

MINUTES OF THE JACKSON HOLE AIRPORT BOARD

DATE: August 16, 2017

BOARD PRESENT: Jim Waldrop, Jerry Blann, Rick Braun and John Eastman were present in the Airport Board Conference Room. Mary Gibson Scott was present via conference call which was audible in the Airport Board Conference Room.

OTHERS PRESENT: Mike Mahoney, KLJ; Michael Lawrence, Greg Herrick, Wyoming Jet Center; David Vela, Gary Pollock, Grand Teton National Park; Gene Murphy, Kevin Ensor, SEH; Mike Mahoney, KLJ; Tyler Shupe, Brady Stowers, Cameron Frew, Wadman Corporation; Jeff Brown, Keaton Brown, Matt Wright, Jackson Hole Aviation; Chris Laubert, Erik Peacor, Serco; Pete Lindell, Fly Jackson Hole; Mike Gierau, Jedediah Corporation; Mike Koshmrl, JH News & Guide; Jim Elwood, Dustin Havel, Michelle Anderson, Aimee Crook, Ron Campbell, Tony Cross, Robin Usher, Esther Borja, Randy Knepper, Kaitlin Perkins, Jackson Hole Airport.

CALL TO ORDER: Waldrop called the meeting of the Jackson Hole Airport Board to order at 9:00 am on Wednesday, August 16, 2017.

I. EMPLOYEE OF THE MONTH: Elwood recognized Robin Usher as August's employee of the month.

II. COMMUNITY OUTREACH: Elwood stated that ten students from the Teton County School District Special Needs summer program toured the Airport.

III. ECLIPSE BRIEFING: Havel gave an update on the Airport's Eclipse Mitigation Plan. He said that he will be representing the Airport at the Emergency Operations Center on Sunday and Monday, August 20th and 21st. He said there will be a ground hold with no arrivals or departures for 30 minutes before and after the total eclipse. He said there will be fencing at ramp parking space #5 for outbound passengers to view the eclipse. Havel said that there will be two stations set up on the Airport's access road to regulate Airport access to ticketed passengers and employees. He said that there is increased outbound passenger traffic on Monday afternoon and on Tuesday. He said that the commercial airlines flew an additional 15 flights to accommodate 2,000 passengers traveling to Jackson for the eclipse. He said that Jackson Hole Aviation has been taking reservations and communicating the need for reservations well in advance. He said that the Airport has issued a Notice to Airmen (NOTAM) to help control traffic flow. Havel said that the Airport will have a liaison in the Tower during peak hours. He said that the runway will be closed Thursday through Monday nights from 10 pm to 6 am. Elwood stated that emergency landings will be accommodated.

Brown stated that Jackson Hole Aviation will have an additional four fuel trucks for the eclipse. He said that employees will be staying at the Airport to ensure planes get fueled.

Braun thanked the National Park Service for allowing employees to stay overnight at the Airport.

Gibson Scott asked when customers booked reservations through Jackson Hole Aviation were they reminded of the voluntary curfew and the runway closure period. Brown said they were.

Laubert stated the Tower will enforce the 'prior permission required' as much as possible. He said that an Airport liaison in the Tower will be a tremendous help.

Gibson Scott stated that the helibase is prepared for three heavies in case of emergency helicopter needs.

IV. COMMENTS FROM – NATIONAL PARK SERVICE, TOWN OF JACKSON, TETON COUNTY AND THE PUBLIC: Vela gave an update on the National Park Service's total solar eclipse plan referencing the "Know Before You Go" reminders in the National Park Service's Total Solar Eclipse Newspaper. He stated that he is proud of the community, saying that anything that could happen has been planned for and all agencies will work collaboratively.

V. COMMITTEE UPDATES: Blann stated that the Conceptual Committee and Selection Committee met and would be recommending Wadman Corporation as the Construction Manager at Risk.

Braun spoke for the Concessions Committee and stated that the term of the rental car concession agreements will expire on May 1, 2018. He said that bid documents are expected to be ready for advertising in September.

Braun spoke for the Facilities Committee stating that the fog seal and painting on the taxiway went well with minimal impacts on users. He said that airline ticket counters have been upgraded and repainted. He said that the construction on commercial aircraft parking positions 6 and 7 remains on time and on budget. He said that the Battle of Wills sculpture will be professionally cleaned and waxed this month.

Eastman stated that General Aviation Committee items will be addressed later during the meeting.

Waldrop spoke for the Grand Teton National Park Committee and thanked the National Park Service for acknowledging Jeanne Kirkpatrick on her retirement. He said that a meeting is being scheduled.

Gibson Scott spoke for the Human Resources Committee and stated that Anna Valsing was hired as the Assistant Administrative Manager and Peter Tan was hired for the Maintenance position.

Waldrop spoke for the Transportation Committee and stated that Uber and Lyft averaged 10 pick-ups and drop-offs per day. He said that there are 29 taxi companies active at the Airport.

VI. ACTIVITIES REPORTS REVIEW: Elwood stated that July passenger enplanements increased 3% and were also up 3% year to date. He explained that the Airport is moving more passengers with less noise impact.

Eastman asked for an explanation on why noise, passengers and operations started an upward trend in 2013. Elwood stated that the Airport has benefited from improved technology and efficiency of the airplanes servicing the Airport. He stated that passengers are still increasing faster than the amount of increase in noise and operations. He said that the next generation of commercial and general aviation aircraft is 20% quieter. Elwood said he predicts that noise will flatten over the next couple of years.

Braun stated that the Fly Quiet Program will encourage the airlines to bring their quietest equipment to the Airport.

Pollock stated that when approaching and departing aircraft are able to move away from the center of the valley/Snake River there will be a significant impact on the noise reduction over the Park.

VII. ACTION ITEMS:

A. Approval of the Minutes: Blann requested that updated minutes that are distributed to the Board have the corrections redlined. Braun made a motion to approve the July 19, 2017 minutes. Blann seconded the motion, which passed unanimously.

B. Consent Agenda:

B1. Veoci – Agreement Renewal

B2. Ameriflight – Agreement

B3. Western Transportation – Executive Charter Agreement

B4. Evans Construction – Landside Pavement Repair Agreement

Eastman made a motion to approve consent agenda items B1-B4. Blann seconded the motion. Having no further discussion, the motion passed unanimously.

C. Rates Review: Blann made a motion to approve Jackson Hole Aviation's proposed rates of \$6.80/gallon for Jet A fuel and \$2.87/gallon for unleaded fuel. Braun seconded the motion, which passed unanimously.

D. Financial Reports:

1. Customer Facility Charge (CFC): Anderson stated that the CFC account balance is \$3,311,470. She said these funds will be used to construct the new Quick Turnaround Facility (QTA) for the rental cars and a portion of the south access road. She said that since the QTA will be constructed after the Fuel Farm in the second half of next summer, the account balance is anticipated to increase until construction begins. Waldrop requested that a line item be added to the CFC slide stating the monthly distribution.

2. Income & Expense Operating Statements: Anderson stated that income exceeded the budgeted amount for July while expenses remained under budget. She said payment was received from FEMA in July as well as the past due amount from AT&T. Braun made a motion to approve the July 2017 financial reports. Blann seconded the motion. With no further discussion, the motion passed unanimously.

E. Payment of the Bills: Braun made a motion to approve checks 33899-34121, check 10020, checks 2853-2855 and ACH payroll and tax batch July 31, 2017. Blann seconded the motion, which passed unanimously.

F. Resolution 2017-12 – Wyoming Business Council Application: Anderson stated that the Wyoming Business Council (WBC) requires several resolutions to be adopted by the Town, County and Board and to be included in the Application for the Grant and Loan. She said that Resolution 2017-12 is an authorizing resolution stating that the Board has the authority and staff

has followed the required processes to submit an application to WBC under the Business Ready Community Grant and Loan Program for the new fuel facility.

Gibson Scott addressed the written comments that were received from the public regarding the new fuel facility. She said that adequate fuel storage will not generate demand, it will respond to demand. She said that the new fuel facility is an environmental improvement, meeting current regulations and safety.

Eastman made a motion to adopt Resolution 2017-12 in the form presented to establish that an application be filed with the Wyoming Business Council under the Program, for loan funding of \$1.5 Million and grant funding of \$1.5 Million, to partially fund the construction of the new fuel facility. Braun seconded the motion. Having no further discussion, the motion passed unanimously.

G. Resolution 2017-13 – Wyoming Business Council Loan: Anderson stated that in order to apply for a loan under WBC, the Board must adopt a resolution stating the method of repayment, nature of security and amount of the loan. She said that Resolution 2017-13 satisfies the WBC loan resolution requirement.

Braun made a motion to adopt Resolution 2017-13 in the form presented to establish that the Loan shall be repaid from certain Board revenues and shall be secured by certain pledged net revenues generated from operation of the Jackson Hole Airport fuel facility. Eastman seconded the motion. With no further discussion, the motion passed unanimously.

H. Mead & Hunt – Fly Quiet Agreement: Elwood stated that the Fly Quiet Program is a way for the Airport to continue noise reduction efforts into the future. He said Fly Quiet is a collaborative program in which aircraft operators work together with the Airport, the Park and the community to actively reduce noise. He said that the Airport will recognize quiet operators, identify operators who don't meet the same expectations and encourage them to use their quietest equipment. He said that the fee for the first year is \$84,625 and each subsequent year is \$65,125 for a total fee of \$345,125.

Waldrop stated that this Program is a testament to the Airport's commitment to the partnership with the National Park Service.

Braun stated that in the scope of the project, the arrival pathway will be designed in a very quiet and economical way.

Eastman identified that part of the initiative for the Fly Quiet Program came from the public. He said that this Program is a terrific opportunity for collaboration with stakeholders.

Gibson Scott made a motion to approve the Mead & Hunt Fly Quiet 5 year agreement in the form presented with the first year fee at not-to-exceed \$84,625 and subsequent years' fees at not-to-exceed \$65,125.

I. Second FBO Request for Proposal Discussion: Elwood explained that at the May 17, 2017 Board meeting the Board determined that under applicable FAA guidelines a second FBO must be accommodated at the Airport, and directed that a Request for Proposal (RFP) for a second FBO be developed. He said that about six weeks after the decision was made to develop an RFP, Jackson Hole Aviation approached the Airport and suggested that the inefficiencies associated with two FBOs operating on the same ramp could be avoided if the Board purchased

and operated the single FBO on the Airport. He said though a second FBO must be accommodated under FAA's general rule, the law provides an exception in situations where the Airport itself chooses to exclusively own and operate the FBO.

Elwood said that upon receiving Jackson Hole Aviation's expression of interest and after consulting with the Board President, the Airport attorney was directed to investigate the legality and feasibility of purchasing and operating the FBO at the Airport. He said in late July the Airport attorney and his consultants entered into a Confidentiality & Non-Disclosure Agreement with Jackson Hole Aviation and began reviewing its confidential financial information. He said that under a separate Non-Disclosure Agreement, he and the General Aviation Committee members began reviewing that same information.

Elwood recommended that the Board continue to hold in abeyance the application for a second FBO and the request of Jackson Hole Aviation to build additional facilities received at the July 19th meeting. He also recommended that the Board postpone until the September meeting the issuance of an RFP for operation of a second FBO at the Airport. He said that by the September meeting the Airport attorney, General Aviation Committee and he will have had the opportunity to complete the review and make a recommendation regarding a possible purchase of the FBO. He said that a second FBO RFP issuance in September, or even October, would be nine or ten months in advance of when the new fuel facility is expected to be operational, and thus when a second FBO could be accommodated on the Airport.

Elwood recommended that the time by which Jackson Hole Aviation must respond to the tendered lease for Hangar 4 and 5 be extended by 60-days.

Blann made a motion to first, continue to hold in abeyance the application of Wyoming Jet Center for a second FBO and the request of Jackson Hole Aviation to build additional FBO facilities; and second, pending receipt of a recommendation by the General Aviation Committee regarding the possible purchase of the FBO, postpone until the Board's September meeting a decision on issuance of an RFP for operation of a second FBO at the Airport. Braun seconded the motion and the motion passed unanimously.

Eastman inquired if additional requests for information regarding a second FBO at the Airport had been received, and if so, he suggested that communication regarding the Board's decision be distributed to all the interested parties. Elwood said that the decision would be shared with all interested parties. Blann said that the Town and County should be notified as well.

Braun made a motion that the Board offer to extend by 60 days the time by which Jackson Hole Aviation, LLC must respond to the Board's tendered lease for Hangars 4 and 5. Blann seconded the motion, which passed unanimously.

J. Wadman Corporation – Construction Manager at Risk Agreement: Havel stated that at the July Board meeting the Board made the decision to move forward with the Construction Manager at Risk (CMAR) procurement process. He said four proposals were received, which were then narrowed down to two companies. He said the two companies were then interviewed and based on the interviews; Wadman Corporation was selected by the Selection Committee. He said the Base Agreement focuses on pre-construction services, fee structure and general conditions. He said that Guaranteed Maximum Price (GMP) Amendments will be issued for construction of each work element. He said that projects the CMAR will oversee include: Fuel Farm, Hangars, QTA, potential second FBO facilities, South Access Road, Aircraft Rescue Firefighting/Snow Removal Equipment building and restaurant upgrades.

Blann asked for the CMARs first projects and schedule. Havel said the Fuel Farm would be the first project. He said the design is close to completion and at the next Board meeting there will be a GMP Amendment. He said following the Fuel Farm, the QTA will be the next project.

Blann made a motion to approve the CMAR Agreement with Wadman Corporation in the form presented. Braun seconded the motion, which passed unanimously.

VIII. DIRECTOR'S COMMENTS: Havel explained that additional construction work that was scheduled for spring of 2018 will be happening in mid-September. He said that apron construction will impact one gate in the American Airlines section of the secure hold area, the entrance into the terminal from airside, and all of baggage carousel one and most of carousel two. He said that non-ADA passengers will be entering the baggage claim area through the oversized door on the south end of baggage claim and ADA passengers will have to go through the sterile area. He said that passengers could experience some delays in receiving their bags. Waldrop suggested that refreshments be provided to passengers during this timeframe. Eastman suggested that advance notice be published in the newspaper.

Elwood stated that the Airport passed the TSA inspection with flying colors. He introduced the new Tower manager, Erik Peacor. He said that Rich Sugden was inducted into the Wyoming Aviation Hall of Fame.

IX. BOARD COMMENTS: Braun recognized Tony Cross, stating that the employee benefits package that was developed is exceeding expectations.

Waldrop thanked the Board for all of their work.

Gibson Scott asked when it is anticipated that the concrete plant will be removed. Elwood stated that it will be removed in November but will be back in the spring. Gibson Scott stated that the revegetation along the wastewater line did not take well. She commended the work being done by the General Aviation Committee regarding the second FBO.

There was a discussion regarding the October Board meeting. It was decided that there will be no October meeting and instead a meeting on November 8, 2017.

X. ADJOURN: Blann made a motion to adjourn the meeting at 10:44 am on August 16, 2017. Braun seconded the motion and the meeting was adjourned.



Jim Waldrop, President



Mary Gibson Scott, Secretary

**RESOLUTION NO. 2017-13
OF THE
JACKSON HOLE AIRPORT BOARD**

**RE: METHOD OF REPAYMENT AND SECURITY FOR A LOAN FROM THE WYOMING
BUSINESS COUNCIL UNDER THE BUSINESS READY COMMUNITY GRANT AND LOAN
PROGRAM FOR A BUSINESS COMMITTED PROJECT**

FOR THE PUPOSE OF CONSTRUCTING A NEW AND EXPANDED FUEL FACILITY

August 16, 2017

The Jackson Hole Airport Board (the "Board"), a body corporate, organized under the laws of Wyoming, finds that:

WHEREAS, the Board is the operator and proprietor of the Jackson Hole Airport (the "Airport") and pursuant to Wyoming Statute §10-5-101, *et seq.*, and Town of Jackson Ordinances 109 is authorized to construct and expand Airport facilities, including aviation fuel facilities, and to apply for and accept grants and incur indebtedness with respect thereto; and

WHEREAS, the Board was created by Ordinance No. 109 of the Town of Jackson and Resolution of the Board of County Commissioners of Teton County, pursuant to Wyoming Statute §10-5-202, and to pursuant to Wyoming Statute §16-1-104(d) is deemed to be a joint powers board; and

WHEREAS, to implement the provisions of Wyoming Statute §§9-12-601 through 9-12-603, the Wyoming Business Council has adopted rules authorizing joint powers boards to apply under the Business Ready Community Grant and Loan Program for a Business Committed project (the "Program"); and

WHEREAS, the current capacity of the fuel facilities at the Airport are not sufficient to meet the needs of airline and other aircraft during times of peak demand, and the Board proposes to construct, own and operate a new consolidated fuel facility at the Airport which will have sufficient capacity to meet peak demands, will be above-ground and built to high environmental standards, with double wall tanks housed in a concrete containment vessel (the "Project");

WHEREAS, the Project is estimated to cost \$10.3 million, the Board wishes to apply under the Program for a \$1.5 million loan and a \$1.5 million grant, with matching and additional moneys for the Project, including for cost overruns, coming from Board reserve funds and another loan;

WHEREAS, the Board has duly noticed and held a public hearing on its proposal to submit an application under the Program, and has considered any testimony offered at such public hearing, as required by Program rules.


NOW, THEREFORE, be it resolved by the Jackson Hole Airport Board, in public meeting duly noticed and assembled, as follows:

1. Method of Repayment and Security for Loan. The Loan shall be repaid from certain Board revenues, consisting of net revenues generated from operation of the Jackson Hole Airport fuel facility, as defined by negotiations with the Wyoming Business Council.

2. Security for Loan. The Loan shall be secured by certain pledged net revenues generated from operation of the Jackson Hole Airport fuel facility, and/or reserved funds accumulated from time-to-time from such revenues, as defined by negotiations with the Wyoming Business Council.

Upon motion duly made and seconded, the foregoing Resolution was adopted by the Jackson Hole Airport Board this 16th day of August 2017.

JACKSON HOLE AIRPORT BOARD

By: 
Jim Waldrop, President

Attest:

By: 
Secretary

**RESOLUTION NO. 2017-12
OF THE
JACKSON HOLE AIRPORT BOARD**

AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE WYOMING BUSINESS COUNCIL UNDER THE BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM FOR A BUSINESS COMMITTED PROJECT ON BEHALF OF THE JACKSON HOLE AIRPORT BOARD

FOR THE PUPOSE OF CONSTRUCTING A NEW AND EXPANDED FUEL FACILITY

August 16, 2017

WITNESSETH

The Jackson Hole Airport Board (the "Board"), a body corporate, organized under the laws of Wyoming, finds that:

WHEREAS, the Governing Body of the Board desires to participate in the Business Ready Community Grant and Loan Program (the "Program") to assist in financing a project to construct a new and expanded fuel facility (the "Project") at the Jackson Hole Airport (the "Airport"); and

WHEREAS, the current capacity of the fuel facilities at the Airport are not sufficient to meet the needs of airline and other aircraft during times of peak demand, and the Governing Body of the Board recognizes the need for construction of a new fuel facility with sufficient capacity to meet peak demands, and the Project will address those needs; and

WHEREAS, the public benefits from this Project will be realized by providing security for airline and general aviation aircraft that adequate fuel will be available to meet their schedules and commitments, and the consideration for the Project is the accommodation and retention of both existing and expected future airline and other aircraft operations at the Airport which are vital to the economy of the Town of Jackson, County of Teton and the surrounding area;

WHEREAS, the specific goals and measures of success of this Project are that (i) the same or greater annual number of passenger are served at the Airport; (ii) there is increased sales tax revenues to the State and Teton County, and increased lodging revenue which is used by the community to promote the region; (iii) existing airlines at the Airport are retained and access to the Airport by airlines desiring to serve the Airport from the same and different markets is expanded; and (iv) a positive experience is provided for the airline traveler so they will desire to return to Wyoming; and

WHEREAS, the Program requires that certain criteria be met, as described in the Wyoming Business Council's Rules governing the Program, and to the best of the Board's knowledge its application meets those criteria; and

WHEREAS, the Governing Body of the Board plans to provide an in kind and cash match to this Business Ready Community Grant and Loan Program Business Committed project in the amount of \$7,450,833; and

WHEREAS, Governing Body for the Board has a comprehensive operation and maintenance plan including projected expense and Project income sources to extend the life of the new few facility; and

WHEREAS, the Governing Body for the Board will use the revenue recaptured from this project for an economic development purpose, that being the further development and enhancement of the Airport, which provides an important gateway for both tourism and business travel to and from Northwestern Wyoming.

WHEREAS, in the event of project cost overruns, the Board will provide funding in the amount necessary to complete the Project utilizing Board reserve funds on deposit at Wells Fargo Bank, and

WHEREAS, the Board has considered other funding options such as grants from the Federal Aviation Administration, and the use of Passenger Facility Charges, and has determined that the Project cannot be funded from these options; and

WHEREAS, the Board has and is acting in consultation with the Airport's fixed base operator, Jackson Hole Aviation LLC to ensure the Project as designed and built meets the need of the air carrier and general aviation aircraft and will meet the Projects goals, and

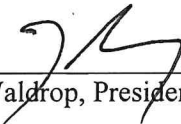
WHEREAS, the Board has duly noticed and held a public hearing on its proposal to submit an application under the Program, and has considered any testimony offered at such public hearing, as required by Program rules.

NOW, THEREFORE, be it resolved by the Jackson Hole Airport Board, in a public meeting duly noticed and assembled, that an application be filed with the Wyoming Business Council under the Program, for loan funding of \$1.5 Million and grant funding of \$1.5 Million, to partially fund construction of the above-referenced Project.

FURTHER RESOLVED THAT the President of the Board is authorized to execute, and Airport staff are directed to file, the above-described application for loan and grant funding with the Wyoming Business Council under the Program.

Upon motion duly made and seconded, the foregoing Resolution was adopted by the Jackson Hole Airport Board this 16th day of August 2017.

JACKSON HOLE AIRPORT BOARD

By: 
Jim Waldrop, President

Attest:

By: 
Secretary