

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
APRIL 17, 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, April 12, 2024.

Attendance

Present were Directors Carlin, Boos, O'Brien, Roberg and Commerford. 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 Bob Vidricksen, Saline County Commissioner; Greg Lenkiewicz, City of Salina Commissioner; Lindsey Dreiling, Drieling Aviation Services; Mitch Walter, Gilmore & Bell; Eric Sexton, Foulston Siefkin, LLP; Mitch Robinson, Salina Community Economic Development Organization; Cody Heiman, First Bank Kansas; and Travis Vallin, Woolpert (VTC).

Agenda

Executive Director Rogers stated that the first executive session, listed as agenda item 12, is removed from the meeting.

Minutes

Director Commerford moved to accept the minutes of the March 20, 2024 annual board meeting as presented. The motion was seconded by Director O'Brien and passed 5 – 0.

Airport Activity

Rogers updated the board on the upcoming FOL events and reviewed the monthly reports. Fuel flowage for March 2024 is 9% over the same month in 2023. The total fuel flowage for 2024 (453,894 gallons) is 2% below 2023 year-to-date (462,144 gallons). Air traffic control tower reported 6,007 operations in March, 2024, 883 fewer than March, 2023, attributed to two military FOL events in March 2023. SkyWest enplanements for March, 2024 lagged by 22% from March, 2023 (1,058 and 1,362 passengers respectively). However, passenger enplanements are projected to increase beyond 2023 enplanements as a result of the direct flight schedule to Denver, dropping the tag to Hays. Advanced bookings are already up by 8% over last month. Rogers discussed the updated marketing campaign and explained advertising value tracking.

Financial Review

Swanson reviewed the financials for March 2024 reporting unrestricted cash in the bank at month end to be \$1,608,449. The first AIM Center ALOFT grant distribution of \$1,662,500 was received and distributed, in part reimbursing the operating fund for \$304,982 in expenses incurred for AIM center equipment purchases and course development. Revenue decreased for March 2024 compared to March 2023, due to the FOL activity previously noted. Revenue in building and land rentals for the remainder of the year is projected to increase when Hangar H626 renovations are completed, and the building is available for use. Swanson reviewed significant expenses and grant fund activity. Swanson noted the addition of AIM Center line items. Chair Carlin directed the staff to file the financials for audit.

10-Year Financial Trend Analysis for Q1, 2024

Swanson distributed the 10-year financial trend analysis report for the Salina Airport Authority. Swanson highlighted significant income and expenses for Q1, 2024.

2024 STARS lines of Effort

Rogers and Miller presented the quarterly progress review for thirty-six (36) individual goals, including the release of one effort (K-AIRES) and the addition of five.

Lindsey Dreiling recapped Project AAERO and the current use of drones and the future development toward uncrewed planes. Dreiling noted industry trends in electrically powered crafts and the search for facilities such as are available at Salina to support the developers and their clients. Tours are scheduled for potential tenants at SLN.

Rogers discussed preliminary communications with the City of Salina and with Saline County regarding utilities and streets for Project 80. Development Review Team (DRT) meetings are scheduled.

Review and Discussion of a Draft Lease with 1 Vision Aviation Salina

Miller updated the board on the partnership with 1Vision and Garmin. Miller provided a tour of Hangar H626 to representatives of both companies, noting that the clean agent fire system was of special interest to the group. Miller explained that 1Vision would become the facility for refitting general aviation aircraft, business aviation, helicopter, experimental, government, and DoD customers with current Garmin navigational components.

Miller and Swanson presented the draft lease agreement, effective July 1, 2024, with 1Vision Aviation. Swanson reviewed the terms of the lease and compared the terms to existing lease agreements. Rogers noted that the lease excludes the AIM Center area.

Cunningham provided the concept for paved parking outside of the fence and secure pedestrian walk-through access. Layout design is in progress for eighty (80) staff and student parking spaces.

Rogers requested a special board meeting on April 24, 2024 at 8:00 A.M. to approve the final lease agreement. A news release will be issued following approval.

2024 Kansas Legislature Update

Eric Sexton addressed the board with a recap of the activities in Topeka regarding SB28. Currently, the bill is with the Governor for review. Within the bill is funding to continue the development of MRO activity at Salina (\$35 million, with a dollar-for-dollar match requirement). Sexton noted that while the Governor has the option for line-item veto, rejection of the funding is not anticipated.

Mitch Walters reviewed the lease agreement between the airport authority and the board of regents, regarding the K-AIRES site. The Kansas Legislature's action this session allows K-State Salina to bond and build the K-AIRES project. The ground lease was established as the first step by the airport authority to build the facility and then lease the building to the University, but the lease is no longer needed. Walters has a termination document available. Director O'Brien moved to approve Resolution No. 24-03, authorizing termination of the ground lease (K-AIRES Center), seconded by Director Boos. The board voted 5 – 0.

Rogers updated the board on the MRO hangar project in relation to the legislative session. Due to the new \$1 to \$1 matching requirement, the construction format and schedule will be adjusted. Travis Vallin stated that the MRO hangar project will focus on completing the design/build hangar construction project as soon as August, 2025, but no later than end of 2025.

SLN West Planning and Development Update

Rogers commented on a letter of intent submitted to the Kansas Military Board for 100 acres located on the west side of the Salina Regional Airport. The site to be leased is within the Airport Authority's SLN West development area. Miller noted the site will be used for military, DoD contractors and law enforcement agencies. Miller estimates a 10-year completion timeline for the project.

Terminal Building Expansion Update

Miller updated the board on the terminal building expansion project. Miller reviewed plans and commented on the terminal building arrival and departure area, pick up and drop off lanes, baggage claim, and the building exterior design. Weekly progress meetings with Woolpert continue to move the project forward.

Announcements

Windhorst noted that the special board meeting will be scheduled for Wednesday, April 24, 2024 at 8:00 A.M. Board member photos will follow the May 15, 2024 regular board meeting.

Executive Session

At 9:47 A.M., Director Boos moved that the Airport Authority board of directors' recess into an executive session for fifteen (15) minutes to discuss the subject of administrative personnel matters relating to the terms of employment of the Executive Director and the Deputy Executive Director. The discussion of those administrative personnel matters affects the privacy interests of the individual employees and the need for executive session discussion is based upon the need to discuss personnel matters of non-elected personnel in executive session pursuant to K.S.A. 75-4319(b)(1). The open meeting will resume in this room at 10:02 A.M.

Director Commerford seconded motion. The motion passed unanimously.

The open meeting resumed at 10:02 A.M.

Director Boos moved to approve the Executive Director employment agreement and authorize Chair Carlin to sign the agreement, seconded by Director Commerford, carried 5 – 0.

Director Roberg moved to approve resolution 24-04, authorizing the transfer of ownership of certain life insurance policies purchase and owned by the Salina Airport Authority to Executive Director Timothy F. Rogers pursuant to a deferred compensation agreement dated September 7, 2005 and authorizing the board chair to execute all related documentation. Seconded by Director O'Brien and carried 5 – 0.

Director O'Brien moved to adjourn the meeting, seconded by Director Boos. The meeting adjourned at 10:05 A.M. following the unanimous vote.

Minutes approved at the May 15, 2024 board meeting.

Kasey L. Windhorst, Board Clerk

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