

MEMORANDUM

DATE: August 8, 2018

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

1. Approval of Minutes: Presented for Board review and approval are the minutes from the regular Board meeting held on July 11, 2018.

2. Long & Associates, Inc. – IT Server Room Air Conditioning Project: Staff received two quotes to install air-conditioning equipment in the Information Technology (IT) Server room located off the airline hallway in the terminal. This room houses both airline and airport IT servers. The current cooling system feeding that IT server room is inadequate to keep the IT server equipment cool. The purpose of this project is to install additional air-conditioning to serve the IT server room which houses thousands of dollars' worth of critical computer equipment. The new air-conditioning equipment will be backed up by the existing terminal heating/ventilation/air-conditioning (HVAC) system and the new air-conditioning equipment will be added to the existing HVAC management system.

3. Town of Jackson – Parking Space Lease: At the April 24, 2018 Board meeting the Board approved a lease agreement with the Town of Jackson to lease 141 parking spaces on levels 3 and 4 in the Town parking garage. The Town subsequently approved a new lease in the Town garage with a 32 month term. Under the new Lease the Airport will have use of both the 3rd and 4th levels of the garage over the Thanksgiving and spring break holidays.

4. Lower Valley Energy – Natural Gas Pipe and Install: The initial plan with the QTA project was to install 3 below ground propane tanks at the QTA building. Lower Valley Energy (LVE) saw the potential with this project as well as future airport projects to bring natural gas to the airport. There may be a temporary above ground tank on site until LVE completes the line from Town to the Airport. The work along the access road will be completed prior to the paving of the access road project.

GENERAL BOARD MEETING ACTION ITEMS:

CUSTOMER FACILITES CHARGE: The CFC balance as of June 30, 2018 is \$2,157,284. Through July 31, we have expended \$2,546,842 for the QTA project. July CFC collections were \$149,086, up 6% from July 2017.

FINANCIAL REPORTS: This is the first month the airport will be showing financials

across the three enterprise centers that were developed in the new budget process. These enterprise centers include airport operations, security operations, and fuel farm operations. Income in the airport operations enterprise center was 6% above budget, security operations was 2% above budget and fuel farm was 6% above budget. Expenses in the airport operations enterprise center were -4% below budget, in security operations were -7% below budget and in the Fuel Farm enterprise center were 17% above budget.

WATERLINE EXTENSION PROJECT: There are two items of consideration under this project: a Jorgensen Amendment and Change Order 1 to Amendment 2 of the Wadman CMAR Agreement. The scope amendment with Jorgensen includes design and construction documents, DEQ permitting, surveying, water rights permitting, and construction observation. This scope change will allow the Airport to complete this project prior to paving of the access road preventing future disruption of the road when Hangars 3 and 6 are completed. The Board previously approved CMAR GMP Amendment #2 with Wadman to install a 10 inch watermain from the terminal wells to the fuel farm and QTA with design for the Hangar 3 and 6 sites. The Board is currently installing utilities to the Hangar 3 and 6 sites in the utility corridor prior to repaving the access road. This Change Order will extend the installation of the waterline to the Hangar 3 and 6 sites including hydrants.

LOWER VALLEY ENERGY – MEMORANDUM OF UNDERSTANDING – NATURAL GAS PIPELINE: Related to the natural gas pipe and install consent agenda item is the Memorandum of Understanding (MOU) with Lower Valley Energy (LVE) for the natural gas pipeline. Under the MOU, LVE will construct, own, operate and maintain a natural gas pipeline (6.45 miles from the equestrian center to the airport) and the airport will aid in the construction by committing patronage capital and with a rate surcharge. Natural gas is an environmentally friendly alternative to some of the energy sources at the airport and we are excited to be able to provide it to airport users.

RESOLUTION 2018-B – QTA REVENUE BOND RESOLUTION: At the June 20, 2018 Board meeting the Board approved First Interstate Bank for financing of the QTA construction bond and directed staff to work with the Bank on negotiating the terms of the bond deal. Resolution 2018-B details the QTA Revenue Bond Resolution and terms as agreed to by staff and the Bank. All terms previously approved by the Board have been incorporated including the approved interest rate, no prepayment penalty, and 10 year loan term.

RESOLUTION 2018-10 – GRANT AGREEMENT 59 (REHABILITATE ACCESS ROAD): The FAA has issued AIP Grant Agreement 3-56-0014-59 to Rehabilitate the (South) Access Road. This is the first of two AIP grants anticipated to fund the south access road and associate surface water drainage project. The Board must adopt Resolution 2018-10 in order to accept Grant Agreement AIP 3-56-0014-59. The grant was approved by the Town and County at the Joint Information Meeting on Monday.