

MINUTES OF THE JACKSON HOLE AIRPORT BOARD

DATE: November 18, 2020

BOARD PRESENT: John Eastman was present in the Jackson Hole Airport Board Room. Jerry Blann, Bob McLaurin, Rick Braun, and Ed Liebzeit were present via the WebEx platform which was audible in the Jackson Hole Airport Board Room.

OTHERS PRESENT: Jim Elwood, Andrew Wells, Alyssa Downey, Michelle Anderson, Aimee Crook, Dustin Havel, Tony Cross and Megan Jenkins, Jackson Hole Airport. Other individuals who are not individually documented watched the meeting on a live stream from the Jackson Hole Airport Board room.

I. CALL TO ORDER: Blann called the meeting of the Jackson Hole Airport Board to order at 9:00 am on Wednesday, November 18, 2020.

II. EMPLOYEE OF THE MONTH: Elwood recognized Alyssa Downey as October's employee of the month.

III. COMMUNITY OUTREACH AND ENVIRONMENTAL PROGRAMS UPDATE: Jenkins provided an update on community outreach at the Jackson Hole Airport including the Women in Aviation advertisement, the Womomentum Women in Leadership Summit, a new People Helping People logo, a donation of water bottles to Teton County School District, and thanked Ed Liebzeit for his presentation at the Veterans Day memorial.

IV. COMMENTS FROM – NATIONAL PARK SERVICE, TOWN OF JACKSON, TETON COUNTY AND THE PUBLIC: Mark Barron, Teton County, discussed the current state of COVID in Teton County. Barron said sales tax receipts fiscal year to date decreased 9.15% which is ahead of revenue projections.

Jeremy Barnum, Grand Teton National Park, announced Chip Jenkins as the new Superintendent of Grand Teton National Park. He stated Gopaul Noojibail will remain on staff as the Deputy Superintendent. Barnum said the Park is gearing up for a busy winter season and will be fully open for recreational access. Barnum emphasized the importance of safety and preparation during winter recreational activities. Noojibail thanked the Airport Board and staff for the support over the past several years during this transition to a new Superintendent as well as the past year during the pandemic.

Jonathan Schechter, Town of Jackson, thanked Gopaul Noojibail for his leadership over the past several years. Schechter discussed changes to the Town Council including Hailey Morton-Levinson being elected as mayor and two new council members. Schechter said their retreat will be held in January and conversation is expected to focus on the budget. Schechter advised the town will be moving forward in the most prudent and cautious manner due to the uncertainty of the times.

V. ACTIVITIES REPORTS REVIEW: Elwood said passenger enplanements for October 2020 were 10% below October 2019 and the airport is currently tracking at a 39% year to date reduction in enplanements. Elwood said passenger enplanements have steadily increased since the low point in April 2020. Elwood said the load factor for September was 72.77% and the average load factor for the year is 68.22%. Elwood said total operations including commercial and general aviation are down 1% year to date. McLaurin asked how this was distributed between commercial and general aviation operations. Elwood said general aviation operations year to date are up approximately 13%.

VI. ACTION ITEMS:

A. David Vela Resolution: Blann and the Airport Board recognized David Vela for the visions he helped shape during his tenure at Grand Teton National Park and through his passion for community partnerships through Resolution 2020-12. McLaurin made a motion to approve Resolution 2020-12 in the form presented. Eastman seconded the motion, which passed unanimously.

B. Consent Agenda:

1. Approval of the Minutes

- i. September 29, 2020 – Board Retreat
- ii. October 21, 2020 – Regular Meeting
- iii. November 4, 2020 – Special Meeting

2. Jedediah's Menu Additions

3. Mountain Air Medical Agreement

4. Alaska Airlines Agreement

5. Three Elephant Agreement

6. Jackson Hole Aviation Hangar 2 Amendment 7

7. Hangar 1 Door Purchase

Eastman requested that consent agenda item B3 be removed from the consent agenda.

Liebzeit made a motion to approve consent agenda items B1-B2 and B4-B7. Braun seconded the motion, which passed unanimously.

Eastman asked if the air ambulance agreements are signed with the FBO. Elwood clarified that these agreements allow the operator to conduct business at the Jackson Hole Airport per our agreement with the Town of Jackson. Elwood said these operators must work with Jackson Hole Aviation directly on any agreements for hangar space, etc. Eastman asked if the approval of these agreements will require us to hold any specific space for the operators when we take over operations of the FBO in April 2023. Elwood confirmed that because the Airport is not purchasing the existing FBO all agreements with Jackson Hole Aviation will be null and void when the airport begins FBO operations. Eastman made a motion to approve consent agenda item B3. Braun seconded the motion, which passed unanimously.

C. Payment of the Bills: McLaurin made a motion to approve the checks as presented on the check register list dated November 18, 2020. Braun seconded the motion, which passed unanimously.

D. Financial Reports: Anderson said reflected on the slide shown were the income and expenses for the fiscal year July 1 through the end of October across the three enterprise centers. She said October operations income continued to be better than budget, and expenses were 11% under budget. She said airline landing fees remained up for October. She said security operations income was even with budget while expenses were 16% under budget. Anderson said fuel farm revenues and expenses continue to track with each other at approximately 12% below budget which is reflective of lower airline fuel sales.

Liebzeit asked where we are at with reimbursements from CARES grant funds. Anderson said we have collected approximately 8 million or fifty percent of the CARES funding we were allocated to date. Eastman asked how much of that money had been used to pay down debt. Anderson said the money is being placed in the WYOSTAR account to have cash on account for capital projects instead of paying down the lower interest debt.

McLaurin made a motion to approve the financial reports for October 2020. Liebrecht seconded the motion, which passed unanimously.

E. Audit Report: Anderson said each year the airport conducts a third-party audit of the airport's financial practices and statements. She said the annual audit has been completed by Eide Bailly with no findings or recommendations this past year. She said the airport's net position improved over this past year with the completion of a significant amount of capital improvements. Anderson introduced Lealan Miller from Eide Bailly to provide additional comments and answer any questions on the audit.

Lealan Miller thanked Anderson and Borja for their efforts to provide documents electronically due to COVID and the need to do much of the audit remotely. Miller said Morgan Browning visited the airport in person to conduct a few key pieces of the audit. Miller said the internal controls over the accounting system required no recommendations or adjustments which says a lot about the airport. Miller said they issued an unmodified opinion saying the information was materially correct and there were no issues. Miller said this year's audit report was prepared by Esther Borja and Eide Bailly was pleased with the draft that was sent to them and recognized her efforts.

Liebrecht asked how many years Eide Bailly has audited the airport. Miller said this was the fourth year. Liebrecht asked if things have improved over those four years. Miller said things have been good from the beginning, but the management involvement in the report preparation has been an improvement. Liebrecht asked if Eide Bailly audits other airports. Miller said they do some work for the Spokane airport and audit the Boise and Salt Lake City airports. Liebrecht asked how we compared to these airports. Miller said the airport has had an improvement in our financial stability compared to some of the other airports.

Braun moved approval of the audit for the fiscal year ending June 30, 2020. Liebrecht seconded the motion, which passed unanimously.

F. Mead & Hunt 8th Amendment to On-Call Environmental Services Agreement: Elwood provided an overview of PFAS. Elwood said the Board has several options for the airport's continued response to PFAS. Elwood said the Mead & Hunt 8th Amendment to the On-Call Environmental Services Agreement allows for additional well sampling in a phase 3 area along with ongoing on and off airport monitoring, beginning the remediation process, and drilling wells for a pump and treat system. Elwood said the Board has several options before it and needs to determine the best path forward.

Eastman said part of the issue is that there is not a clear consensus on what value is considered dangerous. Eastman asked if it is possible to remove PFAS. Dunkelberg said there are methods to remove PFAS from the soils or pump and treat options to remove PFAS from well water, but additional analysis needs to be completed to determine the best path forward. Eastman asked if we are exposing ourselves to an open-ended financial commitment. Eastman noted the expenses related to water filtration installation on individual residences is significant. Blann thanked Eastman for his thoughts and added that the runway samples and any PFAS found in that process may add to the need for remediation. Eastman stated he is in favor of taking care of the issue, but also wants to be conscientious of the total costs required to mitigate the issue. Eastman asked if PFAS contamination is an issue in Teton County from other fire stations or sources. Elwood said the airport's situation is unique since the contamination is individual wells versus a municipal water system.

Braun asked if the plan can be adjusted as additional information becomes available. Elwood said the Board can absolutely adapt to changing conditions and adjust the plan as needed. Elwood said the intent today is to put an action plan into place that can be shared with the neighbors and interested stakeholders that can be adjusted as circumstances change. Blann said the plan is important for

showing our neighbors, community, and the Wyoming Department of Environmental Quality that our Board is taking proactive and necessary steps to prioritize this issue.

Liebzeit stated he is concerned about financial liability. Liebzeit said he feels as though any additional wells tested should just be potable water wells and the focus should be on providing filtration kits for potable water wells. Liebzeit asked if we have told recipients of filters to date that we will provide filters in the future. Elwood said we have committed to providing those residences with one replacement filter and continue to monitor the situation to determine the best path forward. Braun agreed that filtration systems should only be placed on wells that are used for human consumption and not irrigation wells. Elwood concurred.

McLaurin stated he would rather over test than under test. Liebzeit stated he does not want to test wells that are not providing drinking water. Blann said he thinks understanding the total scope of the contamination is important to understand before we can determine to what level filtration systems should be provided. Blann said all homes in the phase 3 area should be tested before determining the next steps related to filter installation.

Blann asked Elwood for an overview of the option before the Board. Elwood said Phase 3 residential well sampling of up to 144 properties would be \$105,388. Elwood said another piece is continued monitoring which is the ongoing testing of wells that have had filtration systems installed for \$98,652. Elwood said semi-annual monitoring of groundwater wells on the airport will cost for \$53,802. Elwood said the pump and treat field engineering study and design will cost \$52,932. Anderson said the total cost for the phase 3 residential well sampling for all homes, continued monitoring for residential well samples, semi-annual groundwater monitoring airport, and the pump and treat field engineering study totals \$310,765.

McLaurin asked if CARES funds can be used to offset these costs. Elwood confirmed CARES funding could be used for this project.

Eastman asked if the \$310,765 includes any of the filter purchase or installation expense. Anderson stated this cost does not include any filter purchase, maintenance, or installation. Liebzeit said it is important to think about the cost in a bigger context because we will need to install filtration systems if we test the wells because of the expectations that were set in phase 1 and phase 2. Elwood, McLaurin, and Blann discussed the advantages of understanding the magnitude of the problem and the phase 3 results before we determine how many filters to install.

McLaurin made a motion to approve the 8th amendment to the Mead and Hunt Amendment to include phase 3 residential well sampling for all homes, continued monitoring for residential well samples, semi-annual groundwater monitoring airport, and the pump and treat field engineering study for a total cost of \$310,765. Braun seconded the motion, which passed unanimously.

G. Water Filter Purchase Elwood said staff would like to have water filter systems on hand and to provide potable water to homeowners if wells test high. Elwood requested \$30,000 dollars allocated to purchase water filter systems to have on hand if any results in phase 3 come back higher than 70 parts per trillion.

Liebzeit asked to confirm this allocation is for homes that test above 70 parts per trillion. Blann confirmed. Liebzeit asked if there are any guidelines of how many filters can be installed per home. Blann suggested a maximum of one filter per domestic water filter in a home. Havel said the filtration system allows for a certain gallon per minute flow and some homes require more than one filter due to their water flow rates. Eastman asked if this budget includes supplemental water supply before the filters are installed. Elwood confirmed. Eastman expressed concern that a precedent was set

regarding filter installation below 70 ppt from the first phase of testing. Blann agreed and said additional time was needed to consider the filter threshold below 70 ppt.

McLaurin made a motion to allocate \$30,000 towards the purchase of water filter systems for the use in any residences that test over 70 parts per trillion EPA recommendation. Braun second the motion, which passed unanimously.

H. CLB Restaurant Design Contract Amendment Elwood said the 2nd amendment to the Contract for Professional Services with CLB for the design of the restaurant remodel and expansion for a total cost of \$797,200. Blann said the previous work on the conceptual design that was reviewed in the retreat is not included in this cost.

Eastman asked if options would be considered that made some of the seats in the restaurant expansion available to passengers who are not dining in or purchasing food from the restaurant. Blann confirmed that we are still in the design process. Liebzeit asked what the memo means that construction costs may be significantly underestimated. Blann said the design process will provide better insight into the actual construction costs. Elwood said labor availability and meeting the timelines associated with the runway closure may increase the construction cost. Blann said it is important that the design process is expedited to ensure we have time to arrange the best value of construction.

Eastman made a motion to approve the 2nd amendment to the Contract for Professional Services with CLB for the design of the restaurant remodel and expansion in the form presented, in an amount not to exceed \$860,375. Liebzeit seconded the motion, which passed unanimously.

I. Jviation Checkpoint Design Contract Amendment Elwood said the 10th amendment to the Jviation on-call engineering services agreement is for the checkpoint renovation project design in the amount of \$860,375. Blann confirmed that this also includes the restroom reconfiguration and the bump out. Liebzeit asked if Crook is comfortable with the preliminary information she has received regarding the design and if it will meet the long-term needs. Crook confirmed she is comfortable with the scope and that it will meet the future needs of the airport.

Liebzeit made a motion to approve the 10th amendment to the Jviation on-call engineering services agreement for the checkpoint renovation project, in the form presented, in the lump sum amount of \$860,375. Braun seconded the motion, which passed unanimously.

VII. DIRECTOR'S COMMENTS: Crook provided a security update. She welcomed Mike Geiling to the security team. Crook said training for the newly installed equipment will be completed before the winter season. Crook said the interim FSD is working with headquarters on approval of a fifth lane.

Elwood said Havel and Valsing are graduating from Leadership Jackson Hole. Elwood read an update from Havel regarding operations. Elwood said operations is fully staffed after the retirements of Knepper and Campbell this summer. Elwood said all required training has been moving forward and the winter maintenance team is fully staffed. Elwood said Alaska Airlines' first flight is December 17th, 2020.

Elwood said the annual winter operations meetings with the airlines occurred over the past month. Elwood said the carriers are pleased with the efforts the airport has put into place regarding snow removal, communications, and the new ATIS system.

Elwood congratulated Havel for this NWAAAE Excellence in Aviation award.

VIII. BOARD COMMENTS: Braun said he was pleased that the relationship with the airline operations groups is valuable.

McLaurin thanked Elwood and staff for their hard work.

Liebzeit asked staff to be cognizant of modifications to the ski season and winter flight schedule due to the COVID surge. Liebzeit thanked Braun for his work on the Board.

Blann thanked Braun for his knowledge, expertise, and work on the Board. Blann thanked Elwood and the staff for their hard work.

IX. ADJOURN: McLaurin made a motion to adjourn the meeting at 11:37 am on Wednesday, November 18th, 2020. Motion passed unanimously.

DocuSigned by:

Jerry Blann

08E5171FDC744F2...

Jerry Blann, President

DocuSigned by:

Ed Liebzeit

93EB5860A9A047E...

Ed Liebzeit, Secretary