

COUNTY COMMISSION REQUEST FOR ACTION # 2023-233

Title: Air Service Incentive for RON Flight

COMMISSION MEETING DATE: December 19, 2023, at 9:00 AM

REQUESTING DEPARTMENT OR AGENCY: County Administration

CONTACT PERSON: Phillip Smith-Hanes

DEADLINE IF ANY FOR ACTION: December 31, 2023

DATE SENT COUNTY COUNSELOR: Select Date

1. Request for Action

On December 12, your Commission heard a presentation from Tim Rogers, Executive Director of the Salina Airport Authority, and Gary Foss, air service consultant, regarding a \$900,000 community incentive package to induce SkyWest Airlines to change times for the non-stop flights between Salina and Denver to a “remain overnight” (RON) flight. This would have a late afternoon/early evening arrival into Salina with an early morning departure the following day to Denver, maximizing the connectivity both directions through Denver for Salina passengers. The incentive would be funded by \$400,000 from the City of Salina (approved by the City Commission on December 4), \$100,000 from the Airport Authority, and a proposed \$400,000 from Saline County. The County has funding available in our American Rescue Plan Act Coronavirus Local Fiscal Recovery Fund, as an equivalent amount previously approved for an airport maintenance hub will not be spent. Functionally, the County portion would be a grant from the County to the Salina Airport Authority, which would be responsible for paying out the incentive to SkyWest based upon completion of the RON schedule over a one-year period.

2. Alternatives for Action

1. Approve in concept the grant of \$400,000 to the Salina Airport Authority for a RON incentive and direct staff to return with an agreement no later than February 27, 2024.
2. Do not approve the incentive and direct staff regarding alternative uses for the funds.

3. Staff Recommendation

Staff recommends approval of the grant in concept, but conditioning it upon timely completion of an agreement.

4. Budget Impact

The proposed grant would utilize federal funds, which are not subject to budget per state law. Saline County has cash on hand to make the grant as proposed.

5. Action Taken by County Commission