

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
JUNE 26, 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, June 21, 2024.

Attendance

Present were Directors Carlin, O'Brien, Roberg, Commerford and Boos. 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 Greg Lenkiewicz, City of Salina Commissioner; Mitch Robinson, Salina Community Economic Development Organization; Julie Yeager Zuker, Avflight; Tom Omli and Miles Wolters, Geoprobe; Justin Owens, Kaw Valley Engineering; Mark Millard and Trevor Franzen, Superior; and Dan McFadden, Central National Bank.

Agenda

Deputy Executive Director Miller provided a review of the agenda and stated that the presentation of Resolution 24-07 is added to the agenda, following item 13.

Minutes

Director Boos moved to accept the minutes of the May 15, 2024 regular board meeting as presented. The motion was seconded by Director O'Brien. Motion passed 5 – 0.

Airport Activity

Rogers presented the May 2024 airport activity reports. Fuel flowage for the month 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. Fuel flowage is anticipated to increase for the remainder of the year due to military activity and increased passenger enplanements. Rogers reviewed the key performance indicators, noting that SLN has moved up in the ratings from the bottom quarter EAS performers to the top quarter performers, due to the non-stop flights and the RON schedule. During May 2024 SkyWest enplaned 1,958 passengers, which was a 10% increase over the May 2023 total of 1,783 passengers, further evidence that the new Denver nonstop schedule is bringing passengers back to SLN. The May 2024 total passenger count was 3,596 which was a 4% decrease as compared to the May 2023 total of 3,753. YTD passenger enplanements on SkyWest flights totaled 5,944 which is a 3% decrease as compared to the May 2023 YTD total of 6,148.

Swanson discussed the ARPA quarterly report submitted to Saline County May 28, 2024. The report confirms that the incentive agreement with SkyWest Airlines for nonstop Denver overnight flights has been successful with load factors greater than 70%. Advanced bookings for the 4th of July and Labor Day holidays are trending to exceed 80%.

Financial Review

Swanson provided the highlights of the May 2024 financial reports. Total assets are up 25% over the same period in 2023. Cash in bank unrestricted is \$2,060,041. Total checking and savings are \$11,402,178 (\$6.5M over May 2023) and includes bond funds on deposit (\$5.1M), AIM Center funds (\$930,324), Mill Levy funds (\$3.2M), and Operating Funds (\$2M). Fixed assets are at \$57.7M, an increase of \$9.2M (19%) year over year. Total equity is up 6% year-over-year at \$28.3M. With the completion of H626 remodeling, lease revenue is anticipated to increase between June and December of 2024. Operating expenses are on budget, running 16% higher than May of 2023. Net Ordinary Income for May 2024 is \$4,000. The report includes a loss year-to-date of \$50,982 that illustrates the timing of costs prior to income. Capital Expenses in May 2024 applied to Hangar H626, the new GA hangars, and the Fuel Farm, all three projects are anticipated to be completed in the next 60 to 90 days. Swanson reviewed significant expenses and grant fund activity. Chair Carlin directed the staff to file the financials for audit.

SAA Resolution No. 24-06 declaring intent to levy a one mill tax

Swanson presented the resolution as the first step for the 2025 budget cycle. The airport authority is allowed by KSA 27-322(b) to raise matching funds by mill levy, using the funds for AIP Projects. The process requires that the authority announce by publication the intent to use the option and to hold a public hearing. Director Commerford moved to approve the resolution, Director Roberg seconded, and the motion passed 5-0.

Consider and approve the sale of land to Superior Contracting and Manufacturing Services Co., Inc.

Swanson reviewed the history of the tenant relationship and the option for purchase included in

the lease. Millard and Franzen discussed their plans for development. Director Carlin noted that the sale fits the core values of economic growth and community support. Director O'Brien moved to approve the sale of approximately 9.33 acres of Lot 2, Block 1, Airport Industrial Center Subdivision to the City of Salina to Superior Contracting and Manufacturing Services Co., Inc. Purchase price is \$238,398.40, closing date is July 31, 2024. Director Boos seconded. Motion carried 4-0, with Director Carlin excused.

Consider and approve the sale of land to Kejr, Inc. (DBA Geoprobe)

Swanson presented a review of the lease agreement with Geoprobe. Omli and Wolters discussed the growth plans of the company. Rogers noted that the sale supported the airport core values in world-wide market, and job opportunities. Director Boos moved to approve the sale of approximately 10.33 acres of Lot 1, Block 5, Airport Industrial Center Subdivision to the City of Salina, to Kejr, Inc., d/b/a Geoprobe Systems. Purchase price is \$251,089.65, closing on July 31, 2024. Director Roberg seconded the motion. Vote carried, 3 – 0, Directors Carlin and O'Brien excused.

Airport Industrial Center No. 3 subdivision update

Miller provided the project review and update. Staff met with adjacent landowners, Bradley, to discuss drainage easement and permanent drainage development during Phase I. Miller stated that 30% of the construction plans are complete and submitted to the City of Salina for comment.

Centennial Road expansion project is scheduled to coincide with Phase II of the development. KDOT Economic Development grant funding may be available.

Executive Session

At 9:00 a.m., Director Carlin moved 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 at 9:15 a.m. Director O'Brien seconded, and the motion passed unanimously.

The open meeting resumed at 9:15 a.m.

Ratification and approval of Alternate No. 1 to the Hutton Construction Contract for Hangar H626 and H626 Room 111 Improvements

Miller reviewed the contract Alternate 1 option to install the paint booth and composites station for AIM Center training. Miller noted that Alternate 2 regards parking but is not being considered at this time. Cunningham reported that Hangar H626 has received a temporary certificate of occupancy for all renovated space, excluding room 111. The occupancy certificate for the AIM classroom is expected around September 15, 2024 following the completion of the renovation. Director O'Brien moved to approve the \$20,800 addendum to the Hutton Construction contract and ratify the contract. Director Commerford seconded the motion. The motion passed unanimously.

M.J. Kennedy Air Terminal Update

Miller updated the board on the progress made for phasing and scheduling the construction around active use of the facility by passengers. The Request for Bids will be published on July 2, 2024, the

pre-bid meeting is July 11, 2024, and the bid opening is July 24, 2024. The grant application will immediately follow on July 26, 2024.

Miller noted that the front of the building is not eligible for federal grant funding as the structure was not included in the 2019 ATP Survey. Miller said that a second review request will be made for ATP funds.

Project AAERO Update

Rogers reported that the next step will be to apply for SMART grant funding to operate a UAS/AAM by KSU, KSANG, military and private entities in a 5-mile radius of controlled SLN air space. The SMART grant would apply to engineering designs and plans for the system.

Salina Airport Authority Resolution No. 24-07

Director Carlin presented Executive Director Tim Rogers with the SAA resolution 24-07 for his 40 years of service to the Salina Airport Authority.

Hangar H626 Tour

Cunningham and Miller provided a facility update on Hangar H626 and site tour.

Director Commerford moved to adjourn the meeting, seconded by Director Roberg. The meeting adjourned at 10:17 A.M. following the unanimous vote.

Minutes approved at the July 17, 2024 board meeting.

Kasey L. Windhorst, Board Clerk

(SEAL)