

MINUTES OF THE JACKSON HOLE AIRPORT BOARD

DATE: September 20, 2017

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

OTHERS PRESENT: David Vela, Gary Pollock, National Park Service; Greg Epstein, Teton County; Gene Murphy, Kevin Ensor, SEH; Mike Gireau, Jedediah Corporation; Mike Mahoney, KLJ; Jeremy Mayo, Hertz; Jeff Brown, Matt Wright, Jackson Hole Aviation; Pete Lindell, David Coyle, Fly Jackson Hole; Rich Sugden, Peter Kline, Teton Aviation; Greg Herrick, Michael Lawrence, Wyoming Jet Center; Tony Henderson, Classic Aviation; Scott Smith, One to One Wellness; Jim Elwood, Dustin Havel, Michelle Anderson, Ron Campbell, Anna Valsing, Robin Usher, Esther Borja, 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, September 20, 2017.

I. APPROVAL OF THE MINUTES:

A. August 16, 2017 – Public Hearing and Regular Minutes: Blann made a motion to approve the August 16, 2017 public hearing and regular minutes. Braun seconded the motion, which passed unanimously.

B. August 30, 2017 – Special Meeting: Eastman made a motion to approve the August 30, 2017 special meeting minutes. Blann seconded the motion, which passed unanimously.

II. EMPLOYEE OF THE MONTH: Elwood recognized Kaitlin Perkins as September's employee of the month. Elwood introduced Anna Valsing as Jackson Hole Airport's Assistant Administrative Manager. Elwood recognized Rich Sugden for being inducted into the Wyoming Aviation Hall of Fame.

III. COMMUNITY OUTREACH: Elwood stated that Teton Literacy Summer Photography Camp visited the airport as a part of a project photographing local community members. He said the airport has committed to supporting and sponsoring JH Wild's "Wildlife Film Festival." Elwood gave an update on how successful the eclipse was. He acknowledged the National Park Service, Jackson Hole Aviation and Jedediah's Catering. Waldrop commended the staff for accommodating the passengers traveling through the airport during the eclipse.

IV. COMMENTS FROM – NATIONAL PARK SERVICE, TOWN OF JACKSON, TETON COUNTY AND THE PUBLIC: Vela spoke for the National Park Service and stated that it has been a phenomenal summer for visitation. He said he is proud of the plan that was created for the eclipse, the way that it was executed and the way the jurisdictions worked together. He said that he learned the value of social media during the eclipse. He said Park Rangers were monitoring social media during the eclipse to respond and address situations if need be. Vela recognized John Eastman for being appointed as an environmental appointee to the National Parks Overflights Advisory Group. He said Eastman was appointed to represent environmental concerns in the group. He said that Eastman's membership speaks volumes towards Eastman and the airport's commitment to environmental stewardship. Blann asked what the total visitation numbers for the summer were. Vela said that there were approximately 30,000 visitors

in Grand Teton National Park on eclipse day and that the total summer numbers are still being processed.

Epstein spoke for Teton County and said that planning was amazing for the eclipse. He recognized Rich Ochs for bringing the community together and making the visitors and local experience outstanding. He said the County is currently working on Bureau of Land Management land transfers. He said these land transfers are the start of the County's River Management Plan. He spoke briefly about traffic issues in Jackson, stating that if we want to solve traffic problems then the community must engage in traffic solutions.

Sugden introduced himself as a member of the public. He gave a brief history of his career in Jackson and previous ownership of Jackson Hole Aviation. He said that he is aware of the possibility of a second FBO at the airport. He said that nothing beats competition; that prices and service are better. He said he is interested in the possibility of a second FBO and would like more information when it becomes available.

V. COMMITTEE UPDATES: Blann stated the Conceptual Committee has been working on the new fuel farm design, hangars and the rental car quick turnaround (QTA) facilities. He said the bid award for the Phases 1 and 2 for the fuel farm are on the agenda later along with a construction administration agreement.

Braun said the Concessions Committee has started the rental car bid process. He said that there is a potential bidder's informational meeting next week and it will be advertised in the following weeks. He said there will be a consideration of proposals at the December meeting.

Eastman stated that the Facilities Committee met earlier this week to discuss the fire sprinkler inspection, the re-siding and painting of airside administration offices, the cultural resource survey, speed limit options and issues relevant to managing traffic and speed inside of the airport. He said that the Facilities Committee recommends approval of the items on the agenda. He said that the airport will be issuing an RFP for Environmental Services and a potential new cell phone site.

Blann stated the General Aviation Committee has been working on the potential acquisition of Jackson Hole Aviation along with second FBO opportunities. He said there will be a recommendation later in the meeting.

Eastman stated the Grand Teton National Park Committee will be meeting on October 5th.

Gibson Scott spoke for the Human Resources and Health Committee and welcomed Anna Valsing. She said that numerous positive comments have been received from passenger surveys and thanked staff. She said that the airport is fully staffed.

Gibson Scott spoke for the Transportation Committee and said that there are 29 taxis companies operating at the airport. She said that Uber and Lyft had 522 pick-up and drop-offs for the month of August. Eastman requested more information concerning Ride2Fly in November.

VI. ACTIVITIES REPORTS REVIEW: Elwood stated that August's passenger enplanements decreased 4%, while year to date passenger enplanements have increased 1%. He said that there was a decline in passengers in the days following the eclipse. Gibson Scott stated that visitors were coming by private vehicle for the eclipse and staying longer. Braun asked if ticket

pricing was a factor. Elwood stated that ticket prices weren't charted, but there was a premium for the eclipse.

VII. ACTION ITEMS:

A. Consent Agenda:

A1. Bozeman Fire Protection – Annual Fire Sprinkler Inspection

A2. Riverbend Builders – Re-siding & Painting of Airside Admin. Offices

Gibson Scott made a motion to approve consent agenda items A1 and A2. Blann seconded the motion. Having no further discussion, the motion passed unanimously.

B. Rates Review: Blann made a motion to approve Jackson Hole Aviation's proposed rate of \$6.95/gallon for Jet A Fuel. Braun seconded the motion, which passed unanimously.

C. Financial Reports:

1. Customer Facility Charge (CFC): Anderson stated that to date \$6,083,225 has been collected in CFCs. She said that \$105,000 has been spent for the design of the new QTA. She said that the new QTA facility will be constructed in the summer of 2018. She said that CFC funds will also be used to fund a portion of the south access road.

2. Income & Expense Operating Statements: Anderson said that income is above the budgeted amount for August while expenses remain under budget. She said that year to date income continues to track above budget by approximately 6%. She said that the airport received reimbursement from FEMA and AT&T. She said that FEMA reimbursed the airport for costs incurred during the winter storm and power outage in February 2017. She stated there was a decrease in FBO income due to the removal of Hangar 3.

Blann made a motion to approve the financial reports for August 2017. Braun seconded the motion. Having no further discussion, the motion passed unanimously.

D. Payment of the Bills: Braun made a motion to approve checks 34122-34269, check 10121, check 2856 and ACH payroll and tax batches August 15, August 30 and September 15, 2017. Blann seconded the motion, which passed unanimously.

E. FBO Discussion: Elwood stated that at the May meeting, the Board determined that under applicable FAA guidelines, a second FBO must be accommodated at the Airport, and directed that an RFP be developed. He said that at the August meeting he reported that Jackson Hole Aviation (JHA) approached the airport and suggested that the Board purchase and operate the single FBO on the airport. He said it was then discussed that 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. He said that as a result, a motion was adopted at the August meeting to (1) 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 (2) postpone until this meeting a decision on issuance of an RFP for operations of a second FBO at the airport. He said that since the August meeting the General Aviation Committee, the Airport Attorney, and himself have negotiated with Jackson Hole Aviation and are closer to being able to recommend whether to enter into an agreement to purchase the FBO or to instead issue an RFP for a second FBO. He said that at this time they

cannot make a recommendation. Elwood said that issuance of an RFP for a second FBO in October or early November would still be nine or ten months in advance of the when the new fuel facility is expected to be operational, and thus when a second FBO could first be accommodated on the airport. He recommended that the Board adopt a motion to (1) further 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 (2) further postpone until the November meeting a decision on issuance of an RFP for operation of a second FBO at the airport.

Eastman made a motion to further 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. Gibson Scott seconded the motion.

Eastman made a motion to further postpone until the November meeting a decision on issuance of an RFP for operation of a second FBO at the airport. Braun seconded the motion. With no further discussion, the motions passed unanimously.

F. Capital Improvement Loan – Fuel Farm: Anderson stated that the Fuel Facility Project funding includes an \$8.5 million dollar, 15 year loan. She said that an RFP was issued on August 1, 2017 and four proposals were received: Bank of the West, First Interstate Bank, NBH Financial and US Bank. She stated the proposals were evaluated by staff, the Board's Financial Consultant, and the Conceptual Committee. She said staff recommends awarding the capital improvement loan for the new fuel facility to Bank of the West.

Braun made a motion to approve Bank of the West as the preferred proposer for the Capital Improvement Loan for the Fuel Farm, and that staff and the Conceptual Committee be requested to begin negotiations for such loan. Eastman seconded the motion. Having no further discussion, the motion passed unanimously.

G. Wadman Fuel Farm Phase 1 & 2 Bid Award: Havel stated that the new fuel facility has been designed to be constructed in three phases. He said that the first two phases are concrete and utilities work, with the third being tanks and controls. He said that bids were opened for the Phases 1 and 2 on September 14th. He said the first two phases included five bid packages which were all competitively bid with two or more proposers on each package. He said that with Construction Manager at Risk contracts in Wyoming, 70% or more of the total project cost must go to Wyoming contractors or the Board must approve a Wyoming Residency Waiver. He said that Wyoming resident contractors were low bidders on three of the five packages. He said that the total for the three packages was \$1,157,999, which is less than 70% of the total project cost. He said that the Guaranteed Maximum Price (GMP) Amendment 1 is \$2,510,454 which includes the Wadman general conditions, fees, insurance and contingency. He said that the airport's Owners Representative and the Conceptual Committee have reviewed and recommends approval of the GMP Amendment 1 and bid award. He said that two motions will be needed, one adopting the Wyoming Residency Waiver and another to approve the GMP Amendment 1.

1. Resolution 2017-15 – CMAR Subcontractor Procurement Waiver: Blann made a motion to adopt Resolution 2017-15 in the form submitted, finding that there were no Wyoming Contractors submitting bids on two of the schedules, and therefore a waiver of the 70% in-state subcontracting requirement is granted with respect to the Fuel Facility Phases 1 and 2. Braun seconded the motion, which passed unanimously.

2. Wadman – Guaranteed Maximum Price Amendment 1: Blann made a motion to approve the Wadman Guaranteed Maximum Price Amendment 1 for Phases 1 and 2 of the Fuel Facility in the amount of \$2,510,454. Braun seconded the motion and with no further discussion, the motion passed unanimously.

H. Currier – Construction Administration Contract: Havel stated that Currier & Company has provided the design services for the new fuel facility and has proposed professional services related to construction administration to occur in three phases. He said that the proposed services cover management, a resident engineer, commissioning, Operation and Maintenance manuals and Plan updates for the three phases. He said that the first two phases will begin shortly with the recently approved concrete and electrical work this fall. He said that Phase Three will commence in 2018 and will include an on-site resident engineer. He said that the total cost of the Construction Administration Contract is \$494,000. He said that the airport's Owner's Representative and the Conceptual Committee have reviewed and recommend approval.

Braun made a motion to approve the Currier Construction Administration Contract in the amount of \$494,000. Blann seconded the motion unanimously. Having no further discussion, the motion passed unanimously.

I. SEH – Cultural Resource Survey – Amendment: Havel stated that a Cultural Resource Survey is required prior to commencement of construction projects. He said the scope of the survey has been adjusted to make future coordination with the airport and National Park Service easier. He said the scope was increased from 28 acres to 168 acres. He said this amendment will supersede the previously approved amendment for the Cultural Resource Survey. He said that the total cost is \$51,931. He said that the Facilities Committee and National Park Service have reviewed and recommend approval.

Gibson Scott made a motion to approve the SEH Cultural Resource Survey Amendment in the amount of \$51,931. Eastman seconded the motion, which passed unanimously.

J. Notice of Proposed Rule Making – Speed Limits: Havel stated that a speed study was a required step by statute to post a speed limit for the terminal loop road. He said based on the research and speed data from the Jackson Hole Police Department, the airport can propose a 20 mph speed limit on Terminal Loop Road. He said additional signage and strategically placed speed bumps will also improve safety and efficiency. He said there will be 45 days for public comment, and if requested by 25 persons, there will be a public hearing. He said the Facilities Committee has reviewed and recommends moving forward. Gibson Scott asked if the speed limit on the access road would be 20 mph. Elwood stated the airport will approach the National Park Service about a transitory speed sign at that location. Waldrop stated that the speed limit is ultimately about safety, not enforcement. Eastman stated that the airport will prepare incoming passengers and employees regarding the speed limit. He said that there will be seasonal speed bumps and signage in the heavy pedestrian areas. Blann suggested the airport review it's signage plan, so there are not too many signs.

Eastman made a motion to approve the Notice of Proposed Rule Making, and the form of the Proposed Rule to establish a speed limit on the Terminal Loop Road. Braun seconded the motion. Having no further discussion, the motion passed unanimously.

K. Jacobs Engineering – Settlement Agreement: Elwood stated that the Board retained Jacobs Engineering to provide consulting, design and construction administration services for the wastewater treatment plant that was ultimately removed. He said Jacobs has agreed to

settle the claim by paying the Board \$267,500 by October 15, 2017. He said the funds received from Jacobs Engineering will enter the CFC account.

Blann made a motion to approve the Settlement and Mutual Release Agreement between the Jackson Hole Airport Board and Jacobs Engineering. Braun seconded the motion, which passed unanimously.

VIII. DIRECTOR'S COMMENTS: Elwood stated the airport had a ceremony to honor the victims of September 11, 2001. He welcomed Anna Valsing to the airport team. He gave a brief update on construction projects. He stated Frontier Airlines will begin service on June 7, 2018. Eastman asked what type of equipment they will fly in. Elwood said they will fly Airbus 320's into the airport. Gibson Scott asked if they will have any overnight planes stay at the airport. Elwood stated the airport does not have the details of Frontier's operation at this time.

IX. BOARD COMMENTS: Blann thanked the airport on behalf of JHAir. He said the Airline Rendezvous was successful and has become a significant event in the community.

Braun recognized the airport for the preparation and accommodation given to passengers on the day of the total solar eclipse.

Gibson Scott thanked Havel for his responsiveness on the revegetation of the wastewater conveyance line.


Waldrop welcomed Anna Valsing. He commended the Board and the General Aviation Committee for their efforts on the FBO issues.

X. EXECUTIVE SESSION: Blann moved the Board go into Executive Session for the purpose of considering the appointment, terms of employment or dismissal of employees as authorized by Wyoming Statute §16-4-405(a)(ii). Gibson Scott seconded the motion, which was unanimously adopted. The public meeting was adjourned into Executive Session at 10:27 am on Wednesday, September 20, 2017. The Board came out of Executive Session at 11:26 am.

Gibson Scott stated that the Human Resources Committee recommends a 10% increase in salary to the Executive Director effective on the September 29, 2017 paycheck. Gibson Scott made a motion to increase the Executive Director's salary by 10%. Braun seconded the motion, which passed unanimously.

Eastman thanked Elwood for all of his hard work. Blann stated that Elwood is a great leader. Waldrop stated that this has been the greatest year in cultural and financial change.

XI. ADJOURN: Blann made a motion to adjourn the meeting at 11:35 am on September 20, 2017. Braun seconded the motion and the meeting was adjourned.



Jim Waldrop, President



Mary Gibson Scott, Secretary