

MINUTES OF THE JACKSON HOLE AIRPORT BOARD

DATE: June 20, 2018

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

OTHERS PRESENT: David Vela, Gopaul Noojibail, Michael Nash, National Park Service; Greg Epstein, Teton County; Mike Mahoney, Joel Swanson, KLJ; Gene Murphy, Kevin Ensor, SEH; Joseph Sebastian, TSA; Chad Venable, Wadman; Jeff Lawrence, Carney Logan Burke; Keaton Brown, Jackson Hole Aviation; Mike Gierau, Jedediah's; Pete Lindell, Fly Jackson Hole; Jeremy Mayo, Hertz; Mike Koshmrl, Jackson Hole News & Guide; Alex Lemieux, Wort Hotel; Eric Dombroski, Anvil Hotel; Bill Sweney, Envoy Airlines; Greg Herrick, Wyoming Jet Center; Craig Foster, Stan Bonsu, Public; Jim Elwood, Dustin Havel, Aimee Crook, Anna Valsing, Megan Jenkins, Tony Cross, Robin Usher, Mike Geiling, Jason Stewart, Jamey Miles, Cheryl Panos, Shane Thompson, Kaitlin Perkins, Jackson Hole Airport.

CALL TO ORDER: Blann called the meeting of the Jackson Hole Airport Board to order at 9:00 am on Wednesday, June 20, 2018.

Elwood introduced Stan Bonsu, an airport management intern at Texas Gulf Coast Regional Airport. Elwood introduced the new Fuel Facility Operators, Mike Geiling and Jason Stewart.

I. EMPLOYEE OF THE MONTH: Elwood recognized Cheryl Panos as June's employee of the month.

II. COMMUNITY OUTREACH: Jenkins stated that the Airport attended the EcoFair and hosted a child's birthday in the Fire House on May 12th. She said the Airport participated in the Old West Days Parade on May 26th. She said the Airport participated in Touch-A-Truck on June 3rd.

Cross gave a presentation on Leadership JH. Cross and Crook thanked the Board for the opportunity to participate in Leadership JH.

III. COMMENTS FROM – NATIONAL PARK SERVICE, TOWN OF JACKSON, TETON COUNTY AND THE PUBLIC: Vela introduced Gopaul Noojibail, Deputy Superintendent of Grand Teton National Park. He said Michael Nash will serve as the Airport liaison until a Chief of Staff is hired. He introduced Grand Teton NEXT: Strategies for Success.

Epstein stated that Teton County passed the Wildlife Crossings Master Plan. He stated Cattleman's Bridge on Spring Gulch Road will have one lane open to traffic in the next week.

IV. COMMITTEE UPDATES: Blann stated the Conceptual Committee reviewed and recommends approval the items related to the design of future Hangars and FBO Facilities. He said the ramp project is under budget and ahead of schedule. He said the Fuel Facility continues to move forward and is expected to begin pumping fuel in a few weeks. He said the new QTA Facility is moving along well and the carwash walls are now up. He said the storm water line along the QTA facility is now in place.

Braun stated the Concessions & Contracts Committee has reviewed a number of items on the agenda, relating to airline extension agreements and the restaurant expansion design.

Braun stated the GA Committee has reviewed and recommends the Resolution regarding the Board's exercise of the Proprietary Exclusive Rights for both FBO services and fuel storage. He said the Committee felt it was important to be clear on the Board's position and their intent moving forward.

Gibson Scott spoke for the GTNP/Environmental Committee stating the Airport took delivery of the new fuel spill cart and now have staff trained and ready to use it. She said GTNP in conjunction with the Airport received a \$20,000 grant to support the Sage Grouse Mitigation Project. She thanked the Park for their ongoing help and partnership.

Gibson Scott stated the Transportation Committee met to discuss the ground transportation program and directed staff to look into options to enhance the customer experience at the airport. She said Uber and Lyft had over 400 pick-ups and drop-offs for the month of May, 350 passengers utilized Ride2Fly and only ten individuals rode the shuttle. She said it is clear ground transportation is undergoing significant changes and the Airport is focused on adapting to those trends so passengers have services available that they value today and into the future.

Blann requested an update on the Town of Jackson Parking Lot Lease. Elwood stated Town Council determined more language needed to be added to the Lease. He said the Mayor voiced concern over whether the rate for the use of the parking structure is fair. He said the Lease will be on the Town Council's Agenda next month.

Blann stated the 50th Anniversary Committee will announce a keynote speaker within the next week for the 50th anniversary celebration of the formation of the Airport Board on the evening of Tuesday, September 4th at the Center for the Arts.

Gibson Scott spoke for the HR and Health Committee stating Mike Geiling and Jason Stewart joined the Airport as the new Fuel Facility Operators. She said Brian Zayas-Santiago will be staying at the Airport through the end of the year to cross train on Fuel Facility responsibilities and continue with Operations/ARFF duties. She said the Airport has started recruiting for two full-time, year-round Airport Hosts.

V. ACTIVITIES REPORTS REVIEW: Elwood stated May passenger enplanements decreased 14% over May 2017 enplanements. He said year to date passenger enplanements have increased 9% over 2017. He said the decrease in May's enplanements is directly related to United Airlines not bringing in the amount of planes as the previous year.

VI. ACTION ITEMS:

A. Consent Agenda:

- A1. Approval of the Minutes – May 16, 2018**
- A2. Depatco – FAA Sand Storage Containers Purchase**
- A3. Jedediah's – New Menu Items/Price Change**
- A4. Onsite Auto Services – Rental Car Services Agreement**
- A5. Kutak Rock – QTA Bond Counsel Agreement**
- A6. JH Air – Agreement**
- A7. Uber Agreement – Amendment 1**

A8. Lyft Agreement – Amendment 1

A9. JH Security Agreement – Amendment 1

A10. Airline Agreements

- i. **United Airlines – Amendment 12**
- ii. **Delta Airlines – Amendment 11**
- iii. **GoJet Airlines – Amendment 2**
- iv. **SkyWest Airlines – Amendment 15**
- v. **American Airlines – Amendment 12**
- vi. **Envoy Airlines – Amendment 1**
- vii. **Frontier Airlines – Amendment 1**

Braun made a motion to approve consent agenda items A1-A10. Gibson Scott seconded the motion, which passed unanimously.

B. Rates Review: Braun made a motion to approve Jackson Hole Aviation's proposed Jet A fuel rate of \$7.46 per gallon. Gibson Scott seconded the motion, which passed unanimously.

C. Financial Reports:

1. Customer Facility Charge (CFC): Valsing stated the CFC collections for May were \$29,492 and the balance as of May 31 is \$3,075,425. She said through May 31, \$1,427,364 has been expended on the QTA project.

2. Income & Expense Operating Statements: Valsing said income remains above the budgeted amount for May 31 and year to date continues to track above budget at 8.94%. She said rental car income is higher than predicted as is the parking and ground transportation income. She said with the transition to a new rental car operator the Airport received minimum annual guarantee (MAG) payments from Avis, Enterprise and Hertz for May activity plus 1/12th Annual MAG payment from Alamo, Enterprise and Hertz, per the new agreement. She said this resulted in revenues exceeding the budgeted amount. She said expenses continue to track with the budget and year to date expenses are under budget by -1.63%. Gibson Scott made a motion to accept the financial reports for May 2018. Braun seconded the motion. Having no further discussion the motion passed unanimously.

D. Payment of the Bills: Gibson Scott made a motion to approve checks 35437-25602, checks 10027-10029, checks 3029-3030 and ACH payroll and tax deposits: May 8, 10, 15, 18, 31, June 7 and 10, 2018. Waldrop seconded the motion. With no further discussion, the motion passed unanimously.

E. Resolution 2018-07 – CMAR Subcontract Procurement Waiver Landside Project: Havel stated at the May meeting the Board approved GMP Amendment 6 with Wadman for the Landside Project. He said there were four interested subcontractors during the bid process, two of whom are Wyoming resident subcontractors. He said one Wyoming subcontractor declined to bid and the other submitted a bid that was more than 5% above a non-resident subcontractor. He said the savings is \$532,104. He said the Conceptual Committee has reviewed the Resolution and recommends approval. Braun made a motion to adopt Resolution 2018-07, in the form presented, finding that the bid of the sole Wyoming Contractor was more than 105% of the bid of the lowest out-of-state contractor with respect to the Landside Project. Gibson Scott seconded the motion, which passed unanimously.

F. Resolution 2018-08 – Proprietary Exclusives for FBO Services & Fuel Facility: Elwood stated the Board exercised the proprietary exclusive right to operate a fuel facility with Resolution 2017-07 on June 21, 2017. He said the Board also has the authority through Wyoming law to exercise the proprietary exclusive right to provide FBO services at the Airport. He said Resolution 2018-08 ratifies and reaffirms the Board's proprietary exclusive right to operate a fuel storage facility and exercises the Board's proprietary exclusive right to provide FBO services regardless of the closing of the APA. Gibson Scott made a motion to adopt Resolution 2018-08, in the form presented, to exercise the Board's proprietary exclusive right to provide both FBO services and operate fuel storage facilities on the Airport. Braun seconded the motion. Having no further discussion, the motion passed unanimously.

G. Resolution 2018-A – Fuel Facility Revenue Bond Resolution: Valsing said Resolution 2018-A is the proposed bond document between Bank of the West and the Board for the issuance of \$8.5 million in revenue bonds for the construction of the fuel facility. The term is ten years with no prepayment penalty and the interest rate is locked at 4.05% on closing. She said also included in the bond document is language cleaning up the 2013 bond, removing PFCs CFCs, fuel facility charges and FBO revenue from the definition of Gross Revenues. She said the bond will close and fund on June 28th. Braun made a motion to adopt Resolution 2018-A, Fuel Facility Revenue Bond Resolution, in the form presented, for the issuance of \$8.5 million in revenue bonds to be purchased by Bank of the West for the design and construction of the new fuel facility. Gibson Scott seconded the motion. With no further discussion, the motion passed unanimously.

H. QTA Construction Revenue Bond – Selection: Valsing stated the construction of the rental car QTAs is underway and staff has advertised for the QTA construction Revenue Bond in the amount of \$10.7 million. She said staff worked with the Airport's financial consultant to review the four qualified proposals that were received. She said First Interstate Bank was selected as the top proposer. She said the Bond will be backed by and repaid with CFCs. She said the interest rate is 4.78%. Braun made a motion that First Interstate Bank's proposal be found to contain the most favorable covenants and lending terms, and Airport staff, consultants and attorney be directed to negotiate with that Bank for a mutually agreeable revenue bond and ancillary documents for QTA construction. Gibson Scott seconded the motion, which passed unanimously.

I. Hangar and FBO Facilities Design – Award: Elwood stated that proposals were accepted for the design of new Airport hangars and FBO facilities. He said KLJ was selected as the top proposer of the four qualified proposals received. He said the agreement is for a lump sum of \$575,000 and includes site planning, topographical survey, geotechnical investigation and building and fire code review. He said the Concessions & Contracts Committee has reviewed the agreement and recommends approval. Gibson Scott made a motion to award the Agreement for Hangar and FBO Facilities Conceptual Design to KLJ, in the form presented, for a lump sum amount of \$575,000. Braun seconded the motion. Having no further discussion, the motion passed unanimously.

J. Restaurant Expansion Design – Award: Havel said the Airport advertised for proposals for restaurant expansion design services and received three qualified bids. He said Carney Logan Burke was selected as the top proposer. He said the scope of work includes development and presentation of three to five ideas for a cost of \$181,337. He said staff anticipates Carney Logan Burke will work with the successful restaurant bidder as the concepts are more fully developed. He said the Concessions & Contracts Committee has reviewed and recommends approval. Blann asked how many square feet will be added with the expansion. Havel said approximately

2,000 square feet. He said Carney Logan Burke will be working with TrueXCullins who has kitchen expansion experience. Braun made a motion to award the Agreement for the Conceptual Design of the Restaurant Expansion to Carney Logan Burke, in the form presented, in the amount of \$181,337. Gibson Scott seconded the motion, which passed unanimously.

VII. DIRECTOR'S COMMENTS: Havel gave a construction update. Blann thanked Jackson Hole Aviation for their patience during construction.

Elwood recognized Jenkins for completing Teton Interagency Fire Guard School. He said she is now a certified wildland fire PIO and can escort media into active fire zones.

Elwood stated that representatives from Jackson's sister city in Lienz, Austria will be arriving at the Airport on June 29th.

Elwood said the winter survey feedback was received and was extremely favorable.

VIII. BOARD COMMENTS: Waldrop congratulated Elwood and staff on the impactful survey results.


Gibson Scott complimented staff on the Airport's website.

Braun said how impressed he is with the integration of construction projects.

Blann asked about increased security screening. Crook stated TSA has an Enhanced Accessible Property Search program, which has been fully implemented in Jackson. She said there have not been any impacts to screening wait times.

IX. EXECUTIVE SESSION: Braun made a motion to enter into Executive Session pursuant to litigation to which the Board is a party and information classified as confidential by law, pursuant to W.S. §16-4-405(a)(iii) & (ix) at 10:31 am. Gibson Scott seconded the motion, which passed unanimously.

X. ADJOURN: Gibson Scott made a motion to adjourn the meeting at 11:15 am on Wednesday, June 20, 2018 stating no decisions were made in Executive Session. Braun seconded the motion and the meeting was adjourned.



Jerry Blann, President



John Eastman, Secretary