

MINUTES OF THE JACKSON HOLE AIRPORT BOARD

DATE: October 10, 2018

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

OTHERS PRESENT: Michael Nash, National Park Service; Greg Epstein, Teton County; Paul Dunholter, BridgeNet; Lealan Miller, Eide Baily; Joseph Sebastian, TSA; Tom Segerstrom, Teton Conservation District; Jeremy Mayo, Hertz; Keaton Brown, Jackson Hole Aviation; Scott Jardine, SEH; Mike Mahoney, KLJ; Max Petrovskii, Eco Lube Express; Greg Herrick, Wyoming Jet Center; Jim Elwood, Aimee Crook, Michelle Anderson, Anna Valsing, Alton George, Derek Hadfield, Natasha Stevens, 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, October 10, 2018.

Blann stated Jim Waldrop was not in attendance due to being appointed chair of Wyoming's Tourism Board.

I. EMPLOYEE OF THE MONTH: Elwood recognized Derek Hadfield as October's employee of the month.

Elwood introduced Tom Segerstrom, Executive Director of Teton Conservation District. Segerstrom presented the Airport with a \$60,000 grant for the stormwater filtration system project.

II. COMMUNITY OUTREACH: Elwood stated the Airport participated in the Jackson Cupboard's S"can"venger Hunt. He said the Airport partnered with JH Wild for the fourth annual Wild Fest Science Days at the Center for the Arts on October 5th and 6th.

III. COMMENTS FROM – NATIONAL PARK SERVICE, TOWN OF JACKSON, TETON COUNTY AND THE PUBLIC: Nash gave an update on the Gros Ventre Roundabout Construction. He said Moose Wilson Road will be closing late October.

Epstein gave an update on the Wyoming Public Lands Initiative.

IV. COMMITTEE UPDATES: Blann stated the Conceptual Committee met to discuss the new Aircraft Rescue and Fire Fighting Building.

Braun stated the Concessions & Contracts Committee reviewed proposals from qualified vendors for the restaurant concession at the Airport. He said the Committee recommends Jedediah Corporation.

Blann stated the GA Committee would like to clarify to all present and all concerned that this Board desires that this Airport serve not only scheduled air carriers, but also a broad base of general aviation users. He said the Board has taken action through investments in the Airport to help that occur, including building a new ramp that has new space to support GA aircraft. He said the only reason that new hangars have not already been constructed is that a lawsuit is pending that prevents the project from moving forward. He said the Board is confident that suit

will be resolved in our favor, but unfortunately until it is resolved hangar construction has been delayed.

Gibson Scott stated the GTNP/Environmental Committee attended the first Fly Quiet Advisory Committee meeting and want to thank those that are involved in the work. She said the waste audit and inventory has been completed and the report is expected soon.

Eastman stated the Transportation Committee met to discuss transportation options at the Airport. He said the Committee supports the action item later on the agenda.

Braun spoke for the HR & Health Committee stating that the screening department remained fully staffed throughout the busy season. He said the Airport is currently recruiting for Snow Plow Crew. He said the employee survey received a 91% response rate from staff and the Board looks forward to sharing the results in the coming months.

V. ACTIVITIES REPORTS REVIEW:

A. Quarterly ADDs: Elwood said the Average Daily Departures for the quarter ending September 30, 2018 were 5.09 and annually were 3.77. He said these values are well below the values established in the Noise Abatement Plan.

B. Activities Reports: Elwood stated September passenger enplanements increased 24% over September 2018. He said there was roughly a 10% increase in September 2018 enplanements compared to September 2016. He said year to date passenger enplanements have increased 10% over 2017.

VI. ACTION ITEMS:

A. Consent Agenda:

A1. Approval of the Minutes – September 12, 2018

A2. Glycol Disposal – Agreements

A3. Airworthy Detail – Amendment 1

A4. Eco Lube Express, LLC – Agreement

Braun made a motion to approve consent agenda items A1-A4. Gibson Scott seconded the motion, which passed unanimously.

B. Rates Review: Eastman made a motion to approve Jackson Hole Aviation's proposed Jet A fuel rate of \$7.82/gallon. Gibson Scott seconded the motion, which passed unanimously.

C. Financial Reports:

1. Passenger Facility Charge (PFC): Anderson stated PFCs received for the quarter ending September 30, 2018 were \$368,220. She said PFCs are now being recorded in the month of passenger travel instead of the month the payment was received. She said through the second quarter the airport has received \$723,645. She said the Airport is collecting PFCs at a rate of approximately \$1,250,000 per year and at the current rate of collections all currently approved projects should be fully reimbursed by February 2038.

2. Customer Facility Charge (CFC): Anderson stated the CFC balance as of September 30, 2018 is \$2,103,054. She said through September 30, 2018 the Airport has expended \$3,086,379 for the QTA project. She said September CFC collections were \$207,634.

2. Income & Expense Operating Statements: Anderson said September income in the Airport Operations enterprise center was 11% above budget, Security Operations was 1% above budget and the Fuel farm was 5% above budget. She said expenses in the Airport Operations were 2% below budget, Security Operations were 8% below budget and the Fuel Farm was 8% above budget. She said year to date income across the three enterprise centers is 6% over budget and expenses are 2% over budget.

Blann made a motion to accept the financial reports for October 2018. Eastman seconded the motion, which passed unanimously.

D. Payment of the Bills: Gibson Scott made a motion to approve checks 35988-36135, checks 3038-3047 and ACH Payroll and Tax Deposits: September 5, September 7, September 12, September 14 and September 28, 2018. Braun seconded the motion, which passed unanimously.

E. Eide Baily – Audit: Elwood said that annually the Airport has an independent third-party audit of the accounting operations, grants, PFC compliance, contracts, IT policies and various other areas to ensure compliance with federal accounting standards, grant requirements, laws and regulations. Elwood introduced Lealan Miller from Eide Baily. Miller said some of the areas reviewed include both internal controls of the accounting system along with compliance of the PFC program, federal and state grant program. He said he found the Board to be in compliance with expectations; said the review of the PFC and grant programs includes compliance with reporting requirements and fund expenditures and gave an unmodified opinion that there were no findings or recommendations for any of the audited areas.

Blann congratulated and thanked the finance department. Eastman made a motion to approve the audit for the fiscal year end June 30, 2018. Braun seconded the motion, which passed unanimously.

F. Restaurant Concession – Award: Elwood stated the Airport completed a competitive RFQ process for concessions opportunities including food, beverage, and retail sales in the secure and non-secure areas of the airport. He said seven qualified bidders submitted detailed responses including environmental initiatives, menus, and financial proposals. He said Jedediah Corporation was selected as the top proposer. He said the Concessions and Contracts Committee has reviewed this item and recommends approval. Blann thanked the Concessions & Contracts Committee for their work. He said there is a significant expansion opportunity and the Board looks forward to working with Jedediah's to design the space.

Braun made a motion that the proposal of Jedediah Corporation be selected for the restaurant concession opportunity beginning in April 2019, and staff be directed to attempt to negotiate a mutually agreeable Lease and Concession Agreement for both secure and non-secure areas of the passenger terminal building. Gibson Scott seconded the motion, which passed unanimously.

G. Cisco Meraki – Network Upgrade Purchase: Wells stated multiple IT networks exist throughout the Airport. He said it is proposed to upgrade to a single network with increased available bandwidth for the security system. He said having a single network will allow for better access control and management. He said the cost to purchase the hardware and seven years of

support and licensing is \$123,954 and is a budgeted item. He said the Concessions & Contracts Committee has reviewed this agenda item and recommends approval. Blann asked where the physical locations of the servers are. Wells said the onsite servers exist throughout the Airport in various rooms.

Gibson Scott made a motion to approve the computer network upgrade purchase with Cisco Meraki, in the form presented, in the amount of \$123,954. Braun seconded the motion, which passed unanimously.

H: Resolution 2018-BC – Bond Issuances: Anderson stated Resolution 2018BC authorizes and secures 1) a \$10,700,000 special facilities revenue bond for the Rental car quick turn-around facility project (Series 2018B) and 2) a \$2,100,000 revenue refunding bond for the Wyoming Business Council Loan Refunding Project (Series 2018C). She said both bonds will be purchased by First Interstate Bank, are taxable, and do not have pre-payment penalties. Series 2018B has a ten-year term and Series 2018C has a 3-year term. She said rental car CFCs will be used to secure and repay the Series 2018B bond and net revenues will be used for the Series 2018C bond. She said both bonds will fund on October 12, 2018.

Blann asked what the projections with reasonable assumptions for pay off are. Anderson said the full ten years for Resolution 2018B with CFCs. Eastman asked about pledging revenues with Wyoming Business Council. Anderson said Resolution 2018C removes the Wyoming Business Council loan, so there will be no issues on future bond issues and all future debt will be at parity.

Braun made a motion to adopt Resolution 2018BC, in the form presented, authorizing the issuance of \$10.7 million in revenue bonds for the construction of the new QTA facility, and a \$2.1 million revenue bond for refinancing of the Wyoming Business Council Loan, both to be purchased by First Interstate Bank. Gibson Scott seconded the motion, which passed unanimously.

I: Resolution 2018-11 – Taxi Rates: George stated Resolution 2018-11 simplifies the ground transportation rate structure from the Airport. He said fixed rates will remain the same as the previously approved rates, with the addition of the Town of Wilson/The Aspens and South Park. He said the resolution also provides for Taxi2Fly and TaxiPool. He said Taxi2Fly will replace Ride2Fly as a transportation option from the town parking garage. He said passengers will have the option of which taxi provider to book their transportation to and from the Parking Structure with through the Airport's website. He said the fare will be \$20/trip. He said TaxiPool allows passengers to share rides in taxis with a \$10 decrease in the posted fare promoting reduced vehicle traffic on the road. He said the Transportation Committee has reviewed this item and recommends approval. Blann stated this is a good interim solution. George stated the Airport is very excited about these initiatives.

Gibson Scott made a motion to approve Resolution 2018-11, in the form presented, establishing fair and reasonable taxi rates for services to and from the Airport. Eastman seconded the motion, which passed unanimously.


VII. DIRECTOR'S COMMENTS: Dunholter gave a presentation on the Fly Quiet Program at the Airport. Havel gave a construction update.

VIII. BOARD COMMENTS: Gibson Scott stated her pleasure in recognizing Blann for receiving the "Ride for the Brand" chamber award on October 19th.

Braun stated he looks forward to hearing back from the airlines about noise initiatives.

Blann acknowledged Waldrop for his role as Chair on the Wyoming Tourism Board. He wished Waldrop and Braun a happy birthday.

X. ADJOURN: Gibson Scott made a motion to adjourn the meeting at 10:48 am on Wednesday, October 10, 2018. Eastman seconded the motion and the meeting was adjourned.



Jerry Blann, President



John Eastman, Secretary