

## MINUTES OF THE JACKSON HOLE AIRPORT BOARD

**DATE:** February 22, 2017

**BOARD PRESENT:** John Eastman, Jerry Blann, Jim Waldrop, Rick Braun and Mary Gibson Scott were present in the Airport Board Conference Room.

**OTHERS PRESENT:** David Vela, Gary Pollock, Grand Teton National Park; Gene Murphy, SEH; Ryk Dunkelberg, Mead & Hunt; Frank Newton III, Newton & Associates; Greg Epstein, Teton County; Jim Stanford, Town of Jackson; Jean Lewis, Jackson Hole Children's Museum; Mac Dukart, Teton County Integrated Solid Waste & Recycling Joseph Sebastian, TSA; Tony Henderson, Kory Hale, Classic Aviation; Rhea Brough, Jedediah's; Pete Lindell, Fly Jackson Hole; Bill Sweeney, ATS; Mike Koshmrl, Jackson Hole News & Guide; Jeremy Mayo, Hertz; Frank Hibbard, Public; Jim Elwood, Jeanne Kirkpatrick, Ron Campbell, Randy Knepper, Paul Walters, Michelle Anderson, Aimee Crook, Tony Cross, Jamey Miles, Sallie DuMond, Phillip Adams, Chris Wells, Jeremy Valcich, Kaitlin Perkins, Jackson Hole Airport.

**CALL TO ORDER:** Eastman called the meeting of the Jackson Hole Airport Board to order at 9:01 a.m. on Wednesday, February 22, 2017.

**I. CERTIFICATE OF ORGANIZATION & REGISTERED AGENT:** Eastman stated the new slate of officers will be:

- Jim Waldrop, President
- Jerry Blann, Vice President
- Rick Braun, Treasurer
- Mary Gibson Scott, Secretary
- John Eastman, Member

Blann made a motion to approve the slate of officers as presented and adopt the Certificate of Organization. Braun seconded the motion. Having no further discussion, the motion passed unanimously. Waldrop acknowledged Eastman for his leadership, strategic direction and terrific work during his presidency.

Waldrop recognized Elwood and the Airport Staff for the efforts made during the power outage. He said the visiting public would not have known the Airport was on generator power during the recent storm event except for a few minor things.

Gibson Scott asked if the language had been changed on the Certificate of Organization. Elwood stated that it had been and the new Certificate was available for review and signature.

**II. EMPLOYEE RECOGNITION:** Elwood recognized Jamey Miles as January's employee of the month. Elwood recognized Steve Kerley and Phillip Adams as February's employees of the month. Elwood stated that Jeremy Valcich, who has finished his internship in Jackson, will be an Operations Agent at the Fort Meyers

Airport. Valcich thanked Elwood and the Airport Board for the opportunities given to him at the Jackson Hole Airport.

**III. COMMUNITY OUTREACH:** Waldrop introduced Jean Lewis of the Children's Museum. Lewis stated that the "Taking Flight" exhibit was completed in January and has had over 1,500 children attend. She thanked Elwood and the Board for their generosity.

Walters gave an update on the Airport sustainability and recycling programs. He stated that the Airport has a recycle trailer and has "multi-stream" recycle containers throughout the terminal. He stated that the Airport has partnered with Teton County Integrated Solid Waste & Recycling to move toward the goal of "zero waste." Walters introduced Mac Dukart, the Waste Diversion and Outreach Coordinator for Teton County Integrated Solid Waste & Recycling. Dukart gave a brief update on recycling in Teton County. Gibson Scott asked how the Airport facilitates the sorting of airline waste. Walters said that it is separated by airline personnel and then put in the Airport's waste trailer. Wright stated that he would like Jackson Hole Aviation to be involved in the Airport's recycling program.

**IV. APPROVAL OF MINUTES:** Braun made a motion to approve the minutes of the December 21, 2016 meeting. Eastman seconded the motion. Gibson Scott stated that on page 5 of the minutes the word recession should be succession. Having no further discussion, the motion passed unanimously.

**V. FAR 150 UPDATE:** Dunkelberg stated that comments have been received from the FAA and the Park on chapters 1-8 as well as the supplemental appendices and have been responded to. He stated that a committee meeting and public meeting are scheduled for March 14 to present alternatives. Dunkelberg stated that the chapters being presented are an evaluation of all of the Next Gen approaches and departures. He stated that the recommendations chapter will be submitted to staff and the FAA in April or May. He said there will be a public hearing in the summer of 2017. He stated that a scope of services and outline is being prepared for the voluntary Fly Quiet Program. Dunkelberg said the Fly Quiet program is a voluntary program that evaluates noise effects and impacts on the community. Wright stated that Jackson Hole Aviation would like to be involved with any Fly Quiet meetings.

**VI. COMMENTS FROM – NATIONAL PARK SERVICE, TOWN OF JACKSON, TETON COUNTY AND THE PUBLIC:** Vela commended the Board and Elwood for ongoing sensitivities to preserve and protect this majestic place. He stated the Park is working on a zero waste landfill initiative. He said the Park received a grant for a green fleet. He asked everyone to please drive safely in winter conditions. Gibson Scott asked if the rental car operators provide winter driving advice to customers. Mayo stated that there is a pamphlet given with contracts and typically agents will speak with customers about safe driving.

Stanford stated that Pete Muldoon is the new mayor of the Town of Jackson. He said that the Town is working on a slate of projects for the SPET tax. He said he is excited to

hear about the FAR 150 Study and encouraged by the enthusiasm shown by Jackson Hole Aviation.

Waldrop welcomed Greg Epstein as Teton County's Airport liaison. Epstein stated he is excited to learn more about the Airport. Blann thanked Stanford and Epstein for their efforts in the SPET discussion.

Elwood gave a general aviation update. He stated that 30,000 square feet of new general aviation parking will be created by removing Hangar 3. He said a new common use Hangar will be built to replace Hangar 3. He stated that the Hangar tenants have been recently advised of the projects, and will need to be temporarily relocated while the work takes place. Waldrop stated that the Airport is committed to general aviation and improving the facilities.

Hibbard stated that he started occupying Hangar 3 in 1982. He said that he believes the building could be reused. He said ultimately the project seems like a good plan but it is going to be tough coordinating what to do with the 16 airplanes that occupy Hangar 3. Waldrop stated that the 16 planes are at the forefront of the Airport's concern and the Airport will help facilitate finding new places during construction.

Lindell stated that he looks forward to the improvement, modernization and maximization of the space. He stated that his concern is whether one of the new hangars will be set aside for smaller aircraft. He asked if there will be space guaranteed for long term tenants and local residents. Elwood stated that the Airport anxiously wants the 16 airplanes back and at a rate that is reasonable to the tenants.

Wright stated that Hangar 3 is barely usable at best. He stated there will be short term pain to get the long term benefit of the new structure. He stated it has been fantastic working with Elwood and the Airport on this project.

**VII. COMMITTEE UPDATES:** Gibson Scott stated that the Art Committee walked through the Airport to choose the location of the Battle of Wills maquette. She stated the preliminary spot chosen is in the baggage claim area. She said that the objectives for the Art Committee are close to being met.

Braun stated that the staff has taken over communications, and there will be no more Communications Committee.

Gibson Scott stated that the Concessions Committee talked with Rhea Brough over the phone the previous week. She stated that the restaurant lease is set to expire in January 2018. She stated that the Committee will be working with Jedediah's to address renovations that need to be done.

Blann stated the General Aviation Committee has had great collaboration with Jackson Hole Aviation on the new fuel facility. He stated there will be an update shortly.

Eastman stated that the Grand Teton National Park Mitigation Committee met on January 25<sup>th</sup>. He stated that there was a Wildlife Hazard Management and Habitat Restoration Environmental Assessment to address wildlife hazard mitigation and greater sage-grouse habitat restoration in and around the Airport.

Braun spoke for the Human Resource Committee and stated that security screening continues to be fully staffed. He stated that Human Resource recommendations adopted by the Board in December have been well received by staff.

Gibson Scott spoke for the Transportation Committee and said that ground transportation has gone well. She stated that nearly 5,000 people took advantage of the Ride2Fly program in 2016.

Waldrop stated that the 2017 committees are as follows:

- Conceptual Plan/Infrastructure – Jerry Blann & Jim Waldrop
- Concessions – Rick Braun & Mary Gibson Scott
- Facilities – Rick Braun & John Eastman
- General Aviation – Jerry Blann & John Eastman
- Grand Teton National Park Mitigation – Jim Waldrop & John Eastman
- Human Resources & Health – Mary Gibson Scott & Rick Braun
- Transportation – Mary Gibson Scott & Jim Waldrop

**VIII. ACTIVITIES REPORTS REVIEW:** Elwood stated that in order to comply with the Noise Abatement Plan, the airport measures average daily departures (ADDs). He said that the ADDs for the quarter ending December 31, 2016 were 1.68 and 3.07 annually. He stated that 62% of enplanements in Wyoming were at the Jackson Hole Airport. He said passenger traffic increased 6% in December 2016 and 11% year to date in 2016. He said passenger traffic increased 13% in January and 13% year to date.

#### **IX. ACTION ITEMS:**

**A. Rates Review:** Elwood stated there was no change in rates at Jackson Hole Aviation.

#### **B. Financial Reports:**

**1. Passenger Facility Charge (PFC):** Kirkpatrick stated that around \$1.0 million is collected in passenger facility charges annually and that existing loans are paid with PFC income.

**2. Customer Facility Charge (CFC):** Kirkpatrick stated that the customer facility charge balance is \$2,873,749. She said that the second payment was received from Ovivo bringing the total to \$529,831. She said the QTA will be funded with CFCs and is estimated to cost \$6.1 million.

**3. Income & Expense Operating Statements:** Kirkpatrick stated that year to date operating income is 7.8% over budget and operating expenses are 7.7% above budget. She said currently operating income exceeds operating expenses by approximately \$500,000. Blann made a motion to approve the financial reports. Braun seconded the motion. Having no further discussion, the motion passed unanimously.

**C. Payment of the Bills:** Blann made a motion to approve checks 32994-33330, 2831-2838 and ACH payroll and tax batches December 31, 2016, January 15, 30 and February 15, 2017. Eastman seconded the motion. Having no further discussion, the motion passed unanimously.

**D. Official Depositories:** Kirkpatrick stated that Airport funds are currently in Bank of the West and Wells Fargo. She said staff recommends Bank of the West and Wells Fargo as official depositories since both are able to secure airport funds with treasuries. Blann made a motion to approve the official depositories. Eastman seconded the motion. Having no further discussion, the motion passed unanimously.

**E. Newton & Associates – Financial Plan:** Kirkpatrick stated that the Airport developed a \$77.6 million financial plan which included 43 projects. Newton stated that the financial plan was developed to provide for the implementation of the programmed capital improvements. He stated that reasonable funding assumptions were utilized in the development of the plan. Newton said conservative factors were employed in financial projections and the costs of the capital improvements would be recovered from the beneficiaries. He said that airline cost levels would be maintained, that Airport cash would be preserved at a minimum balance of \$4.5 million, and that there is flexibility in the plan to allow for variances in assumptions. Newton stated the estimated cost of the capital improvement plan is \$77.6 million, with \$43.4 million in airfield improvements, \$17 million in general aviation improvements, \$6.1 million in rental car improvements, \$1.2 million in terminal improvements and \$9.3 million in general airport improvements. He stated that the funding assumptions are \$40.2 million in federal grants, \$3.2 million in state grants, \$1.5 million in Wyoming Business Council grants, \$3 million in rental car customer facility charge funds, and \$29.3 million of Airport funds. Newton said this financial plan identifies a viable approach to implementing the capital improvement program but it is important to note that the underlying assumptions of the forecasts in the plan may vary moving forward. He said that the assumptions will be monitored closely and periodic adjustments will be made to address any variances.

Blann stated that the numbers presented on the slides were different than the information that was in the Board Book. Newton stated there was a tweak in the numbers but the debt service coverage rates presented now were better than what was shown previously in the book. Stanford requested a copy of the capital improvement plan. He asked why there is \$1.2 million in renovations to Jedediah's. Gibson Scott stated there is a lot of work to be done behind the scenes in the kitchen. She also stated that the kitchen they are operating out of is the original kitchen from before the terminal remodel. Waldrop requested a final copy of the plan be given to the Board as presented at the meeting and it will be considered in March.

## **F. SEH Contract Amendments 11 & 12:**

**1. WYDOT Maintenance Project – Engineering Fees:** Kirkpatrick stated that in December the Board approved an amendment to the SEH contract for the State airfield pavement marking project. She said Wyoming Aeronautics has changed the scope of the project to include both airfield marking and seal coat for the taxiway. She said the prior amendment will need to be rescinded and a new amendment for engineering fees to include the revised State airfield maintenance project will need to be approved. She said the project cost is estimated to be \$440,000. Kirkpatrick said SEH will provide bidding support and will help select the contractor. She said the fee will be \$45,860 and airport share is \$4,856. Braun made a motion to rescind the prior amendment and approve the SEH Amendment 11 in the amount of \$4,856. Gibson Scott seconded the motion. Having no further discussion the motion passed unanimously.

**2. Commercial Apron Schedule III – Engineering Fees:** Kirkpatrick stated the SEH proposed engineering fee for Schedule III of the Commercial Apron Project is \$1,339,674. She said that the independent fee estimate was calculated to be \$1,383,320. She said staff recommends approval of SEH amendment 12. Waldrop requested that progress reports from SEH be included in the Scope of Work. Braun made a motion to approve the SEH Amendment 12 in the amount of \$1,339,674. Eastman seconded the motion. Having no further discussion, the motion passed unanimously.

**G. Commercial Apron Change Order #1 (Schedule II):** Kirkpatrick stated modifications are needed in order to minimize pavement milling conflicts and extend the construction work in front of the ARFF building. This will provide access to ARFF vehicles during both Schedule II & Schedule III. Elwood stated that additional conduits are included in the change order. Gibson Scott made a motion to approve the Commercial Apron Change Order 1. Blann seconded the motion. Having no further discussion, the motion passed unanimously.

**H. Classic Aviation:** Elwood stated that Classic Aviation has requested an Agreement with the Board in order to operate a commercial aeronautical business providing air-medical transport, search and rescue and first responder support operations. He said it is a three year agreement and the Airport will be paid 5% of gross revenues. Gibson Scott asked how search and rescue would be coordinated with Teton County Search and Rescue. Henderson said that Classic Aviation would not self-dispatch. Elwood stated that the Board is approving the operating agreement, that the agreement does not guarantee space at the Airport. Blann made a motion to approve the Classic Aviation Agreement. Braun seconded the motion. Having no further discussion, the motion passed unanimously.

**VIII. DIRECTOR'S COMMENTS:** Elwood gave a brief Fuel Farm and QTA update, stating that firms have been interviewed and more information will be presented soon. Elwood stated that the Airport will be putting out an RFQ for an auditor.

Knepper gave an operations update. He said the holiday season went smoothly despite heavy peak loads. Crook stated that screening maintained four lanes with a just a few wait times over 20 minutes. Sebastian stated he has received comments that passengers wish this screening model could be mimicked elsewhere. Waldrop read positive Facebook comments from passengers. Knepper stated the Airport paid for 50 hotel nights so the airport would remain fully staffed during the extreme weather conditions. He thanked the Board for approving the generator improvements completed last fall.


Elwood stated that the Airport is working on action items regarding the eclipse. Gibson Scott requested more information regarding the management of air and ground traffic during the eclipse.

Elwood stated there will be a full scale disaster exercise at the Airport on April 15<sup>th</sup>.

**IX. BOARD COMMENTS:** The Board selected future meeting dates of March 15, April 19, and May 17, 2017.

Braun stated the work ethic from the community during the weather incident was unbelievable.

**XI. ADJOURN:** Gibson Scott made a motion to adjourn the meeting at 12:31 on February 22, 2017. Blann seconded the motion and the meeting was adjourned.



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Jim Waldrop, President



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Mary Gibson Scott, Secretary