

MEMORANDUM

DATE: April 19, 2021

GENERAL BOARD MEETING ACTION ITEMS:

CONSENT AGENDA: Items on the consent agenda are considered routine and can be approved by a single motion. Board members may ask that an item be removed from the Consent Agenda and considered individually. The following ten items are listed on the Consent Agenda.

1. Approval of Minutes: Presented for Board review and approval are the minutes from the Board meeting held on March 17, 2021 and the special Board meeting held on April 8, 2021.
2. CRJ Aviation Ground Handling License: Allegiant Airlines has selected CRJ Aviation to provide ground handling services for their operations at the airport. Each ground handler wishing to operate at the airport is required to enter into a Ground Handling License Agreement for those operations. This is a standard form of agreement that the other ground handlers operating at the airport have entered into previously and includes a monthly operating fee. The ground handling license does not provide for the lease of any preferential or joint use space. That space is allocated to the airline(s) which the ground handler is serving as part of the airline's operating agreement.
3. Overland West, Inc. Off Airport Rental Car Agreement: Overland West, Inc. (Hertz) has confirmed that they would like to enter into an off airport rental car agreement. The off airport rental car agreement is non-exclusive and there is no limit to the number of off airport rental car operators. This agreement provides for the pick-up and drop-off of passengers at the airport. The agreement was reviewed as part of the rental car bid development process by consultants, staff, Board, and the airport attorney. This is the same form of agreement that the Board approved for Leisure Sports and Dollar/Thrifty off airport rental car operations at the March 17th Board meeting.
4. Rental Car Agreement Amendments for Ready/Return Space Reallocation: The Board approved the on airport rental car agreements at the February Board meeting. Part of that agreement includes the designation of operating space including the ready/return parking spaces. Since the contract approval, Avis/Budget and Alamo/National have been working with airport staff on a few tweaks to their selected ready/return parking blocks. The 1st amendments to the on-airport rental car agreements reassign the ready/return blocks based on the agreement reached between the rental car companies. This is simply an administrative change that staff wanted to formally document. There is no change to the amount each company pays for their assigned space or any other terms of the agreements that the Board approved in February.
5. Airline Agreements: This is the standard form of airline operating agreement for the three new airlines that will begin operations this spring (Frontier, Allegiant, and Sun Country). Each of these agreements has an expiration date of June 30, 2021. All of the

other airline agreements expire on June 30, 2021 so this will allow for the renewal of all of the airline agreements at the same time under the same terms.

6. Long Mechanical Solutions HVAC Maintenance – First Amendment: Long Mechanical Solutions has provided annual maintenance on the Airport’s heating ventilation and air conditioning (HVAC) system since 2016. The 1st amendment provides for a price adjustment, extends the term of the HVAC maintenance agreement one-year, and adds some standard nondiscrimination language to the agreement.
7. Global Aviation Services GSE Maintenance Non-Tenant Use Agreement: Global Aviation Services d/b/a PrimeFlight is a ground support equipment (GSE) maintenance provider. The airlines contract with this company to provide maintenance on their GSE equipment. This company does not provide maintenance services on any Airport equipment. This company has had an agreement with the Airport since July 2020. This new agreement is in essentially the same form as their previous agreement. The proposed agreement solely gives PrimeFlight the authority to conduct business on the airport.
8. Flat Bed Trailer Purchase: Operations staff would like to purchase a flatbed trailer for operational uses at the airport. This trailer will be used to move items around the airport property such as snow removal bristles, equipment, tools and materials for construction projects. It will also allow for the easy movement of specialty equipment around the airport or to/from town on an as needed basis. Staff received several quotes for trailers and recommends this option. Mike Morgan has confirmed that no special Airport contract is necessary for this purchase and the trailer may be purchased by invoice from Bucky’s Outdoors in Pinedale, WY.
9. Uninterruptable Power Supply (UPS) Purchase: The south basement communications room will house airline, airport and other tenant IT equipment which will be critical for day to day operations. This UPS will provide circuit level battery backup support for this critical infrastructure. Staff looked at a number of UPS options and received quotes from different vendors. Mike Morgan has reviewed this quote and the company’s proposed agreement and has confirmed an additional equipment purchase agreement is not needed.
10. Embross Common Use System Baggage Service Office Position Hardware Purchase: Proposed is a modification to the purchase agreement the Board approved at the February Board meeting for the Embross Common Use System. Staff has determined an additional common use position at the Baggage Service Office (BSO) will be useful in supporting the current and new carriers. There is limited space available so having the flexibility of a common use system position at this location will allow current and new entrants the ability to operate baggage service functions as needed through the common use platform

FINANCIAL REPORTS: The March activity levels remain above the sensitivity analysis, which is reflected in the operations income for these months. Fuel farm income and expense continue to track with each other for March and fiscal year to date.

Wind River Air Agreement Renewal: Included for consideration is an amendment to the License to Conduct Aeronautical Business for Wind River Air, LLC. The original License contained provisions prohibiting flights over noise sensitive areas of Grand Teton National Park and had a one year term. The amendment to the License also has a term of one year and retains the National Park flight language. All other terms of the agreement remain the same.

Administration Office Facility – Design Build Contract: Proposed for approval is a design build contract with Satellite Shelters, Inc. for a 48 foot by 72 foot trailer to serve as the temporary administration office facility. The existing airport administration space and associated board room is being redesigned for airline office space to make room for the secured boarding area restrooms. Airport administration staff anticipates vacating the existing space in late May or early June as this is the current timeline to hit critical milestones for the other capital projects over the next 20 months. Four proposals for this type of facility were received with Satellite Shelters, Inc. being selected to provide the facility. This company has local experience providing similar facilities to St John’s Hospital, Teton County School District, and Timber Ridge Academy.

Knife River Notice of Award, Runway Construction Agreement, and Notice to Proceed – Preconstruction Activities: The bid opening for the Runway 1/19 Reconstruction Project occurred on March 17. Knife River was the low bidder and appears to be both responsible and responsive. Knife River’s low bid of \$32.7 million for Schedule I should allow the Airport to construct the runway, blast pads, paved safety area, and drainage. Additionally, Knife River’s bid of \$47,000 for non-federal Schedule V, will allow upgrades to the Runway Weather Information System. Staff is working with FAA staff to secure additional funding for this project. In order for the project to remain on schedule, the Board would need to take several actions: (1) issue a Notice of Award, (2) approve a Construction Contract, and (3) issue a Notice to Proceed for Preconstruction Activities (NTP-PCA), all to Knife River.

FY 2021/2022 Budget: Proposed for approval and submission to the Town and County for consideration is the Budget for FY 2021/2022. This Budget incorporates the changes as discussed during the individual budget review meetings with the Board members. Some of the assumptions included in this budget are:

- Terminal rent and landing fees will each increase 10% this year
- Parking rates remain at \$17 per night
- There is a 5% pool for wage adjustments and a 50% increase in the housing/transportation stipend
- There is an addition of 5 staff to meet the increased operating demands
- Activity levels have been adjusted to reflect the current and anticipated travel conditions.

After Board approval, budget meetings will be scheduled with the Town and County in May.