



## MINUTES OF THE JACKSON HOLE AIRPORT BOARD

**DATE:** October 26, 2022

**BOARD PRESENT:** Bob McLaurin, Ed Liebzeit, Valerie Brown, John Eastman, and Rob Wallace were present in person at the Jackson Hole Airport Board Room.

**OTHERS PRESENT:** Jim Elwood, Michelle Anderson, Aimee Crook, Dustin Havel, Megan Jenkins, Gina Van Slyke, Craig Foster, Anna Valsing, Andrew Wells, Jordyn McDougall, Tony Cross and Apinya Wright of Jackson Hole Airport; Mike Mahoney, KLJ Engineering; Jeremy Barnum, National Park Service; Charlotte Frei, Teton County & Town of Jackson; Bruce Abel, START; Abigail Moore, Teton County & Prosecuting Attorney's Office; Mark Barron, Teton County Commissioners; Jonathan Schechter, Town Council; Frank Lyons and Gerrit Izzo, First Interstate Bank; Paul Fiore, Jviation; Phil Cameron, Energy Conservation Works; and Mary Kaufman, public. Other individuals, who are not individually documented, were present in person or watched the meeting on a live stream through the WebEx platform.

- I. **CALL TO ORDER:** McLaurin called the Jackson Hole Airport Board meeting to order at 9 AM on Wednesday, October 26, 2022.
- II. **EMPLOYEE OF THE MONTH:** Elwood recognized the entire Jackson Hole Airport Board ("JHAB") staff as the employee(s) of the month.
- III. **COMMUNITY OUTREACH:** Jenkins stated that over the last month, JHAB staff had been busy with community outreach, including attending the Wyoming Airport Coalition ("WAC") Conference held in Pinedale, WY, where Michelle Anderson received the Aviation Achievement Excellence Award, and the Runway reconstruction was named the Project of the Year. She advised that the Northwest chapter of the American Association of Airport Executives ("AAAE") hosted its annual conference in Jackson, WY, which was well attended by JHAB staff and industry leaders. Jenkins was the chapter's recipient of the Aviation Excellence award for outstanding achievements over the last year. Jenkins advised that the final community outreach item, the Chamber of Commerce awards, was attended by Liebzeit and JHAB staff. The Airport was nominated for Large Business of the year, which the Airport was awarded in 2019.
- IV. **COMMENTS FROM GRAND TETON NATIONAL PARK, TOWN OF JACKSON, TETON COUNTY, AND THE PUBLIC:** Barnum advised that with the recent snowfall, several Grand Teton National Park (the "Park") roads will be closed starting November 1, 2022, and the Moose-Wilson road will remain closed for construction. Barnum stated that the Park currently has 33 open positions, with 18 available housing units equating to 15 vacancies that may remain unfilled due to housing constraints. He advised that new federal funding had been awarded, allowing the construction of new housing, which will be available in the coming years. He stated that the Park is focusing on efforts related to migration and ensuring wildlife has access to protected habitat year-round. Barnum noted that the Park appreciates the working relationship with the Airport and being included in Fixed-Based Operator (the "FBO") facility communication. Brown asked how wastewater would be handled with the building of new

employee housing. Barnum stated that the Park would work closely with other agencies to ensure the wastewater treatment facility exceeds the Wyoming Department of Environmental Quality standards.

Barron stated that the county entered an application for a grant through the Federal Transit Administration Authority to build a local Park and Ride and acquire additional START buses. He noted that START has a solid year-round ridership, particularly during winter. Schechter advised that the Town Council completed their mid-year retreat, and the focus was developing criteria for a new town manager and addressing revenue issues with the town budget.

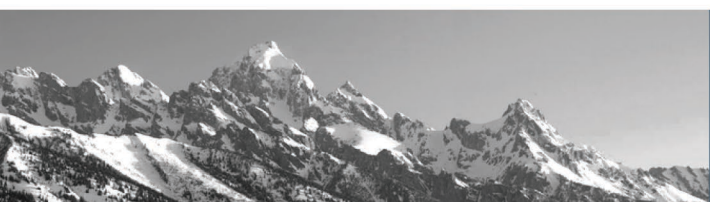
Kaufman, a member of the Airport Noise and Pollution Action Committee (“ANPAC”) and resident, thanked the Board for revising the general aviation (“GA”) voluntary curfew hours to alleviate late-night aircraft arrivals and early-morning aircraft departures. She read into the record a letter ANPAC sent to the Board and Elwood on September 27, 2022. Kaufman noted that flight activity at the Airport had increased over the last four (4) years and asked that the Airport and Park continue working with the local community on noise abatement measures.

Cameron stated that Energy Conservation Works (“ECW”) has a five (5) million-dollar Specific Purpose Excise Tax (“SPET”) proposition on the ballot for the upcoming elections. He noted that funding would be used for future renewable energy projects benefiting Teton County.

## **V. UPDATE FROM TETON COUNTY AND START REGARDING GROUND TRANSIT SERVICE**

**STUDY:** Elwood introduced Abel, the Interim Transit Director for START, and Frei, the Regional Transportation Planning Administrator for Teton County and Town of Jackson, presenting on the JAC Ground Transit Service Study. Frei stated that she had reviewed existing plans and identified a town and county guiding mobility principle “travel by walk, bike, carpool, and transit will be more convenient than travel by single occupancy vehicles.” She advised that the focus of the Airport Service Study and Pilot Roadmap for transit service to the Airport consists of four (4) incremental steps based on the Mobility Hub framework. She noted that “we only get one chance to make a first impression,” the study and potential pilot must be managed to provide quality customer experience and advance existing transportation goals. Frei advised that they are currently at the initial step but plan to implement the pilot service to the Airport by the second quarter of next year; based on the pilot’s efficiency and effectiveness, the transportation committee could make near and long-term recommendations.

Brown asked how the challenge of in-town parking was being addressed. Frei advised that the comprehensive plan’s goal is to encourage people to use other modes of transportation by making driving less convenient. Liebszeit asked if the pilot would be full-service, offering transportation to the Airport from the first departure of the day until the last plane lands. Abel advised that the pilot would be limited in duration but would operate a full-day transportation service to the Airport. Eastman asked that the Board continue to try to find ways to contribute financially to this program considering the limitations of the Airport spending money on transit. Elwood reinstated the importance of developing a Transit Plan with funding information for the FAA to review and approve before further consideration of the Airport’s funds being used towards public transportation.



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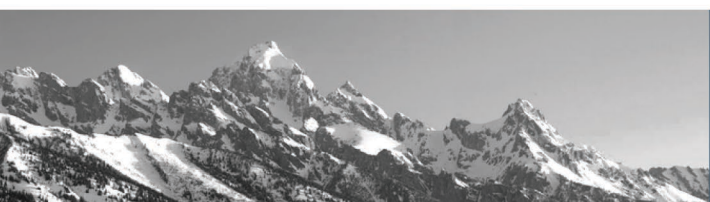
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**VI. FBO TRANSITION OVERVIEW:** Foster advised that the intent of the Airport taking over the FBO lease was centered on three (3) objectives: reduce environmental footprint, provide a safe operating environment for airport users – security and standard operating procedures (“SOP”) to mitigate risk, and provide a safe working environment for staff. He noted that there are two (2) main components of the new FBO to achieve a reduced environmental footprint; operating green ground support equipment (“GSE”) and implementing practices that mitigate carbon emissions. He advised that one (1) of the benefits of brokering a deal with the current FBO, Jackson Hole Aviation, is acquiring their equipment and allowing the new FBO time to purchase electric powered GSE. He shared that he is working on an FBO communication plan geared to the local community and end-users; communication will be recognized if the new FBO implements green initiatives. Foster advised that the new FBO will be in sync with the commercial side of the Airport, and stakeholders will be in a safe operating environment due to congruent departmental SOP(s).

Foster said the new FBO transition committee meets monthly, and tasks must be completed before May 1, 2023 (FBO transition date). He noted that each task is continuously monitored and modified when necessary. He said that the Airport has procured several new tugs and deice trucks to support FBO operations, but the remaining GSE procurement depends on the deal with Jackson Hole Aviation. Foster said the organizational chart is developed, and staff recruitment is ongoing; anticipated 40 full-time equivalents (“FTE”), which equates to approximately 30 - 40 employees. Eastman asked if Foster would like to transition the employees working for Jackson Hole Aviation. Foster said that he would like to hire staff from the current FBO. Brown asked for clarity on the new FBO organizational chart and if there is a scale advantage using existing departmental staff working for the Airport. Foster advised that the new FBO will utilize some Airport staff, including accounting and equipment maintenance. He stated that the new FBO organizational chart is a “draft” and subject to change.

Foster advised that the Airport is in communication with a modular building provider for a temporary trailer that will accommodate basic FBO services and staff; at the same time, the current FBO facility will be worked on. He said he is excited to be part of the JHAB team and can manage the new FBO, Jackson Hole Flight Service. McLaurin asked if the Airport could delay opening the FBO on May 1, 2023. Elwood stated that the FBO provides fuel for the onsite commercial airlines, and the FAA would have to approve the postponement request. Wallace said that the access to pilots and flight crew, once the FBO transition is complete, will be invaluable for face-to-face communication on noise impact on the neighborhoods surrounding the Airport.

**VII. ACTIVITIES AND REPORTS UPDATE:** Elwood stated operations were down 13.4% for general aviation and down 4.9% for commercial aviation for September compared to September 2021. He said enplanements were down 6% for September compared to 2021. Elwood stated that the load factor for September 2022 was 89.99%, and year-to-date was 76.76%. He noted that the Quarterly Adds, measured quarterly and ending September 30, 2022, the Average Daily Departures (“ADDS”) were 4.60 and year-to-date 2.17- the Airport closure period included. He advised that the values are below the limits established in the Noise Abatement Plan of 6.85 averaged quarterly, and 6.5 averaged annually.



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Elwood stated that the Airport is working in partnership with Jackson Hole Aviation to communicate with private aviation the curfew update, including posting banners in the FBO facility and passing printed communication to flight crews. He advised that the JHAB staff has updated the Airport's website, published ads in the local newspaper, and communicated with private aircraft organizations about the changes to the GA curfew. Eastman asked if curfew violations were available for the public to view. Elwood advised that the information is published through the Fly Quiet Program and presented quarterly at Board Meetings, available online for the public to review. He stated that in addition to the measures taken by JHAB staff and Jackson Hole Aviation, Paul Dunholter, BridgeNet, and the Airport noise consultant, advised the installation of an additional noise monitor south of Sagebrush. Barnum offered the Park's support to the Airport on the noise communication disbursement. Jenkins thanked Barnum and added that the Airport would like to work with the Park on a handbook for the FBO.

### **VIII. ACTION ITEMS:**

#### **A. Consent Agenda:**

1. Approval of the Minutes September 21, 2022
2. Two (2) Lektro 8750 Tugs Purchase – Advanced GSE, Inc.

Liebzeit moved approval of the consent agenda items A-1 through A-2. Eastman seconded the motion, which passed unanimously.

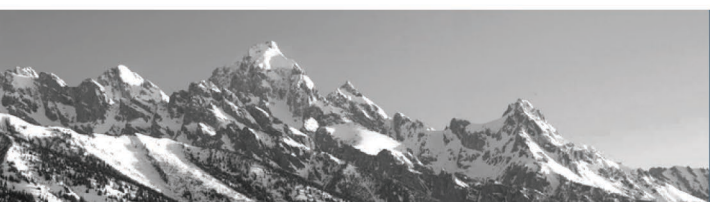
**B. Payment of the Bills:** Brown said she reviewed and moved approval of the payment of the bills as presented, dated October 26, 2022. Liebzeit seconded the motion, which passed unanimously.

**C. Financial Reports:** Anderson stated that September income ended 26% above budget and expenses 27% over budget, stating fuel prices were higher than projected when the budget was developed. Eastman moved acceptance of the financial reports. Brown seconded the motion, which passed unanimously.

#### **D. First Interstate Bank - Hangar 3/GSE Building Bonds Proposed Term Sheet:**

Anderson stated that Airport staff worked with First Interstate Bank ("FIB") to negotiate financing for the Hangar 3/GSE building construction bond. She advised that two (2) proposed options were developed during this process; the first option has the financing front-loaded, and the second has the financing evenly spread over the 15-year term. Anderson advised that JHAB staff recommends option two (2), which provides more flexibility in the near term through lower principal payments during the first five (5) years. She said that JHAB staff and the Board's Financial Consultant developed two (2) funding scenarios that assume a debt of \$33,500,000 with consideration of the FBO's approved budget. Anderson advised that the Airport's total cash funding required in both scenarios is \$4,300,000, noting that the bond activity focus will be fuel sales and hangar rents.

Anderson stated that FIB was the bank selected by the Board earlier this year based on the bank's proposed terms and financing structure, not simply interest rate. She noted



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that acceptance of the FIB proposal before November 1, 2022, would lock in the interest rate current on that date. She advised that JHAB staff will work with FIB to prepare the bonds' resolution for the Board's approval at a future meeting date.

Brown asked for a contrast of these bonds versus the previous FIB bonds the Airport did a few months ago. Lyons advised that the proposed interest rates were currently 185 basis points over the previous rates, using the Federal Home Loan Bank index. He stated they were reduced to 1 and 1.2 depending on the duration of the bond and the perceived interest rate risk.

Brown moved approval of First Interstate Bank's Proposed Term Sheet, in the form presented, for a total of \$33,500,000, and Airport staff, consultants, and attorneys are directed to negotiate with First Interstate Bank for a mutually agreeable revenue bond and ancillary documents for the Hangar 3/GSE project. Liebrecht seconded the motion, which passed unanimously.

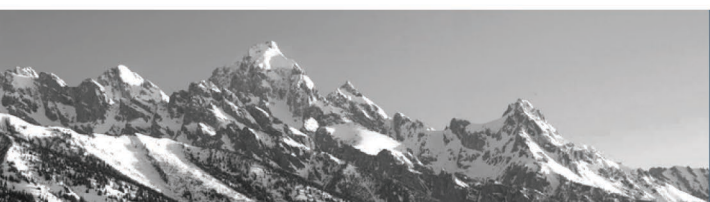
**E. Kutak Rock Bond Counsel Letter of Engagement for Hangar 3/GSE:** Anderson stated that to complete the Hangar 3/GSE building construction bond, the Board will need to hire bond counsel. She noted that Kutak Rock is the bond counsel previously used by the Board for the restaurant construction financing and fuel facility refinancing; Airport staff and the Airport attorney, Mike Morgan, thought the service provided by Kutak Rock was exemplary. Anderson said the proposed engagement letter is substantially the same as that used in 2021-2022.

Liebrecht moved approval of the Letter of Engagement with Kutak Rock in the form presented for the Hangar 3/GSE Bonds, not exceeding \$30,000. Eastman seconded the motion, which passed unanimously.

**F. Wadman GMP Amendment 2022-02 – Hangar 3/GSE Construction:** Elwood presented for approval the Guaranteed Maximum Price ("GMP") Amendment 2022-02 to the Wadman Construction Manager at Risk ("CMAR") agreement for the construction of the Hangar 3/GSE building in the amount of \$36,087,675.63.

Wallace moved approval of GMP Amendment 2022-02 to the Wadman CMAR Agreement in the form presented for the Hangar 3/GSE building, in the amount of \$36,087,675.63, and the cancellation of GMP Amendment 2022-01, which will now be included in GMP Amendment 2022-02. Liebrecht seconded the motion, which passed unanimously.

**G. Resolution 2022-5 – Subcontractor Procurement Waiver:** Elwood advised that the Board needed to approve a subcontractor procurement waiver resolution for the Hangar 3/GSE Building project. He noted that based on the bids received for this project, 12% of the subcontracted work would be awarded to Wyoming resident contractors. Elwood said there were 36 subcontract packages, with nine (9) awarded to Wyoming resident



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contractors. He advised of the remaining subcontract packages, 25 packages received no bids from Wyoming resident contractors, and on two (2) packages, the low resident contract bid was >105% of the low non-resident contract bid.

Liebzeit moved approval of Resolution 2022-5, a subcontract procurement waiver for the Hangar 3/GSE building, in the form presented. Eastman seconded the motion, which passed unanimously.

**H. KLJ Agreement for Construction Administration/Construction Observation –**

**Hangar 3/GSE:** Elwood proposed for the Board's approval of the agreement with KLJ Engineering for construction administration, observation, resident project manager, and owner-required special instructions and material testing services for the Hangar 3/GSE building, not to exceed the cost of \$2,121,820.

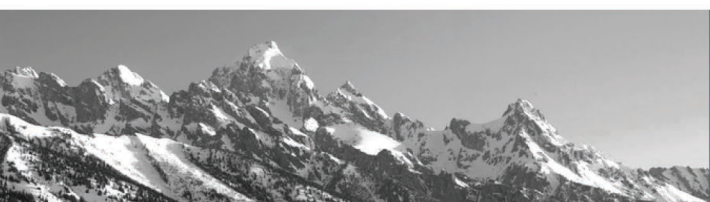
Eastman moved approval of the agreement with KLJ Engineering in the form presented, for Hangar 3/GSE Construction Administration and Construction Observation, not to exceed \$2,121,820. Liebzeit second the motion, which passed unanimously.

**I. KLJ Owner's Representative Agreement:** Elwood presented for approval an agreement with KLJ Engineering which designates Mike Mahoney to act as the Owner's Representative for the Jackson Hole Airport GA Facilities Project. He said the Owner's Representative assists the Airport Board (the "Owner") in coordinating multiple work elements scheduled to be designed and constructed in a coordinated sequence. He advised that the initial work elements include the Hangar 3/GSE building, related infrastructure improvements, and the fuel farm expansion, not to exceed the cost of \$407,200.

Brown asked if the agreement was with the organization or Mahoney. Elwood advised that the contract is with KLJ Engineering, but the Airport had specified Mahoney as the Board's representative in the agreement.

Eastman moved approval of the agreement with KLJ Engineering in the form presented for Owner's Representative Services, not to exceed \$407,200. Wallace seconded the motion, which passed unanimously.

**J. Aviation Amendment 21 – Acquisition of ARFF Trucks:** Elwood presented for approval Aviation On-Call Engineering Services for the procurement, through a competitive bidding process, of up to two (2) Aircraft Rescue and Fire Fighting ("ARFF") vehicles. He advised that the Airport's two (2) trucks are aging and have exceeded the Federal Aviation Administration (the "FAA") recommended life expectancy. He said Aviation would prepare contract documents, technical specifications, and Engineer's Design Report, along with Bidding and Procurement Administration Services for the acquisition of the trucks, not to exceed \$75,800.



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Liebzeit moved approval of the 21st Amendment to the Aviation On-Call Engineering Services Agreement, in the form presented, for the acquisition of ARFF trucks, not to exceed \$75,800. Brown seconded the motion, which passed unanimously.

**IX. DIRECTORS COMMENTS:** Crook advised that screening staffing levels are strong going into the winter season with several candidates in the hiring pipeline. She noted that staff had utilized their downtime during the shoulder season to complete customer service and phase two (2) training. She advised that Mike Geiling, Airport Security Coordinator, received his Airport Certified Employee (“ACE”) trusted agent designation. Eastman asked if there were any issues with the new Checkpoint. Crook advised that it is working great; all screening lanes will be fully staffed this winter, and reduced wait times are anticipated.

Havel advised that the restaurant project is on-time and scheduled to be open on December 19, 2022. He noted that the restaurant roof is almost completed, the glass and elevator to the basement will be installed soon, and the fire system has been completed. Havel advised that the winter crew will be fully staffed, with only one new employee; the rest are returning staff. He reported that over the coming weeks, he would meet with the commercial airlines and cover Fly Quiet, the voluntary curfew, and Auxiliary Power Unit (“APU”) usage. He said that the Jackson Hole Loyal Parker Program has over 1,750 locals enrolled, and 17-18% of the parking lot users are loyal parkers. Brown asked how insourcing all our custodial staff was working. Havel advised that all the feedback he gets is positive from passengers, JHAB staff, and vendors.

**X. BOARD COMMENTS:** Liebzeit congratulated the JHAB team for being selected as the employee of the month. He thanked the Airport for having a diverse staff and enjoyed attending the Chamber of Commerce awards with Airport employees.

**XI. EXECUTIVE SESSION:** Eastman moved the Board to go into Executive Session at 11:56 am for the purpose of considering the employment of executive personnel and the tender of offers concerning salaries, benefits, and terms of employment as authorized by Wyoming Statute §16-4-405(a)(ii) and (x). Liebzeit seconded the motion, which passed unanimously.

McLaurin stated that no decisions were made in the Executive Session.

**XII. ADJOURN:** Liebzeit made a motion to adjourn the meeting at 1:04 pm Wednesday, October 26, 2022. Wallace seconded the motion, which passed unanimously.

DocuSigned by:

*Robert McLaurin*

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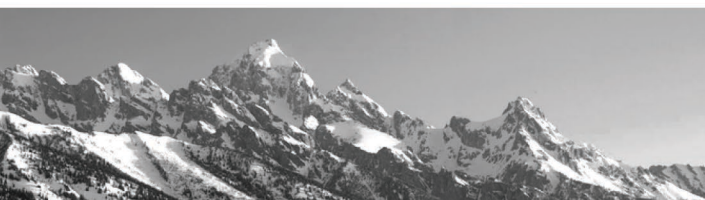
**Bob McLaurin, President**

DocuSigned by:

*George Robert Wallace*

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**Rob Wallace, Secretary**



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