480 | -213 | -44% |
| Telephone | 7,735 | 8,042 | -307 | -4% |
| Training | 890 | 1,950 | -1,060 | -54% |
| Travel and meetings | 4,271 | 23 | 4,248 | 18,470% |
| Total Administrative expenses | 868,175 | 756,371 | 111,804 | 15% |

| | Jan - May 24 | Jan - May 23 | \$ Change | % Change |
|--|------------------|------------------|------------------|---------------|
| Maintenance expenses | | | | |
| Airfield maintenance | 55,442 | 23,697 | 31,745 | 134% |
| Airport Security | 234 | 1,346 | -1,112 | -83% |
| Building maintenance | 104,005 | 90,678 | 13,327 | 15% |
| Equipment fuel and repairs | 56,181 | 40,840 | 15,341 | 38% |
| Fire Services | 1,978 | 1,091 | 887 | 81% |
| Grounds maintenance | 3,297 | 9,616 | -6,319 | -66% |
| Maintenance salaries | 191,929 | 165,214 | 26,715 | 16% |
| Other maintenance expenses | 8,928 | 8,079 | 849 | 11% |
| Snow removal expense | 3,151 | 413 | 2,738 | 663% |
| Utilities | 104,632 | 106,052 | -1,420 | -1% |
| Total Maintenance expenses | 529,777 | 447,026 | 82,751 | 19% |
| Uncategorized Expenses | 0 | 0 | 0 | 0% |
| Total Expense | 1,397,952 | 1,203,397 | 194,555 | 16% |
| Net Ordinary Income | -50,981 | 171,303 | -222,284 | -130% |
| Other Income/Expense | | | | |
| Other Income | | | | |
| AIM Center Tuition | 1,400 | 0 | 1,400 | 100% |
| Capital contributed | | | | |
| Air Service Grants | 233,333 | 0 | 233,333 | 100% |
| Capital contributed - Other | 1,002,425 | 273,298 | 729,127 | 267% |
| Total Capital contributed | 1,235,758 | 273,298 | 962,460 | 352% |
| Gain on sale of assets | 0 | 23,970 | -23,970 | -100% |
| Interest income | | | | |
| Int. Income -2023 Bond Proceeds | 156,680 | 0 | 156,680 | 100% |
| Interest income on deposits | 72,810 | 37,798 | 35,012 | 93% |
| Total Interest income | 229,490 | 37,798 | 191,692 | 507% |
| Mill levy income | 1,454,083 | 1,145,117 | 308,966 | 27% |
| Total Other Income | 2,920,731 | 1,480,183 | 1,440,548 | 97% |
| Other Expense | | | | |
| AIM Center Expenses | | | | |
| Consultants | 20,432 | 0 | 20,432 | 100% |
| Equipment, Fuel & Repairs | 1,151 | 0 | 1,151 | 100% |
| Events | 2,721 | 0 | 2,721 | 100% |
| Instructors / Vendor 3rd Party | 55,741 | 0 | 55,741 | 100% |
| Marketing/Communication | 45,687 | 0 | 45,687 | 100% |
| Other | 1,239 | 0 | 1,239 | 100% |
| Technology | 2,802 | 0 | 2,802 | 100% |
| Total AIM Center Expenses | 129,773 | 0 | 129,773 | 100% |
| Debt interest expense net | | | | |
| Bond issue cost | 1,103 | 29,610 | -28,507 | -96% |
| Interest Expense on Debt | 599,290 | 222,953 | 376,337 | 169% |
| Total Debt interest expense net | 600,393 | 252,563 | 347,830 | 138% |
| Depreciation expense | 1,330,000 | 1,250,000 | 80,000 | 6% |
| SkyWest Overnight Flight | 180,000 | 0 | 180,000 | 100% |
| Total Other Expense | 2,240,166 | 1,502,563 | 737,603 | 49% |
| Net Other Income | 680,565 | -22,380 | 702,945 | 3,141% |
| Net Income | 629,584 | 148,923 | 480,661 | 323% |

Salina Airport Authority
Capital Additions Budget vs. Actual
As of May 31, 2024

11:02 AM
06/21/2024
Accrual Basis

| | May 24 | Jan - May 24 | Annual Budget | +/- Annual Budget | % of Annual Budget |
|-----------------------------------|---------|--------------|---------------|-------------------|--------------------|
| ASSETS | | | | | |
| Fixed Assets | | | | | |
| Fixed assets at cost | | | | | |
| Airfield | | | | | |
| AIP-48 Rwy 12/30 Rehab Design | | 109,349 | 36,500 | 72,849 | 300% |
| AIP-49 Fuel Farm Construction | | 1,459,996 | 5,969,226 | -4,509,230 | 24% |
| AIP-50-51 SRE Equip A/E & Acq. | | 14,188 | 1,777,324 | -1,763,136 | 1% |
| AIP-52/53 Rwy 12/30 Rehab Const | | 0 | 7,177,810 | -7,177,810 | 0% |
| AIP-54 Term. Parking Lot Design | | 500 | 275,000 | -274,500 | 0% |
| AIP-55 Term. Bldg. Exp. Design | | 0 | 250,000 | -250,000 | 0% |
| AIP-XX AFFF to F3 Transition | | 0 | 50,000 | -50,000 | 0% |
| AIP 52-53 Rwy 12-30 Const. | | 387 | 5,565,000 | -5,564,613 | 0% |
| Airfield Improvements | 8,843 | 33,414 | 50,000 | -16,586 | 67% |
| Airfield Security | | 0 | 10,000 | -10,000 | 0% |
| Fuel Farm Construction-Non Fed | 93,810 | 112,624 | 1,065,042 | -952,418 | 11% |
| GA Hangar Construction | 144,976 | 805,985 | 700,000 | 105,985 | 115% |
| H626 Apron-Taxi Area Imps. | | 679,224 | 830,000 | -150,776 | 82% |
| Total Airfield | 247,629 | 3,215,667 | 23,755,902 | -20,540,235 | 14% |
| Buildings & Improvements | | | | | |
| Bldg. 120 Terminal building | | | | | |
| Terminal Bldg. Other | | 0 | 20,000 | -20,000 | 0% |
| Total Bldg. 120 Terminal building | 0 | 0 | 20,000 | -20,000 | 0% |
| Building improvements | | | | | |
| Bldg. #1021 Facility Imps. | | 0 | 35,000 | -35,000 | 0% |
| Bldg. 394 Parking Lot Imps. | | 0 | 35,000 | -35,000 | 0% |
| Bldg. 412 Imps. | | 9,503 | 10,000 | -497 | 95% |
| Bldg. 520 Imps. | | 0 | 20,000 | -20,000 | 0% |
| Bldg. Imps. Other | | 37,278 | 50,000 | -12,722 | 75% |
| Hangar #509 Imps. | 14,867 | 39,881 | 20,000 | 19,881 | 199% |
| Hangar 504 Improvements | | 5,963 | 15,000 | -9,037 | 40% |
| Hangar 600 Improvements | | 0 | 20,000 | -20,000 | 0% |
| Hangar 606 Rehabilitation | 3,467 | 0 | 15,000 | -15,000 | 0% |
| Hangar 626 AIM Classroom 111 | | 50,987 | 760,000 | -709,013 | 7% |
| Hangar 626 Rehabilitation | | 1,879,006 | 2,918,100 | -1,039,094 | 64% |
| Hangar 959 Rehabilitation | 6,580 | 20,440 | 25,000 | -4,560 | 82% |
| Total Building improvements | 24,914 | 2,043,058 | 3,923,100 | -1,880,042 | 52% |
| FBO Improvements | | | | | |
| Bldg. 700 Imps. Avflight North | | 0 | 20,000 | -20,000 | 0% |
| Hangar 409-1 Imps Avflight So. | | 0 | 15,000 | -15,000 | 0% |
| Total FBO Improvements | 0 | 0 | 35,000 | -35,000 | 0% |
| Pumphouse 305 | | 0 | 10,000 | -10,000 | 0% |
| Total Buildings & Improvements | 24,914 | 2,043,058 | 3,988,100 | -1,945,042 | 51% |
| Equipment | | | | | |
| Airfield Equipment | | 0 | 15,000 | -15,000 | 0% |
| ARFF equipment | | 0 | 25,000 | -25,000 | 0% |
| Communications equipment | | 10,425 | 20,000 | -9,575 | 52% |
| Computer equipment | | 0 | 15,000 | -15,000 | 0% |
| Industrial center equipment | | 0 | 25,000 | -25,000 | 0% |
| Office equipment | | 0 | 7,500 | -7,500 | 0% |
| Other Equipment | 164,128 | 394,500 | 1,743,000 | -1,348,500 | 23% |
| Shop equipment | | 0 | 15,000 | -15,000 | 0% |
| Vehicles | | 0 | 15,000 | -15,000 | 0% |
| Total Equipment | 164,128 | 404,925 | 1,880,500 | -1,475,575 | 22% |
| Land | | | | | |
| Airport Indust. Cent. Imps. | 28,059 | 43,959 | 25,000 | 18,959 | 176% |
| Rail Spur Imps. | | 0 | 25,000 | -25,000 | 0% |
| Total Land | 28,059 | 43,959 | 50,000 | -6,041 | 88% |
| Total Fixed assets at cost | 464,730 | 5,707,609 | 29,674,502 | -23,966,893 | 19% |

Salina Airport Authority

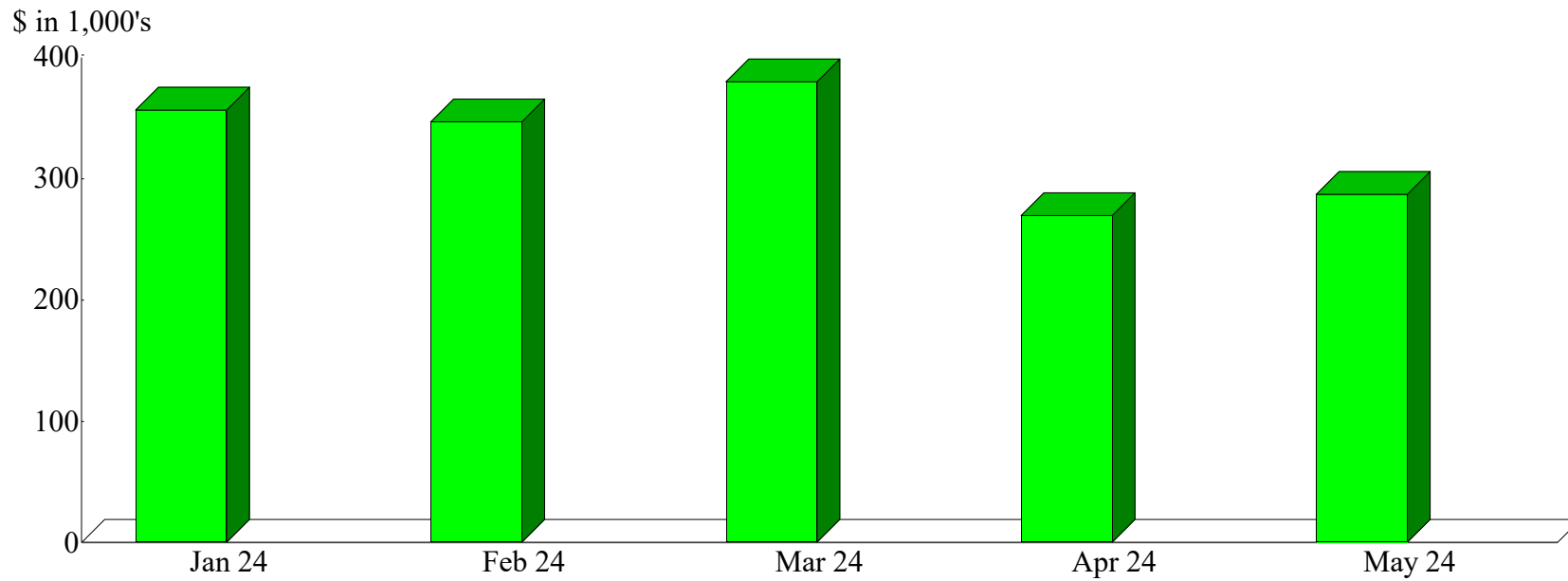
Significant Capital Expenditures Detail

May 2024

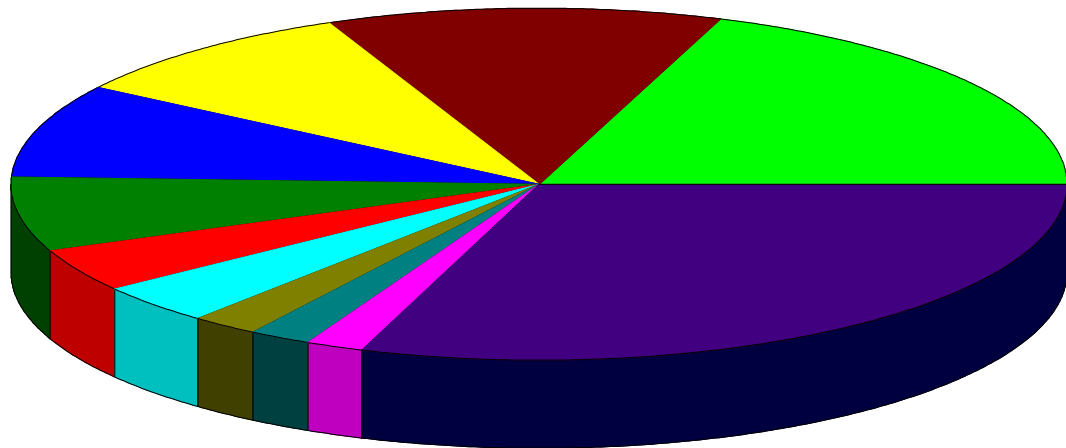
| Type | Date | Name | Memo | Amount | Balance |
|---------------------------------------|------------|---------------------------------------|---|-------------------|-------------------|
| Fixed assets at cost | | | | | |
| Airfield | | | | | |
| Airfield Improvements | | | | | |
| Bill | 05/03/2024 | Ka-Comm, Inc. | 17 windsock - surge protector | 104.99 | 104.99 |
| Bill | 05/06/2024 | Fastenal Company Inc. | 17 Windsock - bolts and washers | 227.43 | 332.42 |
| Bill | 05/13/2024 | Fastenal Company Inc. | 17 Windsock - fasteners | 10.19 | 342.61 |
| Bill | 05/17/2024 | Earles Engineering & Inspections... | SLN Lavatory cart station design - progress payment | 8,500.00 | 8,842.61 |
| Total Airfield Improvements | | | | 8,842.61 | 8,842.61 |
| Fuel Farm Construction-Non Fed | | | | | |
| Bill | 05/14/2024 | Borettec, LLC | Fuel Farm - non-Fed - reroute water main | 72,100.00 | 72,100.00 |
| Bill | 05/31/2024 | Dragun Corp | Fuel Farm Construction - Non Federal - Progress payment - Professio... | 21,710.00 | 93,810.00 |
| Total Fuel Farm Construction-Non Fed | | | | 93,810.00 | 93,810.00 |
| GA Hangar Construction | | | | | |
| Bill | 05/02/2024 | Sherwin Williams Co., Inc. | Box Hangars - Paint for structural steel supports a C-hangar | 1,289.70 | 1,289.70 |
| Bill | 05/03/2024 | Bret Givens Construction, Inc. | Lock sets for GA Hangars | 312.00 | 1,601.70 |
| Bill | 05/30/2024 | Bret Givens Construction, Inc. | GA Hangar Construction (C Hangars) Progress payment | 40,000.00 | 41,601.70 |
| Bill | 05/30/2024 | Precision Electrical Contractors L... | GA Hangar Construction - progress payment #4 | 62,389.35 | 103,991.05 |
| Bill | 05/30/2024 | Prairie Landworks, Inc. | GA Hangar Site Work (C hangars) progress pymnt | 40,985.32 | 144,976.37 |
| Total GA Hangar Construction | | | | 144,976.37 | 144,976.37 |
| Total Airfield | | | | 247,628.98 | 247,628.98 |
| Buildings & Improvements | | | | | |
| Building Improvements | | | | | |
| Hangar #509 Imps. | | | | | |
| Bill | 05/02/2024 | Lowe's Business Account Inc | H509 - adhesive, pvc pipe | 303.96 | 303.96 |
| Bill | 05/06/2024 | Border States Industries, Inc. | Hangar 509 West - LED Single Strip Lights 4 ft 43.9 W | 485.10 | 789.06 |
| Bill | 05/06/2024 | Lowe's Business Account Inc | H509 - electrical components | 151.76 | 940.82 |
| Bill | 05/10/2024 | Salina Supply Company, Inc. | Hangar H509 - 1/2" 90 elbows | 81.12 | 1,021.94 |
| Bill | 05/13/2024 | Lowe's Business Account Inc | H509 - clab concrete crack repair, adhesive | 54.44 | 1,076.38 |
| Bill | 05/15/2024 | Lowe's Business Account Inc | H509 Remodel (electrical supplies) | 690.29 | 1,766.67 |
| Bill | 05/24/2024 | Superior Plumbing and Heating | H509 - repipe northwest restrooms | 13,100.00 | 14,866.67 |
| Total Hangar #509 Imps. | | | | 14,866.67 | 14,866.67 |
| Hangar 626 Rehabilitation | | | | | |
| Bill | 05/08/2024 | High Plains Communications, Inc. | Final Progress payment - Install Fiber and Cat6 wiring | 2,653.75 | 2,653.75 |
| Bill | 05/30/2024 | City of Salina | H626 Cap. Exp. Water - May | 50.87 | 2,704.62 |
| Bill | 05/30/2024 | Kansas Gas Service | gas srvc - transport - 2024 May | 96.99 | 2,801.61 |
| Bill | 05/31/2024 | Evergy Inc | Electric - 2024 May | 665.07 | 3,466.68 |
| Total Hangar 626 Rehabilitation | | | | 3,466.68 | 3,466.68 |
| Hangar 959 Rehabilitation | | | | | |
| Bill | 05/15/2024 | Borettec, LLC | H959 - bore power and communications | 6,580.00 | 6,580.00 |
| Total Hangar 959 Rehabilitation | | | | 6,580.00 | 6,580.00 |
| Total Building improvements | | | | 24,913.35 | 24,913.35 |
| Total Buildings & Improvements | | | | 24,913.35 | 24,913.35 |
| Equipment | | | | | |
| Other Equipment | | | | | |
| Bill | 05/16/2024 | Tennant Sales and Service Comp... | AIM Center Tennant T20 Floor Scrubber | 65,825.90 | 65,825.90 |
| Bill | 05/22/2024 | Superior Air Products LLC | 50% down payment - Wet booth module, wall enclosures | 28,024.00 | 93,849.90 |
| Bill | 05/22/2024 | Superior Air Products LLC | Freight | 366.00 | 94,215.90 |
| Bill | 05/22/2024 | Superior Air Products LLC | AIM Center paint booth | 26,824.00 | 121,039.90 |
| Bill | 05/22/2024 | Superior Air Products LLC | AIM Center paint booth enclosure | 1,200.00 | 122,239.90 |
| Bill | 05/22/2024 | Superior Air Products LLC | Freight | 366.10 | 122,606.00 |
| Bill | 05/29/2024 | Aero Express, Inc. | AIM Center Equipment - DPS1000 Pitot Static Tester | 18,197.80 | 140,803.80 |
| Bill | 05/30/2024 | AvionTEq | AIM Center - Viavi/Aeroflex IFR6000 Multifunction Transponder Test Set | 22,965.00 | 163,768.80 |
| Bill | 05/31/2024 | Fed-Ex Inc. | AIM Center - Shipping from Avionteq A Plus Avionics - Viavi/Aeroflex I... | 359.38 | 164,128.18 |
| Total Other Equipment | | | | 164,128.18 | 164,128.18 |
| Total Equipment | | | | 164,128.18 | 164,128.18 |
| Land | | | | | |
| Airport Indust. Cent. Imps. | | | | | |
| Bill | 05/17/2024 | Wilson & Company, Inc. | Project 80 - progress estimate #3 | 27,200.00 | 27,200.00 |
| Credit Card Cha... | 05/30/2024 | City of Salina | Project 80: Zoning Map Amendment; Preliminary Subdivision Plat | 859.11 | 28,059.11 |
| Total Airport Indust. Cent. Imps. | | | | 28,059.11 | 28,059.11 |
| Total Land | | | | 28,059.11 | 28,059.11 |
| Total Fixed assets at cost | | | | 464,729.62 | 464,729.62 |
| Less accumulated depreciation | | | | | |
| General Journal | 05/31/2024 | | recur | -150,000.00 | -150,000.00 |
| General Journal | 05/31/2024 | | recur | -100,000.00 | -250,000.00 |
| Total Less accumulated depreciation | | | | -250,000.00 | -250,000.00 |
| TOTAL | | | | 214,729.62 | 214,729.62 |

Sales by Month
January through May 2024

Dollar Sales



Sales Summary
January through May 2024

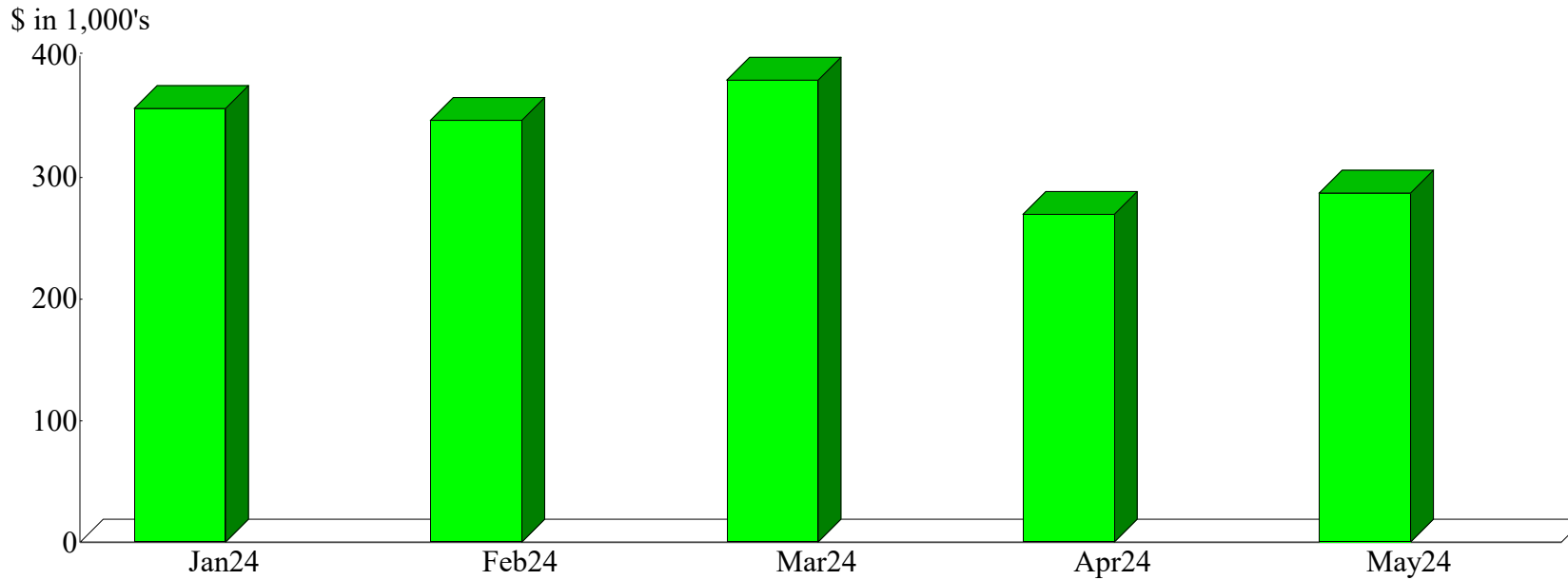


| | |
|---------------------------------|----------------|
| 1 Vision Aviation, PLLC | 19.53% |
| Saline County | 12.23 |
| Kansas Erosion Products, LLC. | 9.30 |
| Avflight Salina | 8.72 |
| Stryten Salina, LLC | 6.96 |
| Universal Forest Products (UFP) | 4.13 |
| K-State Salina | 3.72 |
| SkyWest Airlines, Inc. | 2.17 |
| City of Salina, KS | 2.04 |
| Nellis AFB | 1.80 |
| Other | 29.40 |
| Total | \$1,635,947.94 |

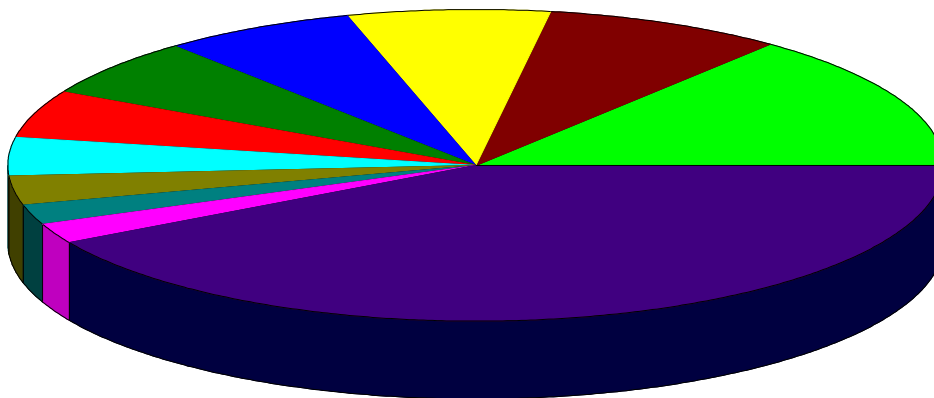
By Customer

Sales by Month
January through May 2024

Dollar Sales



Sales Summary
January through May 2024



By Item

Salina Airport Authority

Distributions from the Bond Project Funds

As of May 31, 2024

Accrual Basis

| Type | Date | Name | Memo | Debit | Credit | Balance |
|---------------------------------------|------------|---------------------------------------|--|------------|--------------|--------------|
| Cash in Bank-Bond Funds | | | | | | 7,054,459.45 |
| BSB 2022-1 GO Temp Note (9668) | | | | | | 4,954.78 |
| Deposit | 05/31/2024 | | Interest | 4.84 | | 4,959.62 |
| Total BSB 2022-1 GO Temp Note (9668) | | | | | | 4,959.62 |
| Equity- 2023 GO Bond (8824) | | | | | | 2,007,148.21 |
| Bill Pmt -Check | 05/10/2024 | APAC-Kansas, Inc., Shears Div. | Hangar H626 Parking Lot Milling and Paving | | 679,224.35 | 1,327,923.86 |
| Bill Pmt -Check | 05/10/2024 | Bret Givens Construction, Inc. | Progress Estimate #7 - GA Hangars | | 312.00 | 1,327,611.86 |
| Bill Pmt -Check | 05/10/2024 | City of Salina | Utility - H626 Cap. Exp. Water - Apr | | 50.17 | 1,327,561.69 |
| Bill Pmt -Check | 05/10/2024 | Dragun Corp | Professional Services - Engineering - Apr 2024 | | 2,763.75 | 1,324,797.94 |
| Bill Pmt -Check | 05/10/2024 | High Plains Communications, Inc. | Progress Payment - Final - Install Network Wiring | | 5,307.50 | 1,319,490.44 |
| Bill Pmt -Check | 05/10/2024 | Hutton Corporation | Progress Estimate 13 - Hangar H626 | | 368,253.74 | 951,236.70 |
| Bill Pmt -Check | 05/10/2024 | Jvation | Fuel Farm - Progress Estimate - 2 | | 74,300.00 | 876,936.70 |
| Bill Pmt -Check | 05/10/2024 | Sherwin Williams Co., Inc. | C Box Hangar - Paint | | 1,289.70 | 875,647.00 |
| Bill Pmt -Check | 05/24/2024 | American Environmental Aviation, Inc. | AIP 49 Fuel Farm - Progress payment No. 3 | | 1,197,225.86 | -321,578.86 |
| Bill Pmt -Check | 05/24/2024 | Every Inc | Utility - H626 Cap Exp Electric - 2024 Apr | | 722.05 | -322,300.91 |
| Bill Pmt -Check | 05/24/2024 | Kansas Gas Service | Utility - H626 Cap Ex. gas svc - transport - 2024 Apr | | 175.80 | -322,476.71 |
| Bill Pmt -Check | 05/24/2024 | Symmetry Energy Solutions, LLC | Utility - Natural Gas Delivery - 2024 Apr | | 66.28 | -322,542.99 |
| Bill Pmt -Check | 05/30/2024 | Bret Givens Construction, Inc. | Progress Estimate #6 - GA Hangars | | 40,000.00 | -362,542.99 |
| Bill Pmt -Check | 05/30/2024 | Prairie Landworks, Inc. | Progress billing 5 - GA Hangars site work | | 40,985.32 | -403,528.31 |
| Bill Pmt -Check | 05/30/2024 | Precision Electrical Contractors LLC | Progress Billing No. 4 - Electrical Contract at GA Hangars | | 62,389.35 | -465,917.66 |
| Transfer | 05/30/2024 | | Funds Transfer - Project Costs (2023 GO Bond Projects) | 500,000.00 | | 34,082.34 |
| Deposit | 05/31/2024 | | Interest | 5,947.79 | | 40,030.13 |
| Total Equity- 2023 GO Bond (8824) | | | | | | 40,030.13 |
| SFB-2023-GOTN CD (8250) | | | | | | 5,042,356.46 |
| Deposit | 05/05/2024 | | Interest | 20,460.92 | | 5,062,817.38 |
| Total SFB-2023-GOTN CD (8250) | | | | | | 5,062,817.38 |
| Total Cash in Bank-Bond Funds | | | | | | 5,107,807.13 |

RESOLUTION NUMBER 24-06

A RESOLUTION DECLARING THE INTENT OF THE BOARD OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY TO LEVY A TAX NOT TO EXCEED ONE MILL TO PROVIDE MATCHING FUNDS TO QUALIFY FOR ANY FEDERAL OR STATE GRANT RELATING TO THE DEVELOPMENT, IMPROVEMENT, OPERATION OR MAINTENANCE OF THE PUBLIC AIRPORT NOT OTHERWISE AVAILABLE FROM REVENUES OF THE AIRPORT FACILITY AND DIRECTING THE PUBLICATION OF NOTICE OF THE INTENTION TO MAKE SUCH ADDITIONAL LEVY.

BE IT RESOLVED by the Board of Directors of the Salina Airport Authority (the “Authority”):

1. Pursuant to K.S.A. 27-322(b), if the Authority is required to provide matching funds to qualify for any federal or state grant relating to the development, improvement, operation or maintenance of the public airport, and such funds are not otherwise available from revenues of the airport facility (“Matching Funds”), the Authority may levy a tax not to exceed one mill upon each dollar of the assessed tangible valuation of the property of the city.
2. In anticipation of the requirement to provide Matching Funds, the Board of Directors declares its intent to levy for that purpose a tax not to exceed one mill upon each dollar of the assessed tangible valuation of the property of the city.
3. As required by K.S.A. 27-322(b), the Board of Directors directs Salina Airport Authority staff to cause the following notice of its intent to be published in the *Salina Journal* once each week for two consecutive weeks:

NOTICE (K.S.A. 27-322(b))

The Board of Directors of the Salina Airport Authority intends pursuant to K.S.A. 27-322(b) to levy a tax not to exceed one mill upon each dollar of the assessed tangible valuation of the property of the city for when the Authority is required to provide matching funds to qualify for any federal or state grant relating to the development, improvement, operation or maintenance of the public airport, and such funds are not otherwise available from revenues of the airport facility.

This notice shall be published once each week for two consecutive weeks. If within 30 days next following the last publication of this notice a petition signed by not less than 5% of the qualified electors of the city requesting an election on the question of levying the additional mill authorized by K.S.A. 27-322(b) is filed with the City Clerk, an election on the question shall be noticed, called and held in the manner prescribed under the general bond law. If a majority of the qualified electors of the city voting at

such election vote “no” on the question of levying the additional mill, no levy shall be made under this subsection.

Salina Airport Authority
Stephanie Carlin, Chair

4. This resolution shall be in full force and effect following its adoption this 26st day of June 2024.

Stephanie Carlin, Board Chair

ATTEST:

Kasey L. Windhorst, Board Clerk

OPTION AGREEMENT

This Option Agreement is made as of this 10th day of October, 2023, by and between the **SALINA AIRPORT AUTHORITY**, whose principal office is located at 3237 Arnold, Salina, Saline County, Kansas, herein ("Grantor"), and **SUPERIOR CONTRACTING AND MANUFACTURING SERVICES, CO., INC.**, a Kansas corporation with its principal offices at 1655 Wall St., Salina, Saline County, Kansas, herein ("Grantee"), WITNESSETH:

Recitals

WHEREAS, Grantor is the owner of the following described real estate:

Lot 2, Block 1, Airport Industrial Center Subdivision to the City of Salina,
Saline County, Kansas, which is approximately 9.33 acres, more or less;

Herein referred to as "the Premises", and

WHEREAS, the Grantee has notified the Grantor of their desire to secure from the Grantor, an exclusive option to purchase or lease the Premises.

NOW, THEREFORE, in exchange for the valuable consideration further described below, the receipt and sufficiency of which is hereby acknowledged, Grantor gives and grants to Grantee an exclusive option to purchase or lease the Premises upon the following terms and conditions:

1. Term of Agreement. The term of this Agreement shall commence on December 1, 2023 and continue thereafter for a period of three (3) years ("Option Period").

2. Option Payment. In consideration of Grantee's payment to Grantor of the amount of \$1,000 ("Option Payment"), Grantor hereby grants to Grantee an exclusive option to purchase or lease the Premises during the Option Period. ("Option"). The Option Payment shall not apply to the purchase or lease price if Grantee exercises its Option to purchase or lease the Premises. If the Option is not exercised, then such payment shall be retained by Grantor as rent and liquidated damages.

3. Exercise of Option. Grantee has sole discretion whether to exercise the Option created hereunder. If Grantee chooses to exercise its Option, it shall notify Grantor in writing before the expiration of the Option Period. If Grantee chooses not to exercise its Option before the expiration of the Option Period, then this Agreement shall be of no further force or effect. The parties shall thereafter have no further liability to each other under this Agreement.

4. Purchase and Lease Price. If Grantee chooses to exercise its Option to purchase or lease the

Premises, the purchase or lease price shall be as follows:

| On or Before | Base Per sq. ft. (land) | Land Value | Option Fee | Option Price | Price per sq. ft. with option fee | Lease Price per sq. ft. per year |
|--------------|----------------------------|------------|-------------|--------------|--------------------------------------|--|
| 2/29/2024 | \$0.5510 | \$223,920 | \$5,000.00 | \$228,920.00 | \$0.5633 | \$0.0386 |
| 2/28/2025 | \$0.5620 | \$228,398 | \$10,000.00 | \$238,398.40 | \$0.5866 | \$0.0400 |
| 2/28/2026 | \$0.5732 | \$232,966 | \$15,000.00 | \$247,966.37 | \$0.6101 | \$0.0414 |

5. Possession and Use of Premises. During the Option Period, Grantor shall retain possession and have exclusive control of the use of the Premises until such a time as Grantee exercises its Option.

6. Taxes and Special Assessments. In further consideration of the Grantor granting Grantee the exclusive option to purchase the premises, Grantee agrees to pay all real estate taxes and special assessments levied for 2023, prorated from the commencement date of the Option Agreement, and which may be levied against the Premises during the Option Period. Upon the Authority's receipt of a statement for taxes or assessments, the Authority will invoice Grantee. When applicable, Grantee may determine whether to exercise the option to pay only the first half or the entire obligation. Grantee agrees to make payment to the Authority the full amount due under the chosen option no later than December 15 for taxes or assessments due December 20, and no later than May 5 for taxes or assessments due May 10.

7. Closing Date and Possession. If Grantee exercises the Option, Grantor and Grantee shall promptly execute a Contract of Sale of Real Estate, for a closing date on or before 60 days following the date Grantor receives written notice of the exercise of the Option by Grantee. If Grantor has not furnished marketable title as of that date, then the closing date shall be the day following the date on which marketable title can be furnished. The Contract of Sale of Real Estate shall be in similar form and shall include substantially the same terms as the draft contract attached herewith as Exhibit A.

8. Assignment. Grantee shall not have the right to assign or transfer this Agreement, or any interest thereunder, without Grantor's prior written consent, which shall not be unreasonably withheld.

9. Relationship of the Parties. If Grantee exercises its Option, the relationship of the parties shall be solely that of buyer and seller, nothing herein shall create any other relationship or liability.

10. Written Notice. "Written Notice" as used in this Agreement shall be deemed to be given when either hand-delivered, or deposited, postage prepaid, sent certified mail in the United States mail, addressed to Grantor or Grantee at the address or addresses stated above. Grantor and

Grantee shall have the right to change their respective address for delivery of notice hereunder by specifying a new address in writing and delivering the written instrument specifying such new address to the other party hereto.

11. Representation of Parties. Grantor is represented herein by Greg A. Bengtson of the law firm of Clark, Mize & Linville, Chartered, Salina, Kansas. Grantee is advised that it has the right to such independent legal counsel of its own choosing to represent it herein and to advise it with respect to this matter and by its signatures on this document, Grantee acknowledges that it has either seen separate counsel of its own choosing or has elected to proceed without separate counsel herein.

12. Captions. The captions contained herein are for the purpose of convenient reference and do not separately define, limit, or describe the scope and intent of any section to the exclusion of consideration of all other provisions of the Agreement contained in all other sections.

13. Construction. The language used in this Agreement shall be deemed to be language chosen by both parties hereto to express their mutual intent, and no rule of strict construction against either party shall apply to any term or condition of this Agreement.

14. Extent of Agreement. This Agreement shall be binding upon the successors and assigns of the respective parties hereto and may be executed in any number of counterparts, each of which shall be deemed an original, or in multiple originals, and all such counterparts or originals shall for all purposes constitute one agreement.

15. Default. If either party fails to comply with the terms of this Agreement after 10 days' written notice of breach, the other shall be entitled to pursue any remedies available at law or in equity.

16. Waiver. The failure of either party to insist upon prompt performance of any condition or provision hereof, shall not constitute a waiver of the right of that party to insist upon prompt and punctual performance at any other time.

17. No Commission. The parties hereby stipulate that they have not consulted with any real estate broker or salesperson with respect to this sale, and no commissions arising from this sale are due and owing.

18. No Oral Agreements. This Agreement constitutes the entire agreement between the parties and there are no representations, warranties, conditions, or agreements other than those expressly set forth herein. No other agreement, statement, promise, warranty, or representation made by any party to this agreement that is not in writing and signed by all parties to this agreement shall be binding.

19. Governing Law. This Agreement shall be governed by the laws of the state of Kansas.

IN WITNESS WHEREOF, the parties have signed or caused this Agreement to be signed by its duly authorized officers as of the day and year first above written.

SALINA AIRPORT AUTHORITY "GRANTOR"

Date 11.15.2023

By: 

Chairman
Board of Directors

ATTEST


Date 11.15.2023

By: Kasey Windhorst

Kasey Windhorst
Name Business & Comm. Manager
Salina Airport Authority
Title

**SUPERIOR CONTRACTING AND MANUFACTURING SERVICES, CO., INC.,
"GRANTEE"**

Date 10-10-23

By: 

ATTEST

Date 10-10-23

By: 

Trevor Franzen
Name
COO
Title

CONTRACT OF SALE OF REAL ESTATE

This Contract for Sale of Real Estate is made and entered into this ____ day of _____, 2024, by the **SALINA AIRPORT AUTHORITY** of Salina, Saline County, Kansas, (“Seller”), and **SUPERIOR CONTRACTING AND MANUFACTURING SERVICES, CO., INC.**, a Kansas corporation with its principal offices at 1655 Wall St., Salina, Saline County, Kansas, herein (“Buyer”), WITNESSETH:

Recitals

A. Seller owns real estate suitable for industrial development and has determined it to be in the public interest to promote the private development of that real estate through its sale to parties wishing to develop it.

B. Seller wishes to sell and Buyer wishes to purchase the real estate described below upon the terms and conditions set forth in this Contract.

FOR AND IN CONSIDERATION of the mutual and reciprocal promises and agreements set forth herein, the parties agree as follows:

Section 1 – Description. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the following described real estate situated in Saline County, Kansas:

Lot 2, Block 1, of the Airport Industrial Center Subdivision, a replat of Lot 1, Block 1 in the replat of Lot 3, Block 5, Airport Industrial Center Subdivision and a replat of Lots 1 & 3, Block 4, Lot 2, Block 5 of the Airport Industrial Center Subdivision, to the City of Salina, Saline County, Kansas, which is approximately 9.33 acres, more or less;

together with the appurtenances thereto belonging (herein “Premises”), upon the following terms and subject to the conditions and requirements hereinafter set forth.

Section 2 – Purchase Price. The purchase price for the Premises shall be the sum of Two Hundred Thirty-eight Thousand, Three Hundred and Ninety-eight dollars and 40/00 (\$238,398.40), payment of which is to be made in the following manner at the following times:

- (a) Five Thousand Dollars (\$5,000.00) earnest money shall be paid to the Escrow Agent upon the execution of this Contract; and
- (b) Two Hundred Thirty-three Thousand, Three Hundred and Ninety-eight dollars and 40/00 (\$233,398.40), shall be paid in cash on the Closing Date.

Section 3 – Reservation of Aerial Easement. Seller hereby reserves unto itself, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises herein conveyed, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or land at,

taking off from, or operating on or about the Salina Regional Airport (the “Aerial Easement”). Therefore, under no circumstances shall the finished elevation of any structure or the height of any equipment on the Premises exceed 1,419 ft. above sea level. The Aerial Easement shall also be reserved in the warranty deed conveying title to the Premises to Buyer.

Section 4 - Site Development Review. Seller's Board of Directors must approve the site development and building construction plans based on their architectural review prior to commencement of construction. This site development review requirement shall also be noted on the warranty deed conveying title to the Premises to Buyer.

Section 5 - Notice of Proposed Construction. - Prior to the commencement of any construction or alteration on the Premises, the buyer must review and determine if any proposed construction on the Premises will require a Notice of Proposed Construction or Alteration (FAA Form 7460-1, OMB 2120-0001), to be filed with the Federal Aviation Administration. If any construction or alteration on the Premises should require the submission of FAA Form 7460-1, the Buyer shall notify the FAA of such construction or alteration and submit FAA Form 7460-1, via <https://oeaaa.faa.gov/oeaaa/external/portal.jsp>.

Section 6 - Deed Covenant Prohibiting Use as an Adult-Oriented Business. As partial consideration for the purchase of the Land, Buyer agrees and covenants that the Land and any improvements thereon shall not be used or operated as an “Adult-Oriented Business” as defined by ordinance of the City of Salina, Kansas, (“City”) or the substantial equivalent of an Adult- Oriented Business as that term or its definition may, from time to time, be amended by the governing body of the City. This covenant shall be set forth on the warranty deed conveying title to the Land to Buyer and shall be a covenant running with and binding upon the Land, in perpetuity.

Section 7 – Reservation of Nonrenewable Resources. Seller reserves to itself, its successors, and assigns, all the oil, gas, and minerals in and under the surface of said land, including the right of ingress and egress and use of so much of the surface thereof as may be reasonably necessary for the operation so long as such right does not interfere with the intended use of the property. This covenant shall be set forth on the warranty deed conveying title to the Land to Buyer and shall be a covenant running with and binding upon the Land, in perpetuity.

Section 8 – Payment of Expenses.

- (a) Seller shall pay the following items:
 - (1) Cost of preparation of contract, deed, and real estate sales validation questionnaire;
 - (2) One-half of title insurance premium; and
 - (3) One-half of escrow fee
- (b) Buyer shall pay the following items:
 - (1) One-half of title insurance premium;
 - (2) One-half of escrow fee;
 - (3) Cost of recording deed.

Section 9 – Escrow Agent. C.W. Lynn Abstract Company, Inc., Salina, Kansas, is hereby designated as the Escrow Agent of the parties and shall hold this Contract, deed, title insurance

policy, and all other papers of transfer pending the complete fulfillment of this Contract. The Escrow Agent shall receive and disburse all payments to be paid hereunder.

Section 10 - Evidence of Title. Seller shall provide Buyer with a commitment for an owner's title insurance policy covering the Premises for an amount equal to the purchase price. This commitment shall demonstrate marketable title in the Seller's name, free and clear of all liens and encumbrances, except for:

- (a) easements and restrictions of record,
- (b) subject to tenants' rights, if any,
- (c) reservations set out in Section 3, 4, 6 & 7.

If Seller cannot furnish a marketable title to the Premises within a reasonable time, then this Contract shall be null and void and the earnest money paid hereunder shall be refunded to Buyer.

Section 11 – Closing Date, Delivery of Deed, and Possession. Time is expressly declared to be of the essence of this Contract. Closing Date shall be on or before July 31, 2024. If Buyer shall pay the sums of money as they become due and payable, and otherwise fully comply with the provisions of this Contract, then this Contract shall become binding, and the Escrow Agent shall at Closing deliver the warranty deed and title insurance policy to the Premises to Buyer. No title shall pass hereunder to Buyer but shall remain in Seller until the foregoing conditions have been fully complied with. Seller agrees that Buyer shall have possession of the Premises immediately following the Closing.

Section 12 – Taxes. While the Premises are currently exempt from real estate taxes, the parties acknowledge that the Saline County Appraiser will assess real estate taxes against the currently exempt lot for 2024, prorated effective upon the recording of the deed from Seller to Buyer. Buyer shall be responsible for payment of any real estate taxes assessed against the currently exempt lot for 2024 and thereafter.

Section 13 – Warranties. Seller warrants that it is the lawful owner of the Premises and that the Premises are free and clear of all liens and encumbrances, except easements and restrictions, which now appear of record.

Section 14 – Inspection of Premises. Buyer acknowledges that the Premises have been inspected and Buyer agrees to accept the Premises in its present condition and fitness for contemplated use and that the Seller has made no warranties as to fitness or condition not set forth in this Contract.

Section 15 - Assignment. Buyer shall not have the right to assign or transfer this Contract, or any interest thereunder, without the prior written consent of Seller; provided however, that such consent may not unreasonably be withheld.

Section 16 – Environmental Hazard. In consideration of the purchase price, the Buyer, its successors, and assigns, shall, effective on the Closing Date, release and forever discharge the Seller, its successors and assigns, from any and all claims, by any and all persons, arising out of or

in relation to any hazardous materials occurring on or under the Premises after the Closing Date. The Seller shall release and forever discharge the Buyer, its successors, and assigns, from any and all claims arising out of or in relation to any hazardous materials occurring on or under the Premises prior to or on the Closing Date.

The term "hazardous materials" shall include, but not be limited to:

- (a) any substance not naturally occurring on the Premises at the existing concentration of such substance on the Premises;
- (b) any substance that may cause or contribute to an adverse effect on human health or welfare or on the environment; or
- (c) "hazardous substance," "pollutant," or any other similar term now or hereinafter defined in, or regulated by, any federal, state, or local law or regulation.

Notice of the terms of this Section 16 may be recorded as a separate instrument with the Saline County, Kansas Register of Deeds.

Section 17 – Waiver. The waiving of any payment provided for herein or the acceptance of the same at any time other than the designated payment time, or the failure of Seller to insist upon prompt performance of any condition or provisions hereof, shall not constitute a waiver of the right of Seller to insist upon prompt and punctual performance at any other time hereunder.

Section 18 - No Commission. The parties hereby stipulate that they have not consulted with any real estate broker or salesman with respect to this sale, and no commissions arising from this sale are due and owing. If, for any reason, a real estate commission is determined to be owed in relation to this transaction, Buyer agrees to be responsible for its payment.

Section 19 - Real Estate Reporting Person. The parties agree that the Escrow Agent is the real estate reporting person as that term is defined under Internal Revenue Code Section 6045(e). Seller agrees to provide Escrow Agent with a written statement, certified under penalties of perjury, setting forth Seller's correct name, address, and taxpayer identification number. The parties further agree that Escrow Agent shall be required to file the informational return required by Internal Revenue Code Section 6045(e).

Section 20 - No Oral Agreements. This Contract constitutes the entire agreement between the parties and there are no representations, warranties, conditions, or agreements other than those expressly set forth herein. No other agreement, statement, promise, warranty or representation made by any party to this agreement that is not in writing and signed by all parties to this agreement shall be binding.

Section 21 - Representation of Parties. Seller is represented herein by Greg A. Bengtson of the law firm of Clark, Mize & Linville, Chartered, Salina, Kansas. Buyer is advised that it has the right to such independent legal counsel of its own choosing to represent it herein and to advise it with respect to this matter and by its signatures on this document, Buyer acknowledges that it has either seen separate counsel of its own choosing or has elected to proceed without separate counsel herein.

Section 22 - Default. If Buyer defaults in the payment of any sums due hereunder, or fails to perform any other covenant herein contained after receiving ten (10) days written notice of such

breach, then in addition to any other remedies available and at the option of the Seller, Seller shall have the right to (a) begin action to require the specific performance of this Contract by Buyer; (b) seek damages for the failure of Buyer to perform this Contract according to the conditions herein stated, or (c) elect to cancel this Contract and to retain the earnest money paid hereunder as liquidated damages.

Section 23 - Survival of Terms Beyond Closing. Any agreements or covenants set forth in this Contract which by their terms are intended to endure beyond the Closing Date shall remain in full force and effect after Closing.

Section 24 - Extent of Contract. This Contract shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties have signed or caused this Contract to be signed by its duly authorized officers on the day and year first above written.

Date: _____

SALINA AIRPORT AUTHORITY


By

Donald Boos, Vice Chairman
"Buyer"

SUPERIOR CONTRACTING AND MANUFACTURING SERVICES, CO., INC.,

Date: 06-17-2024

By



Mark Millard, Chief Financial Officer
"Buyer"

RECEIPT BY ESCROW AGENT

The undersigned hereby acknowledges receipt of the executed original of this Contract and agrees to act as Escrow Agent and Real Estate Reporting Person as defined under Internal Revenue Code Section 6045(e). Seller shall execute and deliver a general warranty deed upon execution of this Contract to the Escrow Agent. Said deed shall be delivered to Buyer by the Escrow Agent upon the closing of this Contract, pursuant to its terms. This receipt is executed this ____ day of _____, ____.

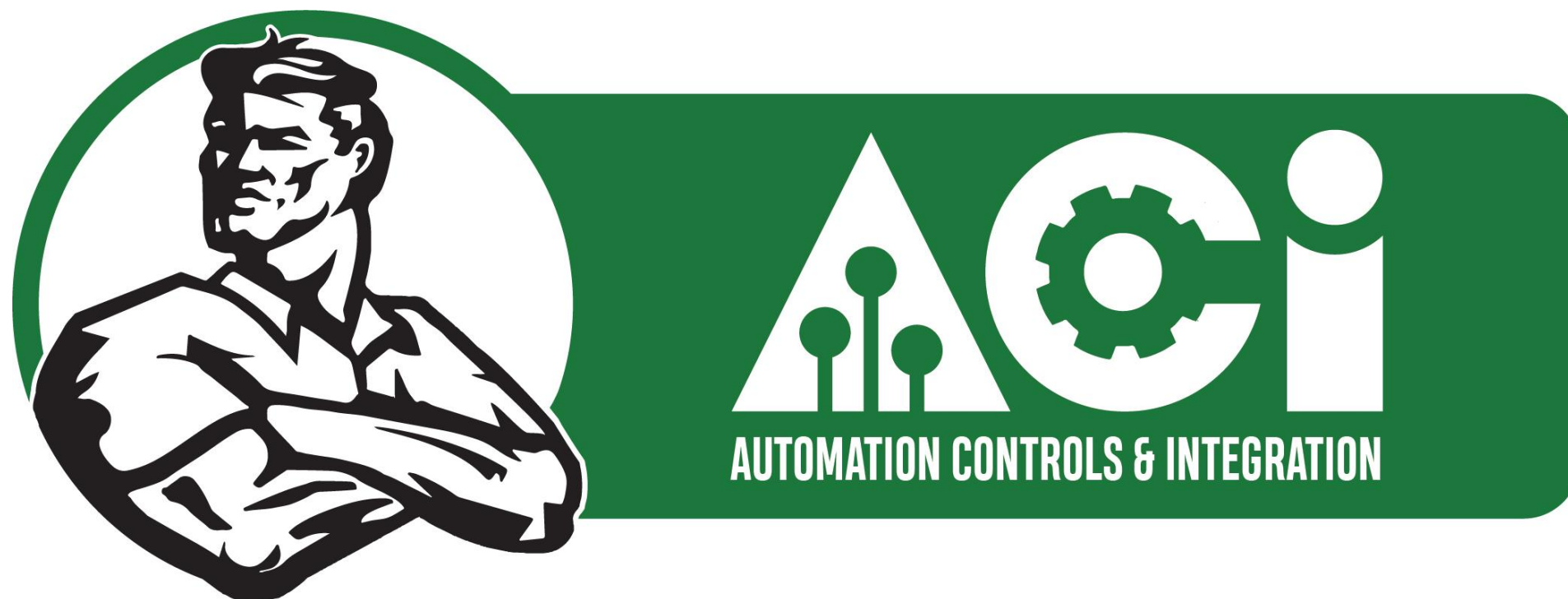
LAND TITLE SERVICES, INC.

By: _____



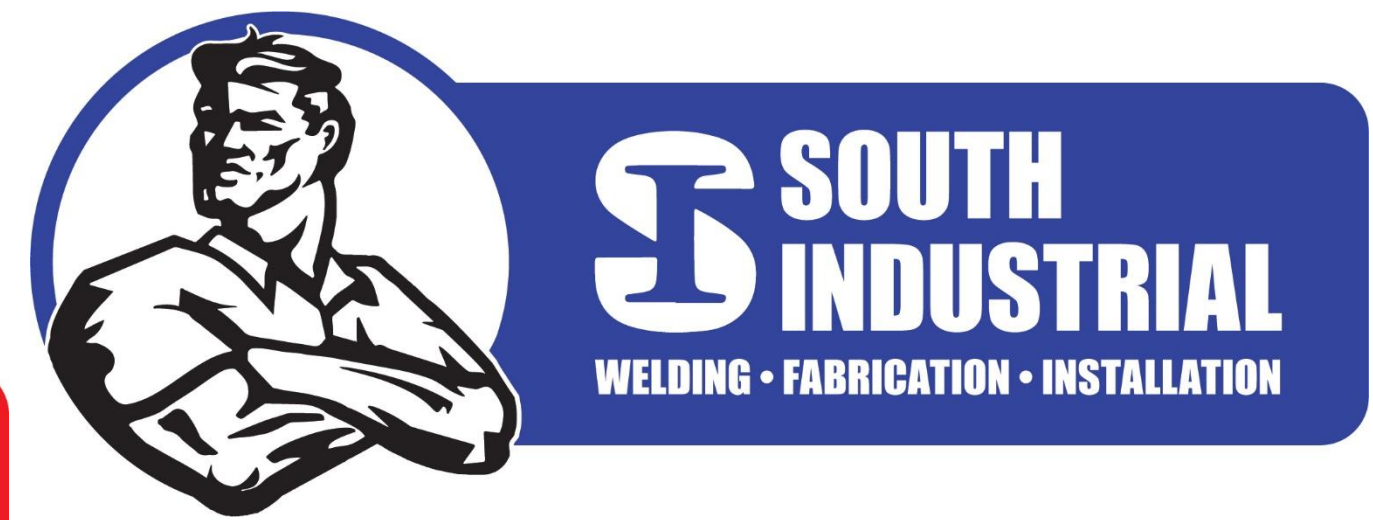
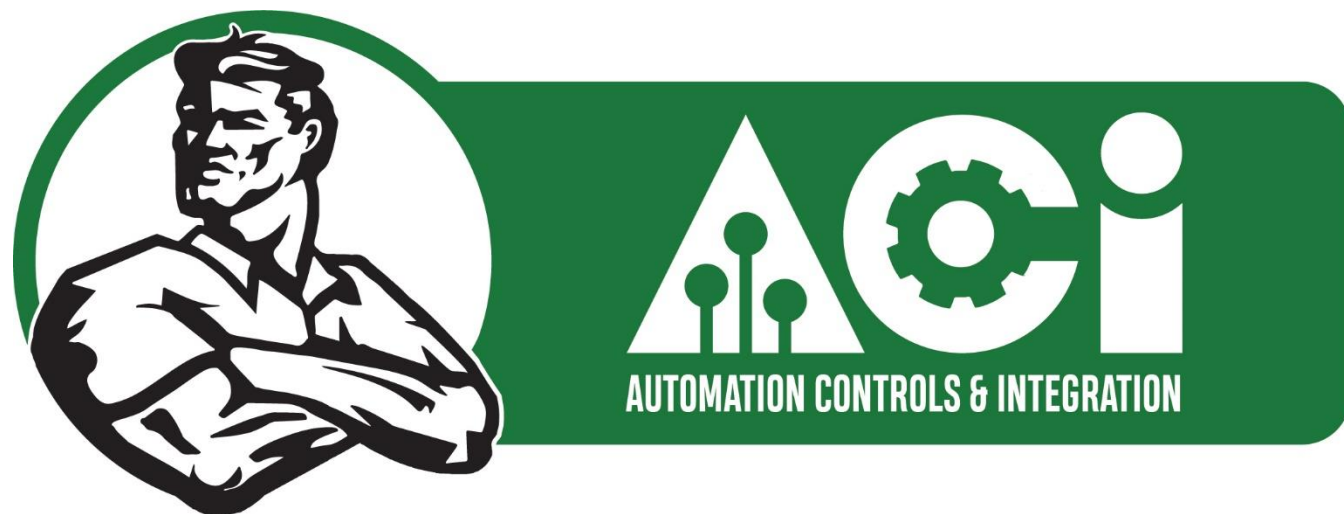
SALINA ECONOMIC DEVELOPMENT ORGANIZATION
6.20.24

Service Expansion



- Automation and Controls
- Panel Design and Programming
- Industrial Equipment Service and Repair
- Custom Automation





Local Manufacturing

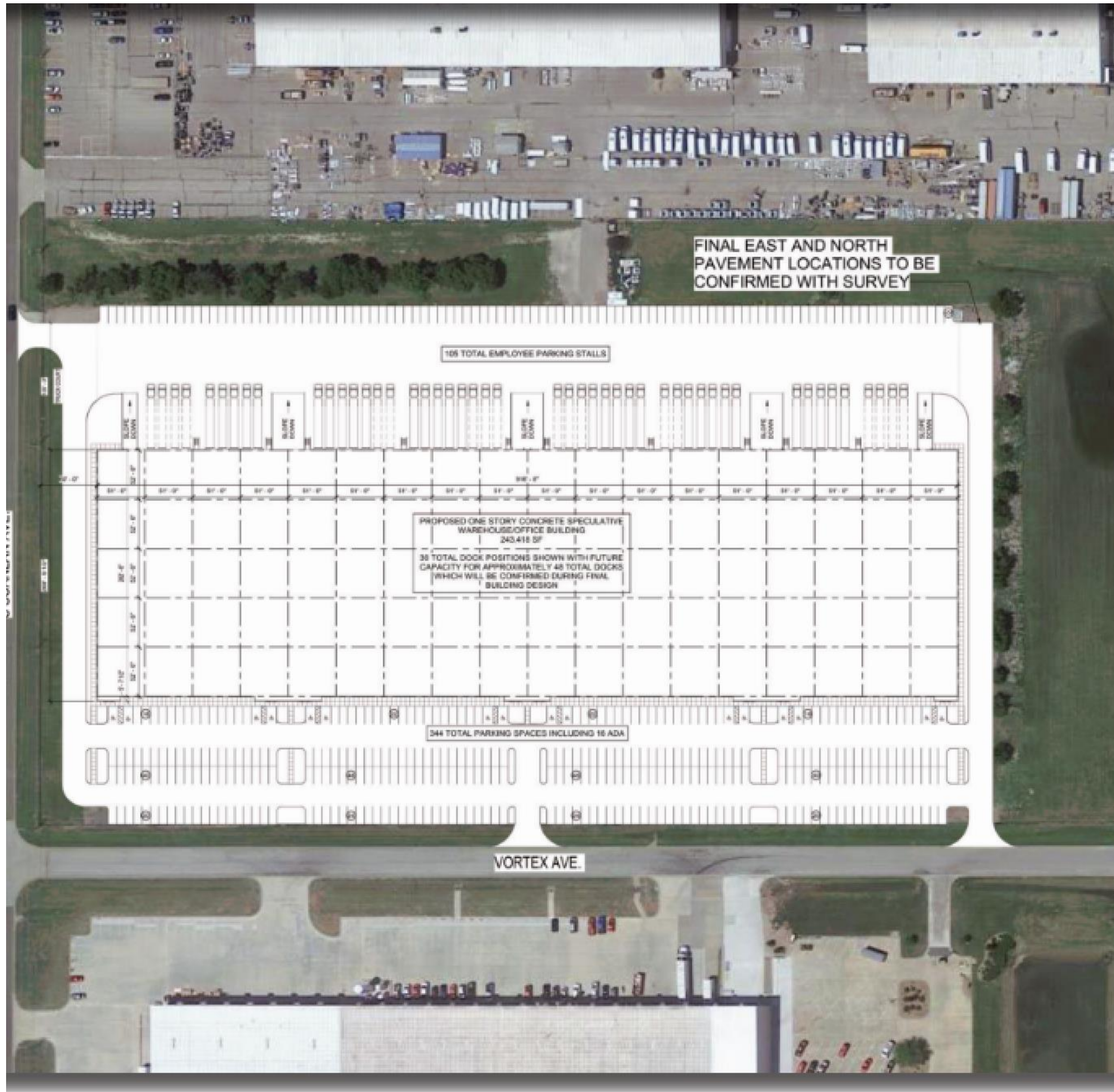
- Skid Mounted Systems
- Specialized Fabrication
- Controls
- Engineering and Design
 - Equipment Sizing
 - Layout
 - Drafting and Modeling



Superior Warehouse

- 140,000 sq ft total
 - 2 Buildings
- Both Drive through and loading dock doors
- 8 Spaces
 - 15-20,000 sq ft spaces
- Local businesses
- Existing Superior Tenants

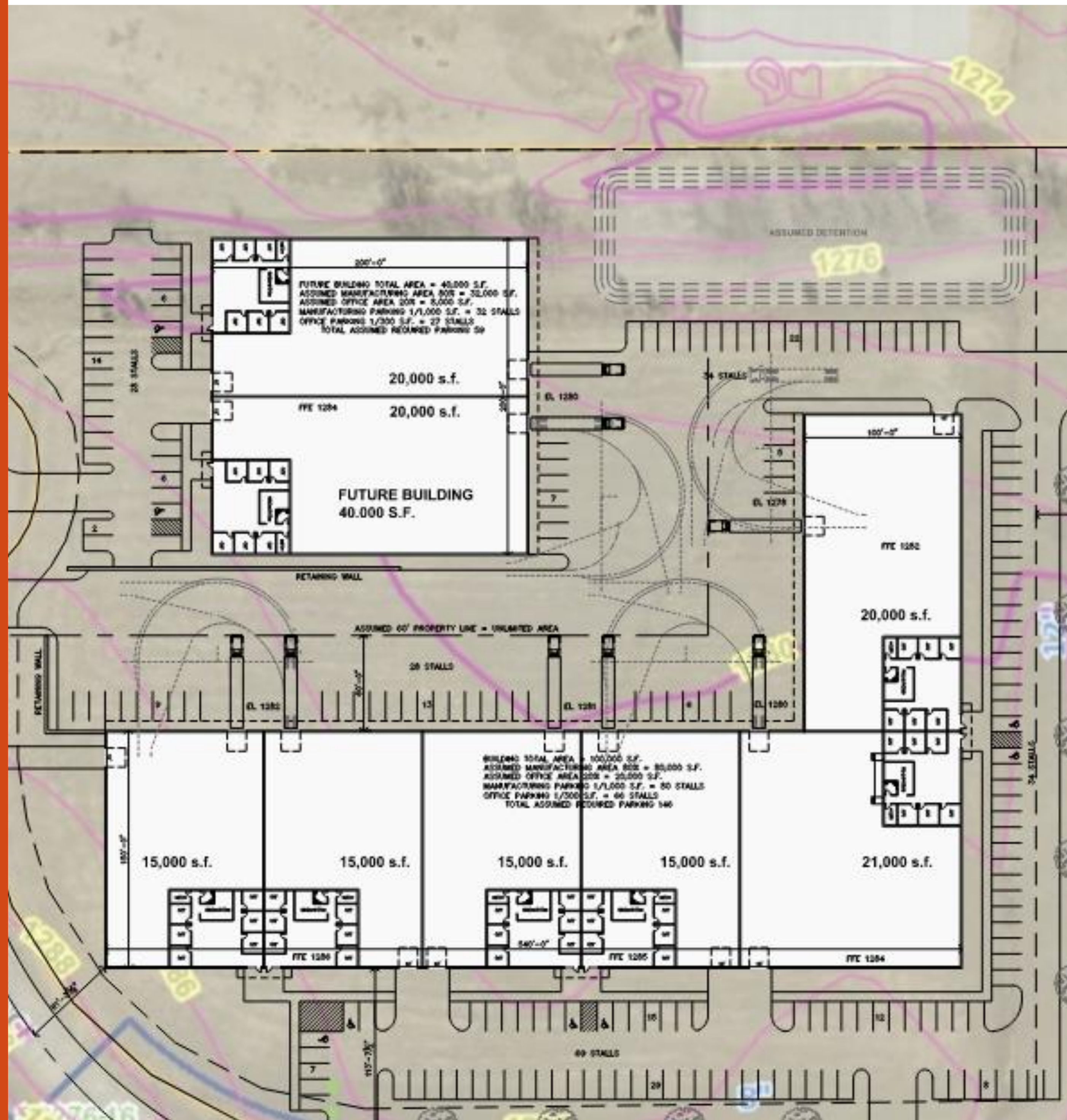





1750 Vortex Ave

- Timeframe of Completion
- Min 50,000 sq ft spaces
- \$20+ Million cost
- \$6-7 sq ft

Layout





Multiple business
expansions underway fueling
demand for more warehouse space.

SLN Airport Industrial Center Growth and Development

- 1Vision Aviation, Salina *
- Durham School Services *
- Flotation Technologies *
- Geoprobe Systems
- Kansas Erosion Products *
- Pure Imagination Labs
- RMA Engineering *
- Schwan's Food Company *
- Stryten Salina *
- Superior Group
- Universal Forest Products *

* SAA Tenants



Schwan's Food Company Growth

- 350,000 SF Expansion
- Multistate freezer, warehouse, and distribution center



[Hot link to Google Earth](#)

Advantages

- Broader Appeal to Local Organizations
- Expansion Opportunity
- Work with Local Contractors
- Smaller facility- Lower Costs



Challenges

- Time Frame
- Interest Rates
- Rising costs
 - ~\$10 Million Bldg 1
 - ~\$4 Million Bldg 2
 - \$7-8 sq ft rate



OPTION AGREEMENT

This Option Agreement is made as of this 28 day of June, 2021, by and between the **SALINA AIRPORT AUTHORITY**, whose principal office is located at 3237 Arnold, Salina, Saline County, Kansas, herein ("SAA"), and **KEJR, INC., d/b/a GEOPROBE SYSTEMS**, a Kansas corporation with its principal offices at 1835 Wall St., Salina, Saline County, Kansas, herein ("GEOPROBE"), WITNESSETH:

Recitals

WHEREAS, SAA is the owner of the following described real estate:

Lot 1, Block 5, Airport Industrial Center Subdivision to the City of Salina, Saline County, Kansas, which is approximately 10.33 acres, more or less;

herein referred to as "the Premises", and

WHEREAS, SAA and GEOPROBE entered into an agreement on September 30, 2005 ("2005 Agreement") providing GEOPROBE with an exclusive option to purchase or lease the above Premises and a second tract briefly described as Lot 1, Block 1 of the Airport Industrial Center Subdivision Unit No. 2 (13.57 acres).

WHEREAS, on March 1, 2007, GEOPROBE exercised their option to purchase Lot 1, Block 1 of the Airport Industrial Center Subdivision Unit No. 2.

WHEREAS, on September 30, 2008, the 2005 Agreement expired.

WHEREAS, SAA and GEOPROBE entered into an agreement on November 18, 2008, ("2008 Agreement") providing GEOPROBE with an exclusive option to purchase or lease the above described Premises.

WHEREAS, on September 30, 2011, the 2008 Agreement expired.

WHEREAS, GEOPROBE has notified the SAA of their desire to once again secure from the SAA, an exclusive option to purchase or lease the Premises, which is the one remaining tract from the 2005 Agreement.

NOW, THEREFORE, in exchange for the valuable consideration further described below, the receipt and sufficiency of which is hereby acknowledged, SAA gives and grants to GEOPROBE an exclusive option to purchase or lease the Premises upon the following terms and conditions:

1. Term of Agreement. The term of this Agreement shall commence on July 1, 2021, and continue thereafter for a period of three (3) years ("Option Period").

2. Option Payment. In consideration of GEOPROBE's payment to SAA of the amount of \$1,000 ("Option Payment"), SAA hereby grants to GEOPROBE an exclusive option to purchase or lease the Premises during the Option Period. ("Option"). The Option Payment shall not apply to the purchase or lease price if GEOPROBE exercises its Option to purchase or lease the Premises. If the Option is not exercised, then such payment shall be retained by SAA as rent and liquidated damages.

3. Exercise of Option. GEOPROBE has sole discretion whether to exercise the Option created hereunder. If GEOPROBE chooses to exercise its Option, it shall notify SAA in writing before the expiration of the Option Period. If GEOPROBE chooses not to exercise its Option before the expiration of the Option Period, then this Agreement shall be of no further force or effect. The parties shall thereafter have no further liability to each other under this Agreement.

4. Purchase and Lease Price. If GEOPROBE chooses to exercise its Option to purchase or lease the Premises, the purchase or lease price shall be as follows:

| On or Before | Base Per sq. ft. (land) | Lot 1, Block 5 Land Value | Option Fee | Option Price, Lot 1, Block 5 | Price per sq. ft. with option fee | Lease Price, Lot 1, Block 5 per sq. ft. per year |
|--------------|----------------------------|------------------------------|-------------|---------------------------------|--------------------------------------|---|
| 6/30/2022 | \$0.5044 | \$226,922 | \$5,000.00 | \$231,922.00 | \$0.5155 | \$0.0353 |
| 6/30/2023 | \$0.5145 | \$231,460 | \$10,000.00 | \$241,460.44 | \$0.5367 | \$0.0366 |
| 6/30/2024 | \$0.5248 | \$236,090 | \$15,000.00 | \$251,089.65 | \$0.5581 | \$0.0379 |

5. Possession and Use of Premises. During the Option Period, SAA shall retain possession and have the exclusive control of the use of the Premises until such a time as GEOPROBE exercises its Option.

6. Taxes and Special Assessments. In further consideration of the SAA granting GEOPROBE the exclusive option to purchase the premises, GEOPROBE agrees to pay all real estate taxes and special assessments levied for 2021, prorated from the commencement date of the Option Agreement, and which may be levied against the Premises during the Option Period. Upon the Authority's receipt of a statement for taxes or assessments, the Authority will invoice GEOPROBE. When applicable, GEOPROBE may determine whether to exercise the option to pay only the first half or the entire obligation. GEOPROBE agrees to make payment to the Authority the full amount due under the chosen option no later than December 15 for taxes or assessments due December 20, and no later than May 5 for taxes or assessments due May 10.

7. Closing Date and Possession. If GEOPROBE exercises the Option, SAA and GEOPROBE shall promptly execute a Contract of Sale of Real Estate, for a closing date on or before 60 days following the date SAA receives written notice of the exercise of the Option by GEOPROBE. If SAA has not furnished marketable title as of that date, then the closing date shall be the day following the date on which marketable title can be furnished. The Contract of Sale of Real Estate shall be in similar form and shall include substantially the same terms as the draft contract attached herewith as Exhibit A.

8. Assignment. GEOPROBE shall not have the right to assign or transfer this Agreement, or any interest thereunder, without SAA's prior written consent, which shall not be unreasonably withheld.

9. Relationship of the Parties. If GEOPROBE exercises its Option, the relationship of the parties shall be solely that of buyer and seller, nothing herein shall create any other relationship or liability.

10. Written Notice. "Written Notice" as used in this Agreement shall be deemed to be given when either hand-delivered, or deposited, postage prepaid, sent certified mail in the United States mail, addressed to SAA or GEOPROBE at the address or addresses stated above. SAA and GEOPROBE shall have the right to change their respective address for delivery of notice hereunder by specifying a new address in writing and delivering the written instrument specifying such new address to the other party hereto.

11. Representation of Parties. SAA is represented herein by Greg A. Bengtson of the law firm of Clark, Mize & Linville, Chartered, Salina, Kansas. GEOPROBE is advised that it has the right to such independent legal counsel of its own choosing to represent it herein and to advise it with respect to this matter and by its signatures on this document, GEOPROBE acknowledges that it has either seen separate counsel of its own choosing or has elected to proceed without separate counsel herein.

12. Captions. The captions contained herein are for the purpose of convenient reference and do not separately define, limit or describe the scope and intent of any section to the exclusion of consideration of all other provisions of the Agreement contained in all other sections.

13. Construction. The language used in this Agreement shall be deemed to be language chosen by both parties hereto to express their mutual intent, and no rule of strict construction against either party shall apply to any term or condition of this Agreement.

14. Extent of Agreement. This Agreement shall be binding upon the successors and assigns of the respective parties hereto and may be executed in any number of counterparts, each of which shall be deemed an original, or in multiple originals, and all such counterparts or originals shall for all purposes constitute one agreement.

15. Default. If either party fails to comply with the terms of this Agreement after 10 days' written notice of breach, the other shall be entitled to pursue any remedies available at law or in

equity.

16. Waiver. The failure of either party to insist upon prompt performance of any condition or provision hereof, shall not constitute a waiver of the right of that party to insist upon prompt and punctual performance at any other time.

17. No Commission. The parties hereby stipulate that they have not consulted with any real estate broker or salesperson with respect to this sale, and no commissions arising from this sale are due and owing.

18. No Oral Agreements. This Agreement constitutes the entire agreement between the parties and there are no representations, warranties, conditions, or agreements other than those expressly set forth herein. No other agreement, statement, promise, warranty or representation made by any party to this agreement that is not in writing and signed by all parties to this agreement shall be binding.

19. Governing Law. This Agreement shall be governed by the laws of the state of Kansas.

IN WITNESS WHEREOF, the parties have signed or caused this Agreement to be signed by its duly authorized officers as of the day and year first above written.


SALINA AIRPORT AUTHORITY

Date July 21, 2021

By: 
Kristin Gurn
Chair

**KEJR, INC. D/B/A
GEOPROBE SYSTEMS**

Date 6/28/2021

By: 
Tom Omli
President

CONTRACT OF SALE OF REAL ESTATE

This Contract for Sale of Real Estate is made and entered into this ____ day of _____, by the **SALINA AIRPORT AUTHORITY** of Salina, Saline County, Kansas, ("Seller"), and _____ a _____ corporation with its principal offices at _____ ("Buyer"), WITNESSETH:

Recitals

A. Seller owns real estate suitable for industrial development and has determined it to be in the public interest to promote the private development of that real estate through its sale to parties wishing to develop it.

B. Seller wishes to sell and Buyer wishes to purchase the real estate described below upon the terms and conditions set forth in this Contract.

FOR AND IN CONSIDERATION of the mutual and reciprocal promises and agreements set forth herein, the parties agree as follows:

Section 1 – Description. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the following described real estate situated in Saline County, Kansas:

together with the appurtenances thereto belonging (herein "Premises"), upon the following terms and subject to the conditions and requirements hereinafter set forth.

Section 2 – Purchase Price. The purchase price for the Premises shall be the sum of _____ (\$ _____), payment of which is to be made in the following manner at the following times:

- (a) Five Thousand Dollars (\$5,000.00) earnest money shall be paid to the Escrow Agent upon the execution of this Contract; and
- (b) _____ <balance> _____ (_____), shall be paid in cash on the Closing Date.

Section 3 – Reservation of Aerial Easement. Seller hereby reserves unto itself, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises herein conveyed, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or land at, taking off from, or operating on or about the Salina Municipal Airport (the "Aerial Easement"). Therefore, under no circumstances shall the finished elevation of any structure or the height of any equipment on the Premises exceed _____, above sea level. The Aerial Easement shall also be reserved in the warranty deed conveying title to the Premises to Buyer.

Section 4 - Site Development Review. Seller's Board of Directors must approve the site development and building construction plans based on their architectural review prior to commencement of construction. This site development review requirement shall also be noted on the warranty deed conveying title to the Premises to Buyer.

Section 5 - Notice of Proposed Construction. - Prior to the commencement of any construction or alteration on the Premises, the buyer must review and determine if any proposed construction on the Premises will require a Notice of Proposed Construction or Alteration (FAA Form 7460-1, OMB 2120-0001), to be filed with the Federal Aviation Administration. If any construction or alteration on the Premises should require the submission of FAA Form 7460-1, the Buyer shall notify the FAA of such construction or alteration and submit FAA Form 7460-1, as provided with "Exhibit B" attached herewith.

Section 6 - Payment of Expenses.

- (a) Seller shall pay the following items:
 - (1) Cost of preparation of contract, deed, and real estate sales validation questionnaire;
 - (2) One-half of title insurance premium; and
 - (3) One-half of escrow fee
- (b) Buyer shall pay the following items:
 - (1) One-half of title insurance premium;
 - (2) One-half of escrow fee;
 - (3) Cost of recording deed.

Section 7 - Escrow Agent. C.W. Lynn Abstract Company, Inc., Salina, Kansas, is hereby designated as the Escrow Agent of the parties and shall hold this Contract, deed, title insurance policy, and all other papers of transfer pending the complete fulfillment of this Contract. The Escrow Agent shall receive and disburse all payments to be paid hereunder.

Section 8 - Evidence of Title. Seller shall provide Buyer with a commitment for owners policy of title insurance covering the Premises in the amount of the purchase price showing marketable title in and to the above described real estate to be in Seller, free and clear of all liens and encumbrances, except:

- (a) easements and restrictions of record,
- (b) subject to tenants' rights, if any.
- (c) reservations set out in Section 3 and 4.

If Seller cannot furnish a marketable title to the Premises within a reasonable time, then this Contract shall be null and void and the earnest money paid hereunder shall be refunded to Buyer.

Section 9 – Closing Date, Delivery of Deed, and Possession. Time is expressly declared to be of the essence of this Contract. Closing Date shall be on or before _____. If Buyer shall pay the sums of money as they become due and payable, and otherwise fully comply with the provisions of this Contract, then this Contract shall become binding and the Escrow Agent shall at Closing deliver the warranty deed and title insurance policy to the Premises to Buyer. No title shall pass hereunder to Buyer, but shall remain in Seller until the foregoing conditions have been fully complied with. Seller agrees that Buyer shall have possession of the Premises immediately following the Closing.

Section 10 – Taxes. While the Premises are currently exempt from real estate taxes, the parties acknowledge that the Saline County Appraiser will assess real estate taxes against the currently exempt lot for _____, prorated effective upon the recording of the deed from Seller to Buyer. Buyer shall be responsible for payment of any real estate taxes assessed against the currently exempt lot for _____ and thereafter.

Section 11 – Warranties. Seller warrants that it is the lawful owner of the Premises and that the Premises are free and clear of all liens and encumbrances, except easements and restrictions, which now appear of record.

Section 12 – Inspection of Premises. Buyer acknowledges that the Premises have been inspected and Buyer agrees to accept the Premises in its present condition and fitness for contemplated use and that the Seller has made no warranties as to fitness or condition not set forth in this Contract.

Section 13 – Assignment. Buyer shall not have the right to assign or transfer this Contract, or any interest thereunder, without the prior written consent of Seller; provided however, that such consent may not unreasonably be withheld.

Section 14 – Environmental Hazard. In consideration of the purchase price, the Buyer, its successors and assigns, shall, effective on the Closing Date, release and forever discharge the Seller, its successors and assigns, from any and all claims, by any and all persons, arising out of or in relation to any hazardous materials occurring on or under the Premises after the Closing Date. The Seller shall release and forever discharge the Buyer, its successors and assigns, from any and all claims arising out of or in relation to any hazardous materials occurring on or under the Premises prior to or on the Closing Date.

The term “hazardous materials” shall include, but not be limited to:

- (a) any substance not naturally occurring on the Premises at the existing concentration of such substance on the Premises;
- (b) any substance that may cause or contribute to an adverse effect on human health or welfare or on the environment; or
- (c) “hazardous substance,” “pollutant,” or any other similar term now or hereinafter defined in, or regulated by, any federal, state, or local law or regulation.

Notice of the terms of this Section 14 may be recorded as a separate instrument with the Saline County, Kansas Register of Deeds.

Section 15 – Waiver. The waiving of any payment provided for herein or the acceptance of the same at any time other than the designated payment time, or the failure of Seller to insist upon prompt performance of any condition or provisions hereof, shall not constitute a waiver of the right of Seller to insist upon prompt and punctual performance at any other time hereunder.

Section 16 - No Commission. The parties hereby stipulate that they have not consulted with any real estate broker or salesman with respect to this sale, and no commissions arising from this sale are due and owing. If, for any reason, a real estate commission is determined to be owed in relation to this transaction, Buyer agrees to be responsible for its payment.

Section 17 - Real Estate Reporting Person. The parties agree that the Escrow Agent is the real estate reporting person as that term is defined under Internal Revenue Code Section 6045(e). Seller agrees to provide Escrow Agent with a written statement, certified under penalties of perjury, setting forth Seller's correct name, address, and taxpayer identification number. The parties further agree that Escrow Agent shall be required to file the informational return required by Internal Revenue Code Section 6045.

Section 18 - No Oral Agreements. This Contract constitutes the entire agreement between the parties and there are no representations, warranties, conditions, or agreements other than those expressly set forth herein. No other agreement, statement, promise, warranty or representation made by any party to this agreement that is not in writing and signed by all parties to this agreement shall be binding.

Section 19 - Representation of Parties. Seller is represented herein by Greg A. Bengtson of the law firm of Clark, Mize & Linville, Chartered, Salina, Kansas. Buyer is advised that it has the right to such independent legal counsel of its own choosing to represent it herein and to advise it with respect to this matter and by its signatures on this document, Buyer acknowledges that it has either seen separate counsel of its own choosing or has elected to proceed without separate counsel herein.

Section 20 - Default. If Buyer defaults in the payment of any sums due hereunder, or fails to perform any other covenant herein contained after receiving ten (10) days written notice of such breach, then in addition to any other remedies available and at the option of the Seller, Seller shall have the right to (a) begin action to require the specific performance of this Contract by Buyer; (b) seek damages for the failure of Buyer to perform this Contract according to the conditions herein stated, or (c) elect to cancel this Contract and to retain the earnest money paid hereunder as liquidated damages.

Section 21 - Survival of Terms Beyond Closing. Any agreements or covenants set forth in this Contract which by their terms are intended to endure beyond the Closing Date shall remain in full force and effect after Closing.

Section 22 - Extent of Contract. This Contract shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties have signed or caused this Contract to be signed by its duly authorized officers on the day and year first above written.

Date: _____

SALINA AIRPORT AUTHORITY

By _____
Robert H. Miller, Chairman
"Seller"

Date: _____

By _____

RECEIPT BY ESCROW AGENT

The undersigned hereby acknowledges receipt of the executed original of this Contract, and agrees to act as Escrow Agent and Real Estate Reporting Person as defined under Internal Revenue Code Section 6045(e). As Escrow Agent, the undersigned agrees that all moneys to be held in escrow shall be held in an interest bearing account, which interest shall inure to the Buyer. Seller shall execute and deliver a general warranty deed upon execution of this Contract to the Escrow Agent. Said deed shall be delivered to Buyer by the Escrow Agent upon the closing of this Contract, pursuant to its terms. This receipt is executed this _____ day of _____, ____.

C.W. LYNN ABSTRACT COMPANY, INC.

By: _____

CONTRACT OF SALE OF REAL ESTATE

This Contract for Sale of Real Estate is made and entered into this 17th day of June, 2024, by the **SALINA AIRPORT AUTHORITY** of Salina, Saline County, Kansas, ("Seller"), and **KEJR, INC.**, a Kansas corporation with its principal offices at 1835 Wall St., Salina, Saline County, Kansas, herein ("Buyer"), WITNESSETH:

Recitals

A. Seller owns real estate suitable for industrial development and has determined it to be in the public interest to promote the private development of that real estate through its sale to parties wishing to develop it.

B. Seller wishes to sell, and Buyer wishes to purchase the real estate described below upon the terms and conditions set forth in this Contract.

FOR AND IN CONSIDERATION of the mutual and reciprocal promises and agreements set forth herein, the parties agree as follows:

Section 1 – Description. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the following described real estate situated in Saline County, Kansas:

Lot 1, Block 5, of the Airport Industrial Center Subdivision, to the City of Salina, Saline County, Kansas, which is approximately 10.33 acres, more or less;

together with the appurtenances thereto belonging (herein "Premises"), upon the following terms and subject to the conditions and requirements hereinafter set forth.

Section 2 – Purchase Price. The purchase price for the Premises shall be the sum of Two Hundred Fifty-One Thousand, Eight-Nine Dollars and 65/00 (\$251,089.65), payment of which is to be made in the following manner at the following times:

- (a) Five Thousand Dollars (\$5,000.00) earnest money shall be paid to the Escrow Agent upon the execution of this Contract; and
- (b) Two Hundred Forty-six Thousand, eighty-nine dollars and 65/00 (\$246,089.65), shall be paid in cash on the Closing Date.

Section 3 – Reservation of Aerial Easement. Seller hereby reserves unto itself, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises herein conveyed, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or land at, taking off from, or operating on or about the Salina Regional Airport (the "Aerial Easement"). Therefore, under no circumstances shall the finished elevation of any structure or the height of any equipment on the Premises exceed 1,387.7 ft. above sea level. The Aerial Easement shall also be reserved in the warranty deed conveying title to the Premises to Buyer.

Section 4 - Site Development Review. Seller's Board of Directors must approve the site development and building construction plans based on their architectural review prior to commencement of construction. This site development review requirement shall also be noted on the warranty deed conveying title to the Premises to Buyer.

Section 5 - Notice of Proposed Construction. - Prior to the commencement of any construction or alteration on the Premises, the buyer must review and determine if any proposed construction on the Premises will require a Notice of Proposed Construction or Alteration (FAA Form 7460-1, OMB 2120-0001), to be filed with the Federal Aviation Administration. If any construction or alteration on the Premises should require the submission of FAA Form 7460-1, the Buyer shall notify the FAA of such construction or alteration and submit FAA Form 7460-1 via <https://oeaaa.faa.gov/oeaaa/external/portal.jsp>.

Section 6 - Deed Covenant Prohibiting Use as an Adult-Oriented Business. As partial consideration for the purchase of the Land, Buyer agrees and covenants that the Land and any improvements thereon shall not be used or operated as an "Adult-Oriented Business" as defined by ordinance of the City of Salina, Kansas, ("City") or the substantial equivalent of an Adult - Oriented Business as that term or its definition may, from time to time, be amended by the governing body of the City. This covenant shall be set forth on the warranty deed conveying title to the Land to Buyer and shall be a covenant running with and binding upon the Land, in perpetuity.

Section 7 - Reservation of Nonrenewable Resources. Seller reserves to itself, its successors, and assigns, all the oil, gas, and minerals in and under the surface of said land, including the right of ingress and egress and use of so much of the surface thereof as may be reasonably necessary for the operation so long as such right does not interfere with the intended use of the property. This covenant shall be set forth on the warranty deed conveying title to the Land to Buyer and shall be a covenant running with and binding upon the Land, in perpetuity.

Section 8 - Payment of Expenses.

- (a) Seller shall pay the following items:
 - (1) Cost of preparation of contract, deed, and real estate sales validation questionnaire;
 - (2) One-half of title insurance premium; and
 - (3) One-half of escrow fee
- (b) Buyer shall pay the following items:
 - (1) One-half of title insurance premium;
 - (2) One-half of escrow fee;
 - (3) Cost of recording deed.

Section 9 - Escrow Agent. Land Title Services, Inc., Salina, Kansas, is hereby designated as the Escrow Agent of the parties and shall hold this Contract, deed, title insurance policy, and all other papers of transfer pending the complete fulfillment of this Contract. The Escrow Agent shall receive and disburse all payments to be paid hereunder.

Section 10 - Evidence of Title. Seller shall provide Buyer with a commitment for an owner's title insurance policy covering the Premises for an amount equal to the purchase price. This commitment shall demonstrate marketable title in the Seller's name, free and clear of all liens and encumbrances, except for:

- (a) easements and restrictions of record,
- (b) subject to tenants' rights, if any,
- (c) reservations set out in Section 3, 4, 6 & 7.

If Seller cannot furnish a marketable title to the Premises within a reasonable time, then this Contract shall be null and void and the earnest money paid hereunder shall be refunded to Buyer.

Section 11 – Closing Date, Delivery of Deed, and Possession. Time is expressly declared to be of the essence of this Contract. Closing Date shall be on or before July 31, 2024. If Buyer shall pay the sums of money as they become due and payable, and otherwise fully comply with the provisions of this Contract, then this Contract shall become binding, and the Escrow Agent shall at Closing deliver the warranty deed and title insurance policy to the Premises to Buyer. No title shall pass hereunder to Buyer but shall remain in Seller until the foregoing conditions have been fully complied with. Seller agrees that Buyer shall have possession of the Premises immediately following the Closing.

Section 12 – Taxes. While the Premises are currently exempt from real estate taxes, the parties acknowledge that the Saline County Appraiser will assess real estate taxes against the currently exempt lot for 2024, prorated effective upon the recording of the deed from Seller to Buyer. Buyer shall be responsible for payment of any real estate taxes assessed against the currently exempt lot for 2024 and thereafter.

Section 13 – Warranties. Seller warrants that it is the lawful owner of the Premises and that the Premises are free and clear of all liens and encumbrances, except easements and restrictions, which now appear of record.

Section 14 – Inspection of Premises. Buyer acknowledges that the Premises have been inspected and Buyer agrees to accept the Premises in its present condition and fitness for contemplated use and that the Seller has made no warranties as to fitness or condition not set forth in this Contract.

Section 15 - Assignment. Buyer shall not have the right to assign or transfer this Contract, or any interest thereunder, without the prior written consent of Seller; provided however, that such consent may not unreasonably be withheld.

Section 16 – Environmental Hazard. In consideration of the purchase price, the Buyer, its successors, and assigns, shall, effective on the Closing Date, release and forever discharge the Seller, its successors and assigns, from any and all claims, by any and all persons, arising out of or in relation to any hazardous materials occurring on or under the Premises after the Closing Date. The Seller shall release and forever discharge the Buyer, its successors, and assigns, from any and

all claims arising out of or in relation to any hazardous materials occurring on or under the Premises prior to or on the Closing Date.

The term "hazardous materials" shall include, but not be limited to:

- (a) any substance not naturally occurring on the Premises at the existing concentration of such substance on the Premises;
- (b) any substance that may cause or contribute to an adverse effect on human health or welfare or on the environment; or
- (c) "hazardous substance," "pollutant," or any other similar term now or hereinafter defined in, or regulated by, any federal, state, or local law or regulation.

Notice of the terms of this Section 16 may be recorded as a separate instrument with the Saline County, Kansas Register of Deeds.

Section 17 – Waiver. The waiving of any payment provided for herein or the acceptance of the same at any time other than the designated payment time, or the failure of Seller to insist upon prompt performance of any condition or provisions hereof, shall not constitute a waiver of the right of Seller to insist upon prompt and punctual performance at any other time hereunder.

Section 18 - No Commission. The parties hereby stipulate that they have not consulted with any real estate broker or salesperson with respect to this sale, and no commissions arising from this sale are due and owing. If, for any reason, a real estate commission is determined to be owed in relation to this transaction, Buyer agrees to be responsible for its payment.

Section 19 - Real Estate Reporting Person. The parties agree that the Escrow Agent is the real estate reporting person as that term is defined under Internal Revenue Code Section 6045(e). Seller agrees to provide Escrow Agent with a written statement, certified under penalties of perjury, setting forth Seller's correct name, address, and taxpayer identification number. The parties further agree that Escrow Agent shall be required to file the informational return required by Internal Revenue Code Section 6045(e).

Section 20 - No Oral Agreements. This Contract constitutes the entire agreement between the parties and there are no representations, warranties, conditions, or agreements other than those expressly set forth herein. No other agreement, statement, promise, warranty or representation made by any party to this agreement that is not in writing and signed by all parties to this agreement shall be binding.

Section 21 - Representation of Parties. Seller is represented herein by Greg A. Bengtson of the law firm of Clark, Mize & Linville, Chartered, Salina, Kansas. Buyer is advised that it has the right to such independent legal counsel of its own choosing to represent it herein and to advise it with respect to this matter and by its signatures on this document, Buyer acknowledges that it has either seen separate counsel of its own choosing or has elected to proceed without separate counsel herein.

Section 22 - Default. If Buyer defaults in the payment of any sums due hereunder, or fails to perform any other covenant herein contained after receiving ten (10) days written notice of such breach, then in addition to any other remedies available and at the option of the Seller, Seller shall have the right to (a) begin action to require the specific performance of this Contract by Buyer; (b)

seek damages for the failure of Buyer to perform this Contract according to the conditions herein stated, or (c) elect to cancel this Contract and to retain the earnest money paid hereunder as liquidated damages.

Section 23 - Survival of Terms Beyond Closing. Any agreements or covenants set forth in this Contract which by their terms are intended to endure beyond the Closing Date shall remain in full force and effect after Closing.

Section 24 - Extent of Contract. This Contract shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties have signed or caused this Contract to be signed by its duly authorized officers on the day and year first above written.

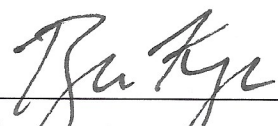
Date: _____

SALINA AIRPORT AUTHORITY

By _____
Stephanie Carlin, Chair
"Seller"

KEJR, INC.

Date: 6/17/2024

By 
RYAN KEJR
"Buyer"

RECEIPT BY ESCROW AGENT

The undersigned hereby acknowledges receipt of the executed original of this Contract and agrees to act as Escrow Agent and Real Estate Reporting Person as defined under Internal Revenue Code Section 6045(e). Seller shall execute and deliver a general warranty deed upon execution of this Contract to the Escrow Agent. Said deed shall be delivered to Buyer by the Escrow Agent upon the closing of this Contract, pursuant to its terms. This receipt is executed this ____ day of _____, ____.

LAND TITLE SERVICES, INC.

By: _____

90%
SUBMITTAL

EW J. REMSTAD XXXXX X/XX

[illegible]

TERMINAL RENOVATION
3237 ARNOLD AVENUE SALINA, KANSAS 67401

A PROJECT FOR:
SALINA AIRPORT AUTHORITY

PROJECT NO: 2021_SLN_02
DATE ISSUED: 04/26/2024
DESIGNED BY: AMA
DRAWN BY: RCS
CHECKED BY: AJR

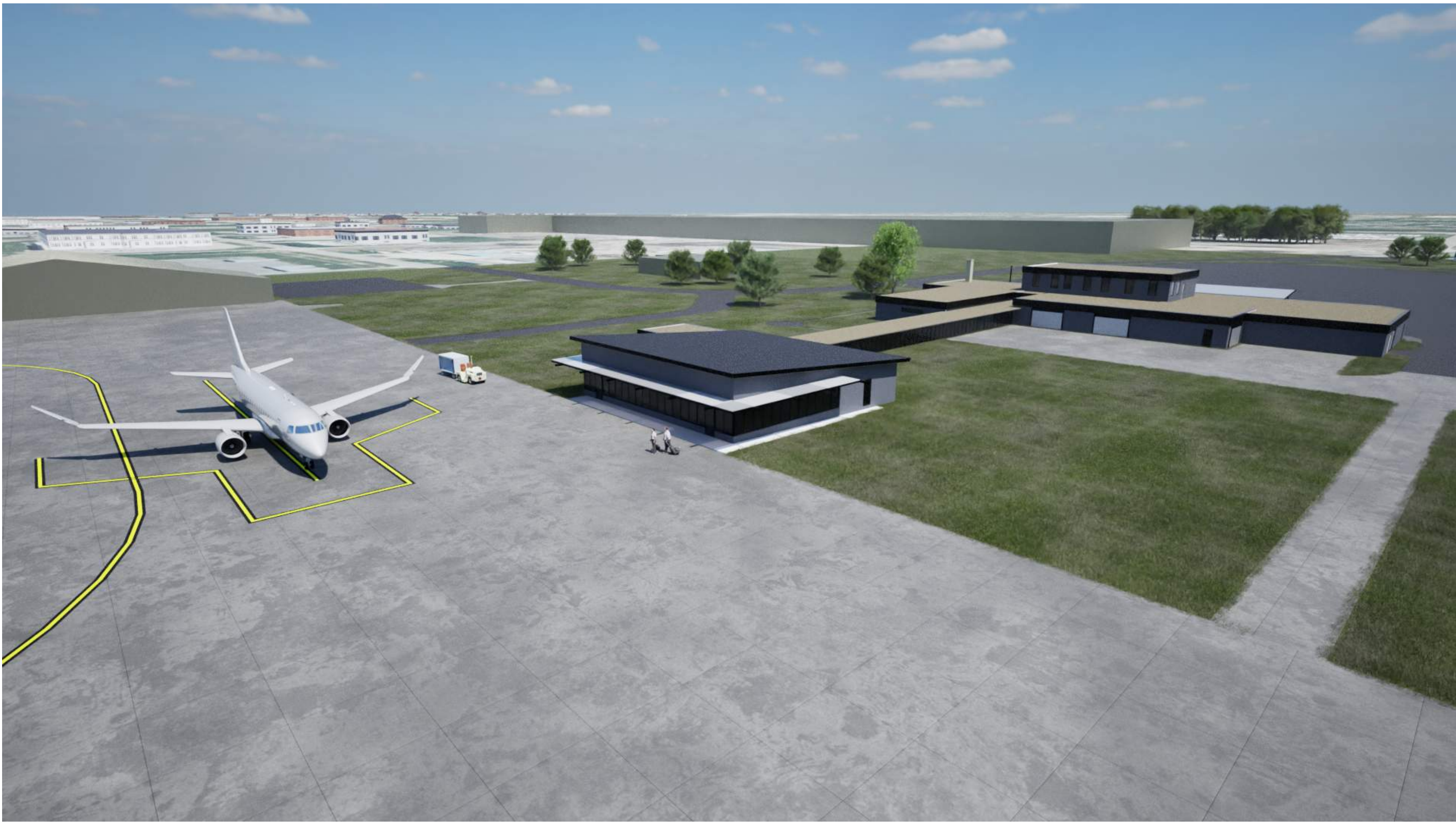
SHEET NAME:
RENDERINGS

SHEET NO: _____

G-003



NORTHWEST PERSPECTIVE



AERIAL SOUTHWEST PERSPECTIVE



SOUTHWEST PERSPECTIVE



AERIAL NORTHWEST PERSPECTIVE

ANDREW J. REMSTAD XXXXX X/XX/2024

[illegible]The logo for the Salina Airport Authority. It features the word "SALINA" in a large, bold, blue, sans-serif font. To the right of "SALINA" is a stylized graphic consisting of three horizontal bars of increasing length, stacked vertically, resembling a wing or a set of stairs. Below this graphic, the word "Authority" is written in a smaller, blue, script font.

TERMINAL RENOVATION

3237 ARNOLD AVENUE SALINA, KANSAS 67401

A PROJECT FOR:

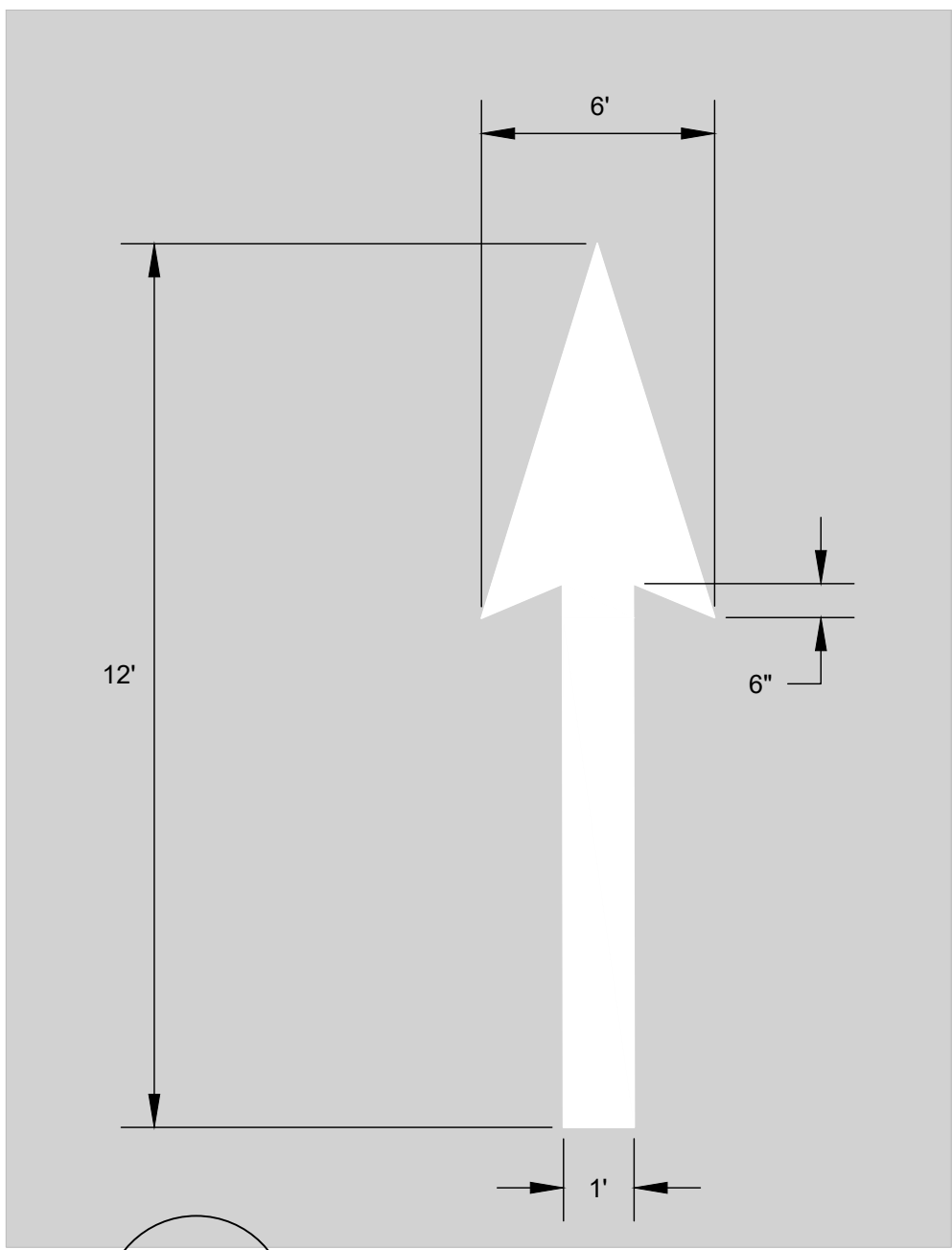
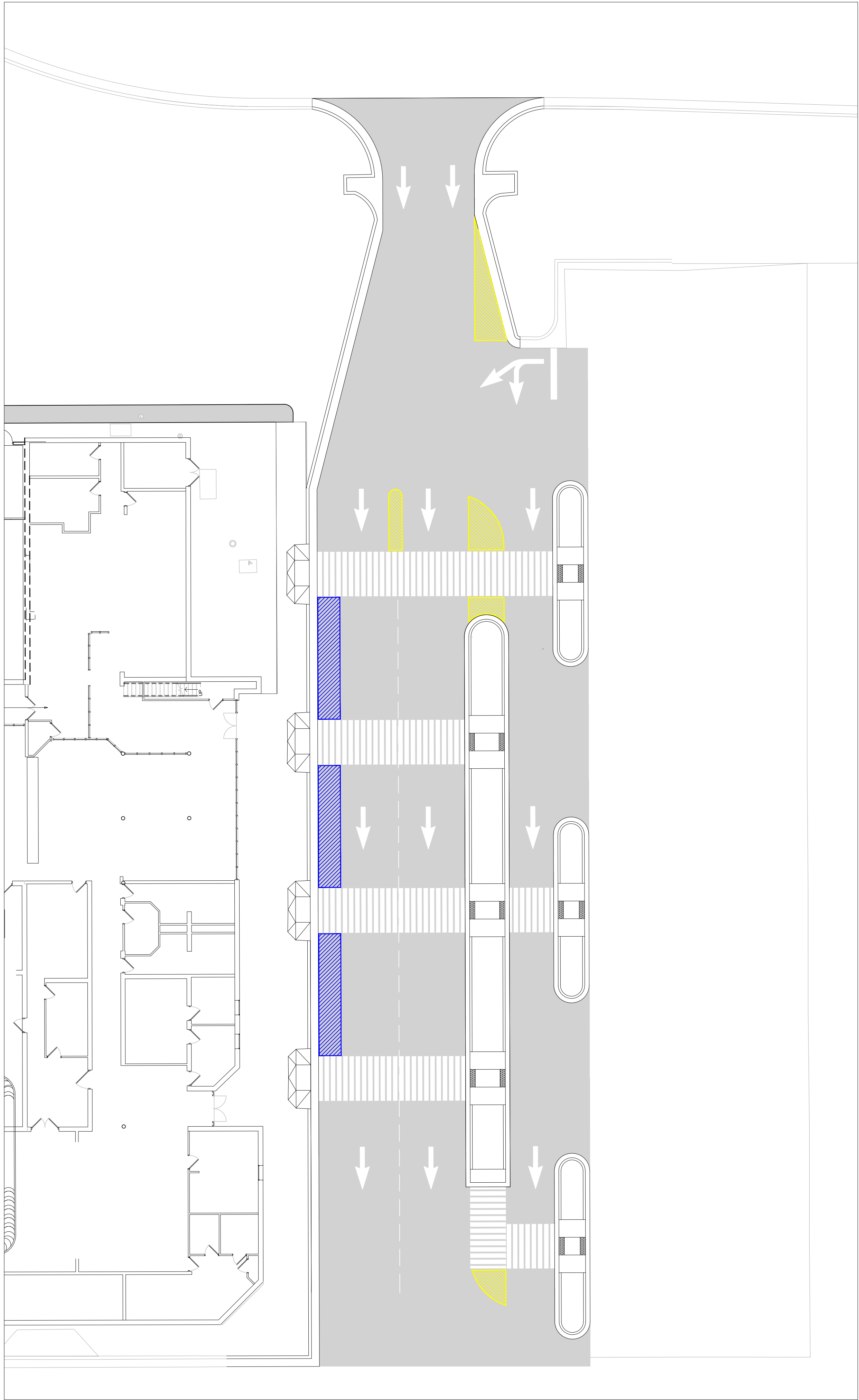
SALINA AIRPORT AUTHORITY

| | |
|--------------|-------------|
| PROJECT NO: | 2021_SLN_02 |
| DATE ISSUED: | 04/26/2024 |
| DESIGNED BY: | AMA |
| DRAWN BY: | RCS |
| CHECKED BY: | AJR |

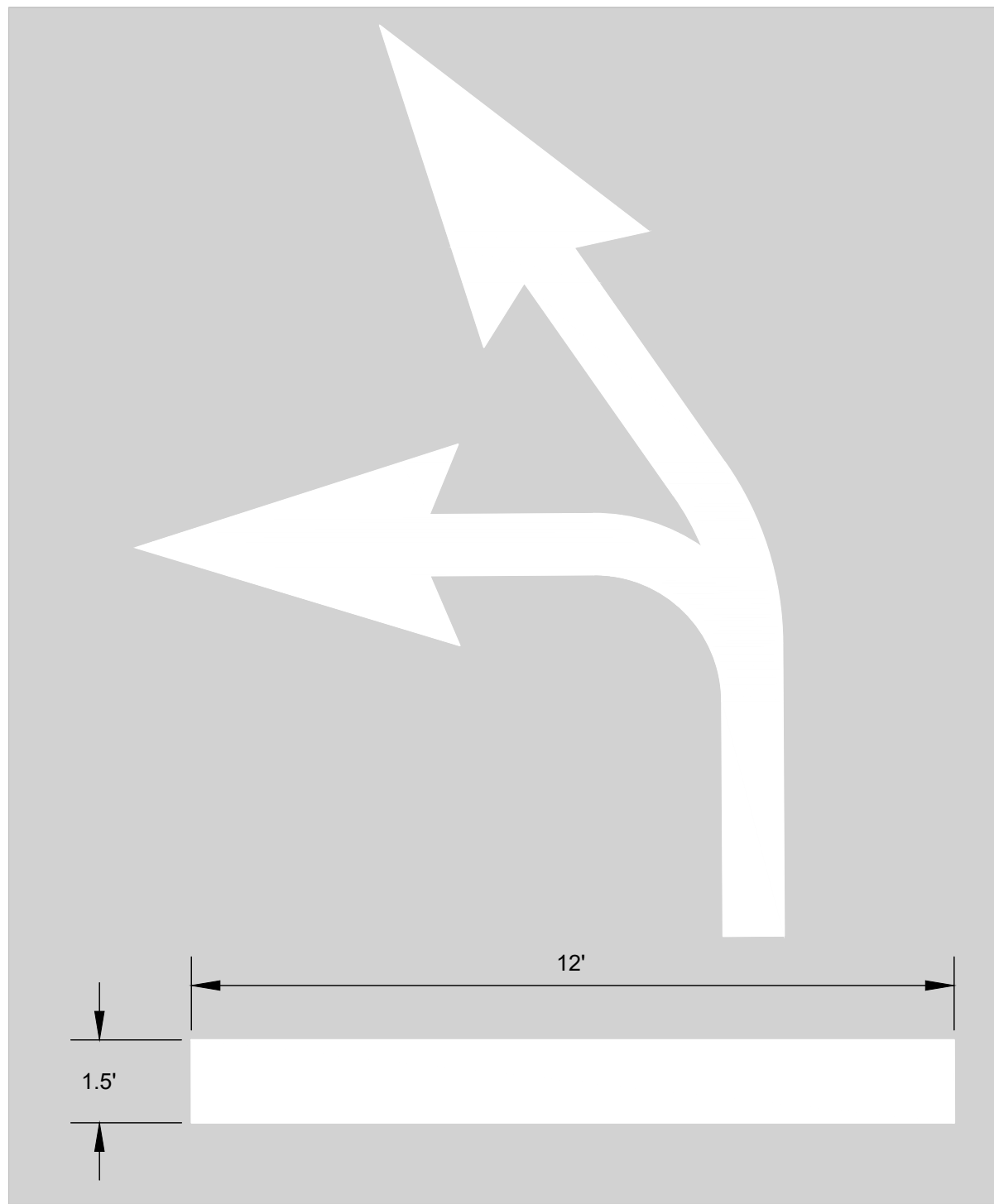
SHEET NAME:
RENDERINGS

SHEET NO:

G-004



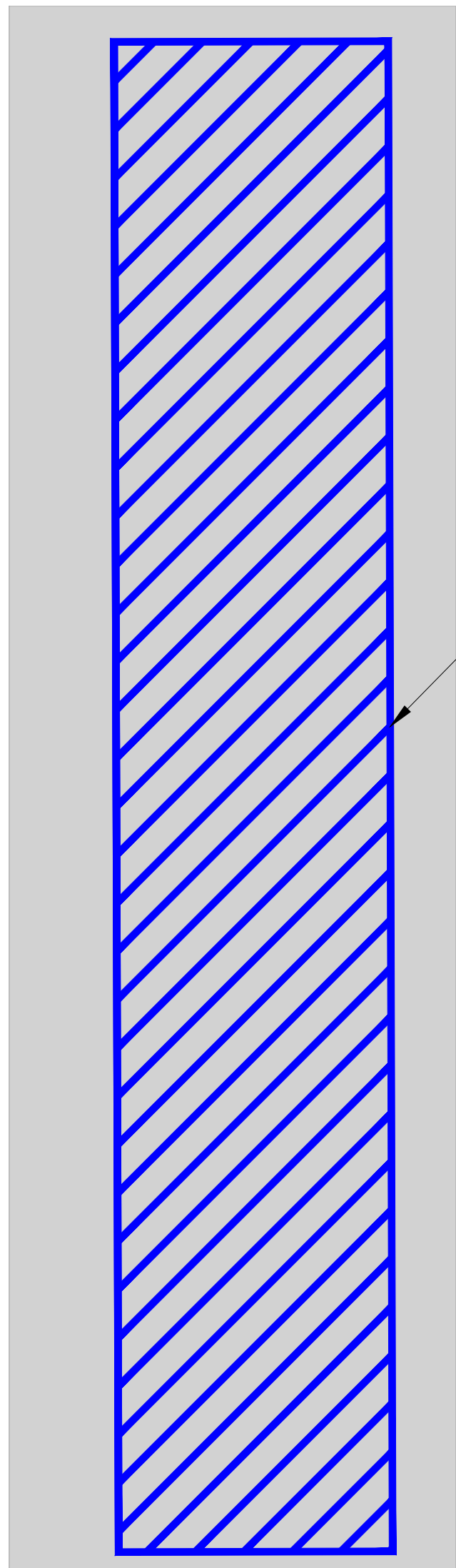
1 DIRECTIONAL TRAFFIC ARROW DETAIL
NOT TO SCALE



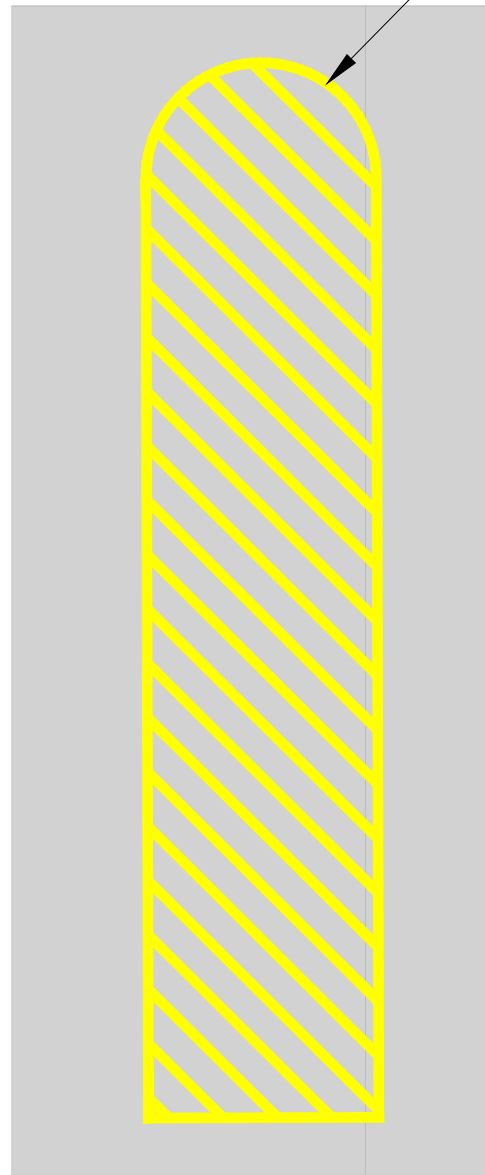
2 DIRECTIONAL TRAFFIC ARROW AND STOP BAR DETAIL
NOT TO SCALE

MARKING NOTES

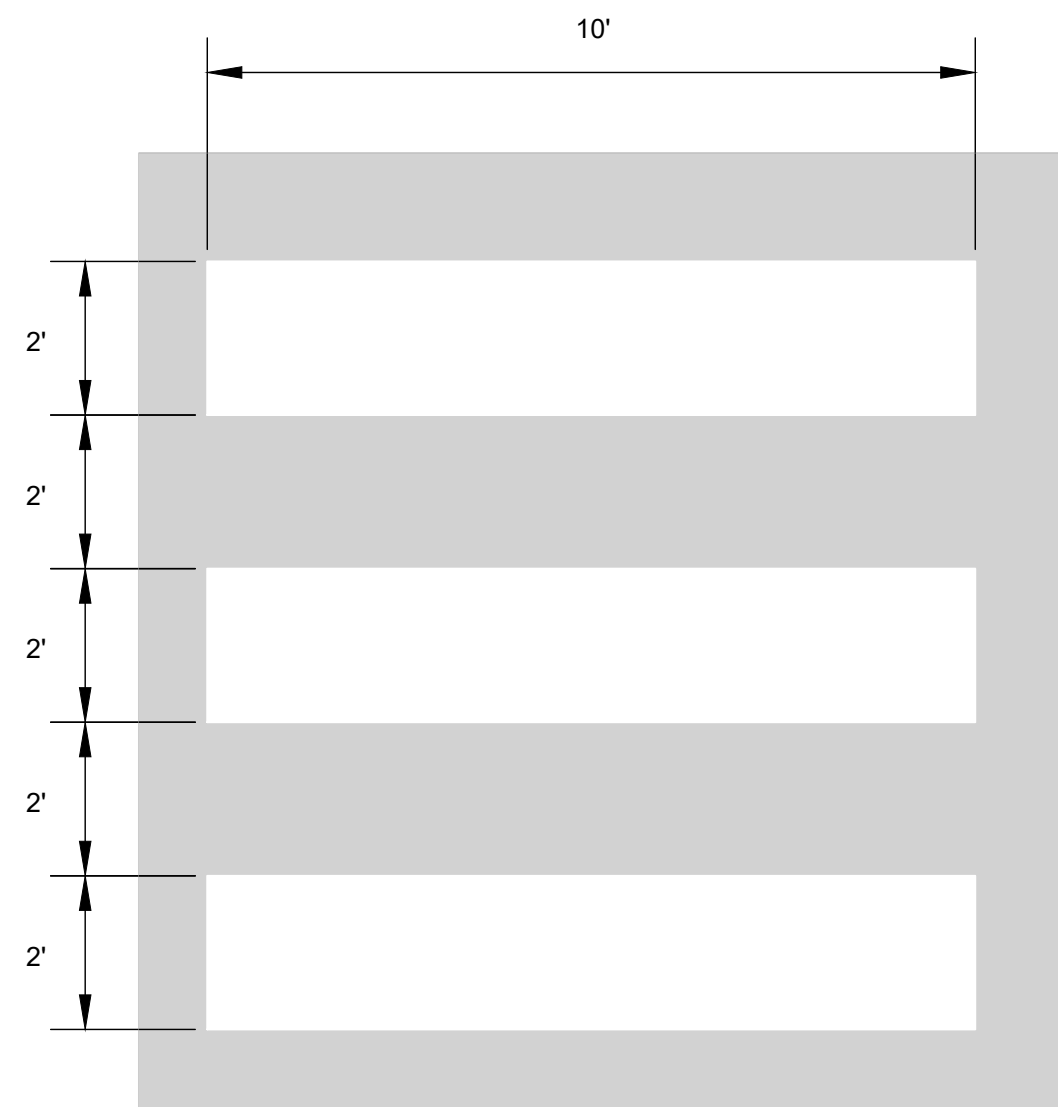
1. CONTRACTOR TO USE CITY OF SALINA ROADWAY MARKING STANDARDS AND MARKING TEMPLATES.



3 ADA PASSENGER DROP OFF / PICKUP MARKING DETAIL
NOT TO SCALE



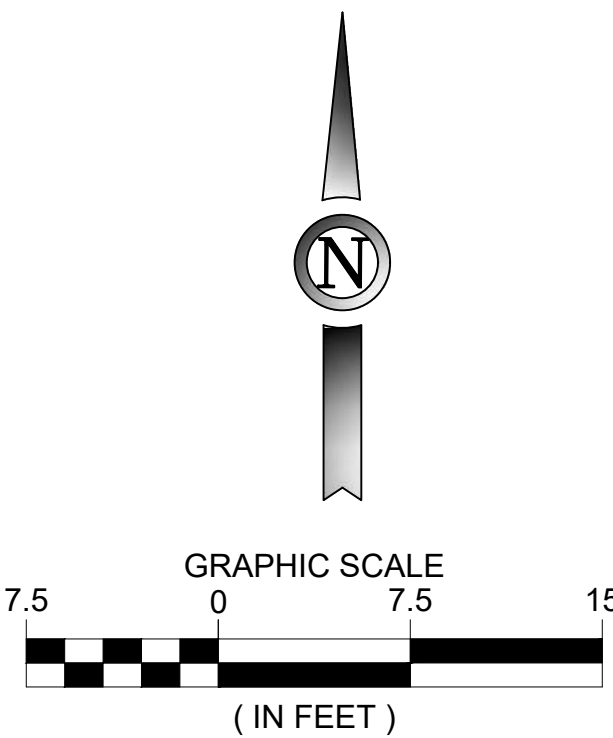
4 TRAFFIC CONTROL MARKING DETAIL
NOT TO SCALE



5 PEDESTRIAN CROSSING MARKING DETAIL
NOT TO SCALE

NOTES

- CONTRACTOR TO USE SURVEY CONTROL POINTS AS SHOWN ON SHEET SURVEY CONTROL LAYOUT.
- ALL LINE AND CURVE CALLOUTS ARE AT EDGE OF ASPHALT UNLESS OTHERWISE NOTED.
- THE GEOMETRY SHOWN ON THESE SHEETS REPRESENT THEORETICAL PAVEMENT EDGES FOR RUNWAY AND TAXIWAYS BASED ON ADVISORY CIRCULAR FOR AIRPORT DESIGN. UNLESS OTHERWISE DIRECTED BY THE ENGINEER, THE CONTRACTOR SHALL MILL AND OVERLAY TO THE EXISTING ASPHALT PAVEMENT EDGES.
- SEE SHEETS G050 THRU G053 FOR CONSTRUCTION PHASING.
- SEE SHEETS C700 THRU C704 FOR PAVEMENT MARKING INFORMATION.
- ANY PAVEMENT DAMAGE DURING CONSTRUCTION OUTSIDE THE PROPOSED PROJECT REMOVAL LIMITS SHALL BE REPAIRED TO THE SATISFACTION OF THE ENGINEER. ALL COSTS ASSOCIATED WITH RECONSTRUCTION SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR.
- CONTRACTOR SHALL LOCATE AND PROTECT ALL EXISTING UTILITIES.
- LIMITS OF GRADING ARE APPROXIMATE AND DO NOT CONSTITUTE LIMITS OF DISTURBANCE. THE CONTRACTOR SHALL BE RESPONSIBLE TO RESTORE ALL AREAS DISTURBED BY CONSTRUCTION OPERATIONS AT NO ADDITIONAL COST TO THE SPONSOR.
- CONTRACTOR SHALL RESTORE ALL AREAS DISTURBED BY HIS OPERATIONS OUTSIDE OF THE GRADING LIMITS, INCLUDING ENGINEERED IDENTIFIED STAGING AREAS, STOCKPILES AREAS, AND HAIL ROUTES. ALL RESTORATION SHALL BE AT CONTRACTOR'S EXPENSE AND INCLUDES, BUT IS NOT LIMITED TO, MINOR GRADING, TEMPORARY AND PERMANENT EROSION CONTROL MEASURES WITH HYDROMULCHING & SEEDING (T-501).
- PROPOSED CONTOURS REFLECT FINAL DESIGN ELEVATIONS.
- ALL INLETS, MANHOLES, PULL BOXES, AND LIKE, SHALL BE PROTECTED FROM INFILTRATION OF SILT AND WATER WITHIN OR ADJACENT TO CONTRACTOR'S GRADING OPERATIONS.
- SEE C300 TO C311 FOR SPOT ELEVATION SHEETS.
- CONTRACTOR TO VERIFY EXISTING TIE POINTS PRIOR TO CONSTRUCTION & NOTIFY THE ENGINEER OF ANY DISCREPANCIES.



| ISSUANCE SCHEDULE | DATE | DESCRIPTION |
|-------------------|------------|-------------------|
| NUMBER | DATE | ISSUED FOR REVIEW |
| 1 | XX/XX/2024 | |
| 2 | | |
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| 20 | | |

ANDREW J. REMSTAD XXXXX X/XX/2024

[illegible]

TERMINAL RENOVATION
3237 ARNOLD AVENUE SALINA, KANSAS 67401
A PROJECT FOR:
SALINA AIRPORT AUTHORITY

| | |
|--------------|-------------|
| PROJECT NO: | 2021_SLN_02 |
| DATE ISSUED: | 04/26/2024 |
| DESIGNED BY: | AMA |
| DRAWN BY: | RCS |
| CHECKED BY: | AJR |

SHEET NAME:
CONSTRUCTION PHASING
PLAN SCHEDULE IV

SHEET NO:

G-053

1. WORK IN PUBLIC AREAS MAY BE REQUIRED TO BE DONE DURING NIGHT TIME HOURS OR AS APPROVED BY THE OWNER.
2. WORK IN PUBLIC AREAS MUST BE LEFT IN A SAFE AND CLEAN STATE AT ALL TIMES.
3. ALL TEMPORARY WALLS ON PUBLIC SIDES MUST BE FINISHED WITH DRAYWALL, ROUGH SANDED AND FINISHED WITH TWO COATS PAINT.

PHASE 1

PHASE 2

PHASE 3

PHASE 1:

1. ALTER DOOR HARDWARE IF REQUIRED. INSTALL TEMPORARY TICKET PODIUM WITH (2) DATA AND A DUPLEX OUTLET. RELOCATE INTERCOM MIC TO PODIUM.
2. CONSTRUCT TEMPORARY WALL THAT IS WEATHER TIGHT AND INSULATED ONCE TEMPORARY DOOR, WALKWAY, AND TEMPORARY PODIUM ARE IN PLACE. COORDINATE WITH OWNER FOR EXACT LOCATION.
3. POUR CONCRETE HOUSEKEEPING PAD AND INSTALL PERMANENT POWER. RELOCATE HVAC UNIT, REATTACH DUCT CONNECTIONS AND UNIT CONTROLS. REFER TO MECHANICAL PLANS FOR ADDITIONAL LOCATION. COORDINATE WITH OWNER FOR EXACT SWITCHOVER TIMEFRAME.
4. DEMO WALLS FOR NEW OPENINGS. CONSTRUCT TEMPORARY WALL THAT IS WEATHER TIGHT AND INSULATED.
5. CONSTRUCT TEMPORARY WALKWAY TO BE ADA COMPLIANT. REFER TO CIVIL PLANS FOR ADDITIONAL DETAIL.
6. DEMOLISH EXISTING STOREFRONT WALLS TO EXTENTS OF NEW CONSTRUCTION. CONSTRUCT TEMPORARY WALLS.
7. INSTALL NEW POWER AND DATA CONNECTION AT THIS LOCATION. COORDINATE WITH AIRPORT AND KIOSK OWNER FOR IT TO BE RELOCATED TO NEW LOCATION.

PHASE 2:

8. DEMOLISH THE WALLS AND PORTION OF UPPER ROOF.
9. BEGIN NEW CONSTRUCTION FOR NEW HOLDROOM, TSA SCREENING AREA, AND BAG CLAIM AREA.
10. EXISTING TICKET COUNTER TO MAINTAIN OPERATION DURING TEMPORARY CONSTRUCTION.
11. DEMOLISH BLOCK WALL THIS LOCATION. CONSTRUCT TEMPORARY WALL WITH OPENING FOR SMALL LOCKABLE OVERHEAD DOOR FOR BAG FEED THROUGH WALL. PROVIDE POWER AND MECHANISM TO SECURE OPENING.
12. INSTALL GRAVITY FEED CONVEYOR TABLES AS INDICATED. (NO LONGER NEEDED)
13. EXISTING TSA EQUIPMENT TO MAINTAIN OPERATION DURING TEMPORARY CONSTRUCTION.

PHASE 3:

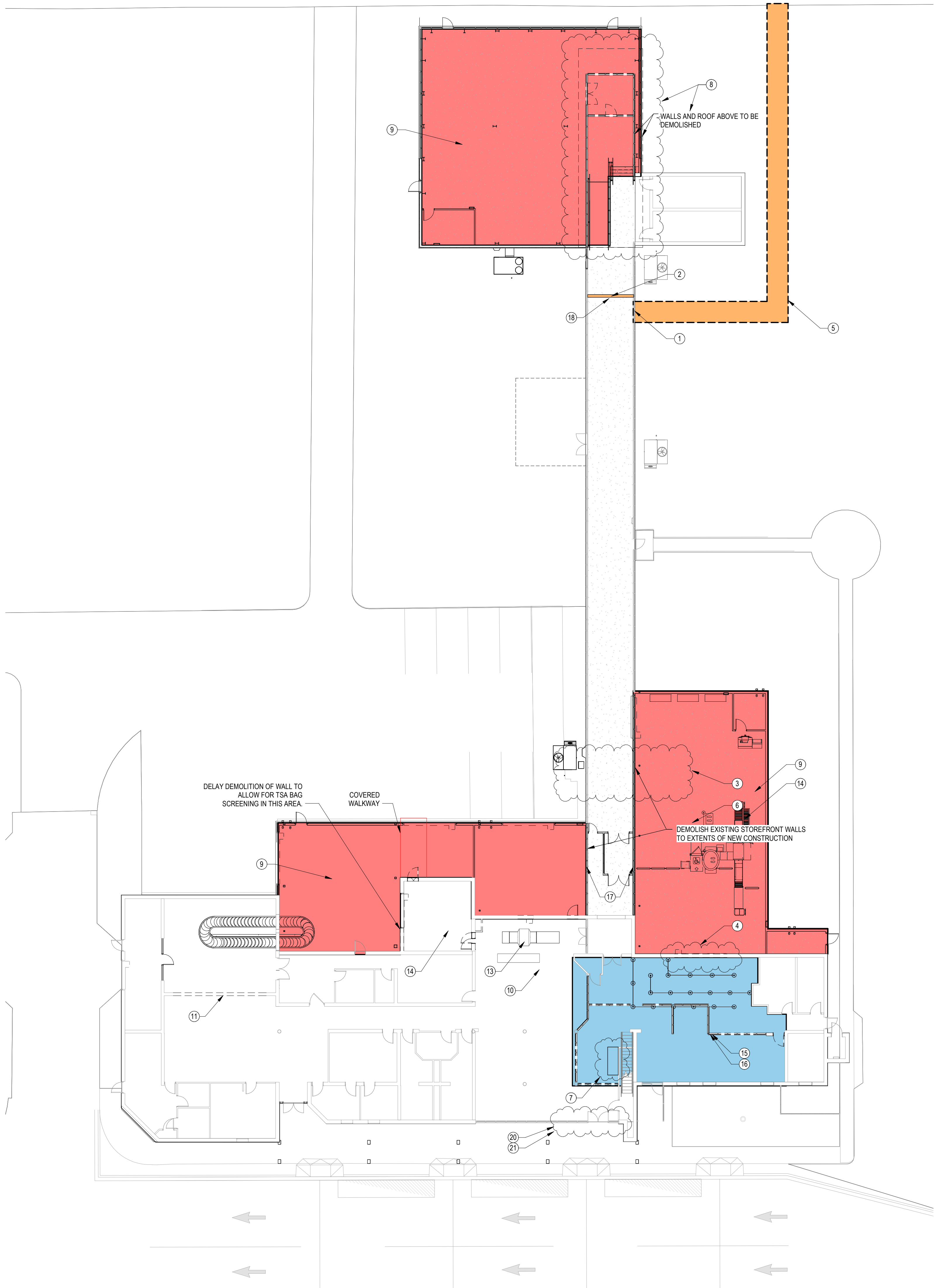
14. COORDINATE WITH THE TSA FOR THEM TO RELOCATE THE SCREENING EQUIPMENT TO NEW SPACE.
15. REMOVE THE EXISTING STOREFRONT BARRICADES.
16. PATCH FLOORING AND ALL AREAS WHERE STOREFRONT IS REMOVED. RELOCATE DAMAGED FLOOR TILE FROM THE WALL REMOVAL AND EXCHANGE WITH NON-DAMAGED TILE. COORDINATE WITH AIRPORT.
17. REMOVE TEMPORAY WALLS. PATCH AS REQUIRED.
18. COORDINATE WITH THE AIRPORT TO REMOVE THE TEMPORARY WALL PODIUM, AND EXTERIOR TEMPORARY WALK WHEN HOLDROOM IS COMPLETE.
19. REMOVE TEMPORARY TICKET COUNTER, TEMPORARY WALL AND BAGGAGE DOORS WHEN CONSTRUCTION IS COMPLETE IN BAG AREA.

PHASE 4:

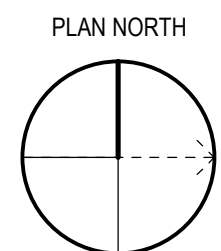
20. BARRICADE FRONT DOOR. INSTALL A PLYWOOD 8' TALL TEMPORARY WALL AROUND THE CANOPY CONSTRUCTION AREA

PHASE 5:

21. REMOVE TEMPORARY BARRICADES FINISH WALL AREAS WHERE NEEDED



KEY PLAN



GRAPHIC SCALE

1/16"=1'-0"

TERMINAL PHASING PLAN

$$1/16'' = 1'-0''$$

PROJECT AAERO

Advanced Aviation & Engineering Research Operations

Mission

Enhance UAS & AAM Safety & Integration

Purpose

AAERO seeks to pioneer the future of Uncrewed Aircraft Systems (UAS) and Advanced Air Mobility (AAM) operations at Salina Regional Airport (SLN) and its surrounding airspace. This study is aimed at identifying the most effective approaches for implementation of sense and avoid technologies. By focusing on SLN's Class D airspace and beyond, the project will produce actionable recommendations for the integration of procedures and equipment essential for routine UAS & AAM operations. Serving as a model for similar initiatives, AAERO is poised to propel the UAS & AAM industry forward, enhance the capabilities of Kansas aerospace companies, and foster new developments in UAS & AAM at SLN.

Details

Project AAERO focuses on the implementation of ground & air infrastructure to support AAM and UAS flight tests. This test bed aims to support safe integration of advanced aerospace operations. Some of the technologies supporting the infrastructure and operations include:

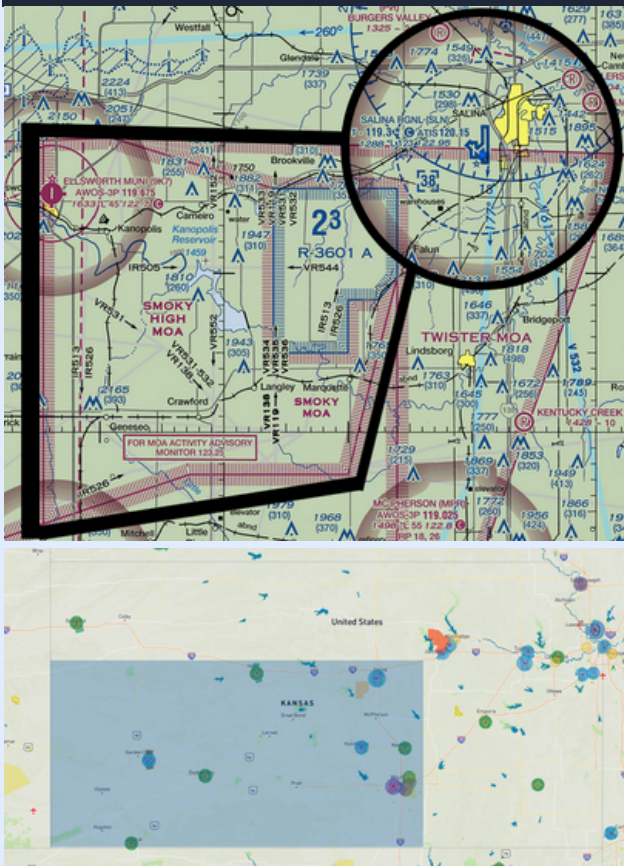
Infrastructure:

Surveillance Sensors, Command and Control Radios, Ground Based Radar Station, Communication Network System.

Operations:

Airborne Detect and Avoid, Ground Control Station, Maintenance Monitoring, Research & Technical Services.

Operation Areas



SLN Capabilities

Airspace Access: Building infrastructure to allow airspace access for the AAM industry. The primary operations area is focused on Salina, Kansas, specifically linking the Smoky Hill Air National Guard Range Military Operations Area (MOA) with the Salina Regional Airport (SLN) Class D Airspace. The extended operations area includes airspace from Central to Southwest Kansas in support of partner operations.

Flight Test Center: Creating a test bed for industry partnerships on new technology, infrastructures, human factors & AAM flight ops

Workforce Pipeline: Introducing AAM Training through industry & Higher Education

AAM Research: Supporting industry R&D of new technology, data collection processes and analysis of available data



Salinaairport.com

SALINAAirport
Authority

DAS

DATE: June 21, 2024
TO: Tim Rogers
FROM: Maynard Cunningham
SUBJECT: **June 26, 2024, SAA Regular Board Meeting**

Facilities and Construction Notes

New Projects

- **Hangar 606 (1Vision Aviation) Storm Damage** – Resulting from the reported 100 mph wind gusts on May 19, 2024, a bottom chord and bracing in two of the arched roof trusses at Hangar 606 were damaged. Hutton and an MKEC engineer were on site June 20 to review damages for developing a repair. The hangar space is occupiable awaiting repairs.

Current Projects

- **M.J. Kennedy Air Terminal Building Renovation & Expansion** – Design of the Terminal Building Renovation & Expansion is in process with design progress meetings occurring weekly. 90% plans were submitted to SAA for review last week. A second Development Review Team (DRT) meeting is scheduled with the City of Salina on June 26, 2024. Advertisement for bids is scheduled for July 2, 2024, with the grant application due July 31, 2024.
- **M.J. Kennedy Air Terminal Parking Lot Rehabilitation & Expansion AIP 54 (Design)** – Salina Airport Authority received a Project Initiation Letter from the FAA for the M.J. Kennedy Air Terminal Parking Lot Rehabilitation & Expansion Thursday, January 11, 2024. An updated engineering contract and independent fee estimates have been submitted to the FAA for review.
- **Lavatory Cart Station (Avflight & Skywest) Design** – Earles Engineering has provided a preliminary plan for the new lavatory cart station site located adjacent to the general aviation restrooms. Preliminary plans were received and Earles is in the process of updating the plan based on comments from the review. The existing station located near Hangar 509 will be removed.
- **Hangar 606/626 (1Vision Aviation & AIM) Parking Lot Design** - Earles Engineering was selected to design a parking area south of Hangar 626 to provide parking for 1 Vision Aviation and AIM Center personnel and allow access through secure pedestrian gate entrances. SAA received preliminary plans and returned comments to Earles Engineering for updates.
- **Hangar 509 (Short Term Lease Space)** – With Borettec's installation of a new sewer line, SAA personnel have continued the west restroom renovations in Hangar 509.
- **General Aviation Hangars (C-Hangars)** – APAC was on site last week to complete installation of the asphalt taxi lanes. Precision Elec. passed city inspection with the electric meter rack installation, and Every was on site last week installing new transformers to provide new electric service to the site. PLi is working on a proposal to provide to SAA for availability and schedule to install the retaining wall.



- **Aviation Innovation & Maintenance (AIM) Center of Excellence at SLN (Hangar 626, Room 111)** – Hutton was the selected contractor for renovations of Room 111 and AIM Center improvements in Hangar 626. Hutton has begun interior and site demolition, roofing on Room 111, and plumbing and electrical rough-ins. Renovations are scheduled for completion in September 2024.
- **Runway 12/30 AIP-48** – Rehabilitation of Runway 12/30 includes asphalt mill and overlay, edge lighting, lighted guidance signs, and removal of portions of excess pavement. The bid opening was held May 7, 2024, with one contractor, APAC, submitting a bid package. Grant application for construction has been submitted to the FAA for review.
- **PH305 (SLN Fuel Facility Construction) AIP 49** – American Environmental's subcontractors continues site preparation and concrete work. Electricians are installing underground conduit and electric lines for the fuel facility. Fuel tanks are scheduled to start arriving for installation the week after the July 4th holiday.



Special Projects

- **Schilling Project Environmental Remediation**
 - **Plume B Excavation** – The City of Salina has received bids for excavation of a site near Building 614 as part of the Schilling environmental remediation project. The contractor is scheduled to start the project in July 2024.
 - **Directed Groundwater Recirculation System (DGRS)** – A design report and 30% plans have been received for the DGRS from Olssen for review and comments prior to submitting the plans to KDHE.
- **H959 (1 Vision Aviation)** – Air Discharge Analysis – Dragun and partner Environmental Partners met with 1 Vision and SAA personnel to review aircraft painting project information and tour 1 Vision sites on May 28, 2024. Material calculations indicate that 1 Vision's annual usage is below the state regulation thresholds. Dragun has recommended approaching the state air permitting authority to discuss options for registering the minor source activities.

Completed Projects

- **H409 and B412 (FAA)** – Lease clauses with the FAA include requirements for SAA to provide the FAA with a Radon Evaluation Report and ensure that FAA personnel are protected from asbestos hazards. An asbestos containing materials removal contractor and a radon inspector completed testing and inspections in the FAA leased spaces at Hangar 409 and Building 412.
- **Building 620 (Universal Forrest Products)** – Cheney Construction completed concrete storage area expansion and fencing at Building 620. UFP's lease area now has expanded outdoor product storage and employee parking areas.
- **Hangar 509 (Short Term Lease Space)** – Superior Plumbing/Borettec replaced the existing sewer line from the west restrooms to the city sewer main on the east side by boring a new sewer line on the north and east sides of Hangar 509.
- **H626 (Hangar Rehabilitation) – Rehabilitation Construction** – Hutton completed cleaning in preparation for the City's final inspection on Tuesday, June 18. A phased occupancy permit will be received to allow tenant use of the renovated space and allow Hutton to continue working on Room 111 and AIM Center renovations.



DATE: June 2024

TO: Tim Rogers, Executive Director

FROM: David Sorell

SUBJECT: June Board Meeting Update

Operations:

May storms damaged the 30-windcone beyond repair, a notam was issued informing pilots and a new internal lit LED windcone has been ordered.

Airfield windcones play a crucial role in aviation safety by providing pilots with real-time information about wind direction and intensity. Here are some key reasons why airfield windcones are important:

Wind Direction: Knowing the direction of the wind is essential for safe takeoffs, landings, and taxiing. Windcones give pilots a visual reference point to gauge wind direction accurately. This information allows pilots to align their aircraft properly with the runway, minimizing the risk of crosswinds, which can be particularly hazardous during takeoff and landing.

Wind Intensity: In addition to indicating wind direction, windcones also provide an indication of wind intensity. This information helps pilots anticipate the level of turbulence they may encounter during various phases of flight. Strong winds can affect aircraft performance and handling, so having an accurate assessment of wind intensity is crucial for making informed decisions.

Crosswind Component: Windcones assist pilots in calculating the crosswind component, which is the component of the wind that is perpendicular to the runway. This information is essential for determining the appropriate technique for crosswind landings and takeoffs. Pilots need to adjust their approach and landing techniques based on the crosswind component to ensure a safe touchdown and rollout.

Decision Making: Wind conditions can change rapidly, especially during inclement weather. Windcones provide pilots with timely updates on wind conditions, allowing them to make



informed decisions about whether to proceed with a landing, go around, or divert to an alternate airport with more favorable conditions. This real-time information is critical for maintaining safe operations, particularly in challenging weather conditions.

Safety: Ultimately, the primary purpose of airfield windcones is to enhance aviation safety. By providing pilots with accurate and up-to-date information about wind conditions, windcones help mitigate the risks associated with adverse weather and ensure that aircraft operations are conducted as safely as possible

Maintenance

Pieters office got a new facelift with new paint and furniture.

Working on storm water drainage between hangar 504 and 506-1, existing 6" culvert tube will be removed, new larger culvert tube will be installed and lowered to allow better drainage.

The remodel of Hangar 509 bathrooms and hallways in preparation for IAC arrival in September is coming along with the completion of plumbing, installation of sheetrock and FRP in bathrooms.

DATE: June 19, 2024

TO: Tim Rogers, Executive Director

FROM: Kasey L. Windhorst

SUBJECT: June Board Meeting Update

Staffing

Salina Airport Authority is pleased to announce the hiring of Mike Hulteen to the ARFF/Operations crew. Mike accepted the full-time Aircraft Rescue Fire Fighting (ARFF) and Operations Specialist position with the SAA. Mike's prior experience as captain and training officer for Saline County Fire Department #7 makes him well suited for this position. We are excited to have Mike join our team.

Airport Tours

Summer is a busy time of year for airport tours. During the month, SAA ARFF and Operations staff hosted several tours of the SLN ARFF station. Kansas State University Salina campus host summer camps for students from ages 7th through 12th grade. As part of the camp, students were able to tour the ARFF station and get a firsthand look of life as a fire fighter. Additional tours are scheduled for the remainder of the summer.



Upcoming Events

Tim's Retirement Reception

Tim's retirement reception will be held on Thursday, June 27th from 3 p.m. to 6 p.m. The celebration will take place at Hangar 600, located at 2720 Arnold Ct. We look forward to honoring Tim's 38 years of dedication and wishing him well in his retirement.

AIM Center Graduation

Salina Airport Authority will be hosting the AIM Center Graduation recognizing students who completed the rigorous 6-week training program from the 2nd and 3rd cohorts. The graduation ceremony is scheduled for Friday, June 28th at Hangar 600, 2720 Arnold Ct. at 5:30 p.m.

If you or someone you know is interested in this 6-week pre-apprenticeship program in the Aviation Innovation and Maintenance industry, be sure to register for our summer cohort beginning July 8th by enrolling online at aimcenter.aero

Hangar 626 Ribbon Cutting and Open House

Save the date for the upcoming Hangar H626 ribbon cutting and open house. The event is scheduled for Monday, July 15th from 2:30 p.m. – 4:00 p.m. at Hangar H626, 2625 Arnold Court. Representatives from Kansas Commerce, 1 Vision Aviation and Garmin will be present for the event.

Announcements

Below are the upcoming scheduled board meetings. All board meetings will be held at Hangar H600, Room 100.

Wednesday, June 26, 2024, 8:00 a.m.

Regular Board Meeting

Wednesday, July 17, 2024, 8:00 a.m.

Regular Board Meeting

Wednesday, August 21, 2024, 8:00 a.m.

Regular Board Meeting

Wednesday, September 18, 2024, 8:00 a.m.

Regular Board Meeting