



MINUTES OF THE JACKSON HOLE AIRPORT

Date: April 19, 2023

BOARD PRESENT: Ed Liebzeit, Rob Wallace, Melissa Turley, and Bob McLaurin were present in person in the Airport Meeting Room; Valerie Brown was present through the WebEx platform.

OTHERS PRESENT: Jim Elwood, Michelle Anderson, Aimee Crook, Dustin Havel, Megan Jenkins, Tony Cross, Craig Foster, Gina Van Slyke, Anna Valsing, Jordyn McDougall, Esther Borja, and Apinya Wright of Jackson Hole Airport; Tamara Kachiuri, Hertz; Stuart Shift, Aviation; Richard Whitmer, Transportation Security Administration; Mike Mahoney, KLJ; Mike Morgan, Airport Board Attorney; Dan Reimer, Airport Board Attorney; Rhea Brough, Jedediah's; Jessica Jaubert, Three Elephant Public Relations; Billy Arnold, Jackson Hole News and Guide; and Jeremy Barnum, Grand Teton National Park. 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:** Board President Liebzeit called the Board Meeting to order at approximately 9:00 am.
- II. **EMPLOYEE OF THE MONTH:** Elwood recognized Sally DuMond as the employee of the month.

Buschow, Jackson Hole Airport Board ("JHAB") Screening Supervisor, thanked Crook, JHAB members, JHAB staff, and the traveling public for all their support over the last 20+ years of service to Jackson Hole Airport. Buschow and the JHAB staff presented Crook with two (2) signed screening uniform shirts as a thank-you for her decades of service at the Airport.

- III. **COMMUNITY OUTREACH:** Jenkins advised that the Jackson Hole Fly Quiet Program (the "Program") 2022 Annual Scores were posted on the Airport's website and social media channels, Jackson Hole News and Guide, National Business Aviation Association, National Air Transportation Association, and Professional Pilot Magazines. She said that with the Fixed Base Operation, Jackson Hole Flight Services ("JHFS") transition on May 1, 2023, there would be additional opportunities to share the Program with the General Aviation ("GA") public via face-to-face and digital messaging. Elwood clarified that operators under CFR ("Code of Federal Regulations") Part 135 regulations impose higher standards for pilot qualifications and are usually charter companies compared to Part 91 operators. He furthered that domestic airlines operate under Part 121. Liebzeit recommended JHAB staff use a definition versus a nomenclature (i.e., 'Part') in local print communication. He asked if there had been any feedback from Part 135 and Part 91 operators on the Program, Jenkins confirmed that the JHAB staff had heard from operators and are working with a few on score improvements.



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Jenkins stated that the Airport's "Did You Know" campaign has helped users and locals stay informed on what is happening, including Airport parking tips and the Good Traveler Program. She continued that a project JHAB staff are working on with Grand Teton National Park (the "Park" or "GTNP") is creating an Airport educational video. Jenkins closed with Elwood's presentation to the Rotary Lunch Club on April 11, 2023, providing attendees an overview of various Airport events, including, but not limited to, the 2022 Project Overview, JHFS, and TSA (Transportation Security Administration) contract transition.

- IV. COMMENTS FROM GRAND TETON NATIONAL PARK, TOWN OF JACKSON, TETON COUNTY, AND THE PUBLIC:** Barnum thanked the Airport for leading the Fly Quiet and Good Traveler Program. He cautioned that moose are on the move; this morning, 16 moose could be counted on the road leading to the Airport along with other wildlife. He continued that the Park is digging out of a heavy snow-packed winter, including locations such as the Teton Park Road and Park campgrounds. Barnum said that Moose-Wilson Road will be closed until May 26, 2023; at that time, the road will open for weekends until June 30, when it will be open 24/7 until the end of the summer season – tentatively, Labor Day weekend.

Whitmer, Federal Security Director ("FSD") for the Transportation Security Administration ("TSA"), provided an overview of the transition from privatization to the federalization of the screening force. He advised that the atmosphere at the Airport is welcoming, and he appreciates all the support from JHAB and JHAB staff. He said that the professionalism of the transitioning screeners is exceptional, and it is anticipated that all timelines will be met up to the start of the new contract on May 1, 2023. He stated that the TSA's largest concern is providing effective screening, as done in the past. Wallace asked where the pool of temporary screeners was coming from and where will they be housed. Whitmer advised that the TSA has a National Deployment Force ("NDF") from all over the country, and 35 NDFs will be stationed here during the transition; the TSA has reserved a block of 35 rooms at various local hotels. He advised that the JAC Full Time Equivalent ("FTE") staffing hours is 50.4, and the TSA has sent out 51 job offer letters to candidates with their background checks vetted.

V. CONSENT AGENDA:

- i. Approval of the Minutes
 - A. Regular Meeting – March 15
 - B. Special Meeting (Budget and General Aviation Workshop) – March 15
- ii. On-Call Cybersecurity and IT Consulting Agreement
- iii. Resolution 2023-05: Insurance Requirements
- iv. Resolution 2023-06: Wyoming Cooperative Liquid Assets Securities Systems (CLASS)
- v. Sun Country Airlines Maintenance Agreement with Jackson Hole Flight Services
- vi. Delta Airlines Maintenance Agreement with Jackson Hole Flight Services
- vii. Standard Forms of FBO Agreements



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- A. Temporary Storage Permits
- B. Storage Agreements
- C. Maintenance Work Order
- D. Non-Tenant Use Agreement
- E. Commercial Aeronautical Use Agreement

Liebzeit advised that Sun Country would be operating flights to JAC this summer.

McLaurin moved approval of the consent agenda items i through vii. Wallace seconded the motion, which passed unanimously.

VI. TERMINAL COMMUNICATIONS PROGRAM OVERVIEW: Jenkins introduced a concept to transition to digital terminal displays, which will increase communication, including topics on, but not limited to, safety and security protocols, community messaging, wayfinding, and text versions of the overhead announcements. She advised that digital displays would be installed in areas like the baggage area and above the screening checkpoint. Jenkins noted that the Airport would have the opportunity to include paid advertisements on the digital displays. She added that digital paid advertising space would provide an opportunity to revisit the Airport's existing advertising policy and review pricing in-line with current market pricing.

Turley asked if the Airport would now charge local ski resorts to post advertisements on the three (3) monitors as you exit baggage claim. Jenkins advised that Community Partners would now be charged for Airport advertising, and under the new proposal, non-profits would be charged the same as for-profit organizations for advertising space.

Brown advised that when you drive into Jackson from the Airport, you see many moose, but you do not see any advertising billboards. She further stated that the lack of advertising is an esthetic indicative of Jackson, and she is ambivalent about opening the Airport to paid digital advertising.

JHAB asked Jenkins to reframe the proposed Terminal Communication Program to exclude paid advertising.

VII. ACTION ITEMS:

- A. **Financial Reports:** Anderson stated that on March 31, 2023, income ended 8% above budget, and expenses were 55% above the amended budget levels; additionally, net revenues were 42% above budget, ending at \$6,057,269. She stated that timing is the root cause of the capital budget being above the forecasted budget.

Wallace moved acceptance of the financial reports for March 2023. McLaurin seconded the motion, which passed unanimously.

- B. **FY 2023/2024 Budget:** Anderson thanked the Board for their time reviewing the budget detail and attending workshops to get to this point in the budget approval



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process. She stated that, as background, the Board had conducted several meetings on the budget leading up to the April Board Meeting, most recently a budget workshop held on March 15, 2023. She noted that a few changes had been made to the budget presented on March 15, reflected in the budget presented during today's board meeting. She said that the draft budget had been posted on www.jacksonholeairport.com (the "Airports website"). Anderson advised that the budget is developed using a zero-based budgeting approach (start with expenses and income at zero and build the budget from that baseline); further, profit centers and cost centers are used to allocate revenues and expenses to the individual enterprise centers (FY 2023/2024 include Airport Operations, Airport Fuel Farm, and Airport Fixed Based Operations (the "FBO or, Jackson Hole Flight Services").

Anderson restated those revisions that had been made to the March 15 budget presentation, including the security enterprise center, which was removed with the revenues and expenses reallocated to the remaining three (3) enterprises centers, and the performance wage pool was reduced from 10% to 8% (lump sum calculation is distributed based on performance). She furthered that the two (2) additional changes were allocations between the Airport Operations and the FBO cost centers that were refined, which adjusted the expense numbers, and the capital items reflect the most up-to-date information, including the receipt of the \$995,000 tower grant from the Federal Aviation Administration (the "FAA"). She stated that debt service revenue sources and expenses had not been presented in each enterprise center. She noted that the Airport uses revenue bonds, meaning that there is a dedicated source of revenue to pay the debt.

Brown asked for the money on the Fuel Farm to put the revenue net of debt payment on the income side versus the expense side, which would show over \$2 Million in revenue for FY 2023/2024. Anderson responded to McLaurin's questions, advising that Passenger Facility Charges ("PFCs") are collected off a purchased Airline ticket; however, Customer Facility Charges ("CFCs") are collected by the rental cars.

Anderson said that the Airport operations revenue, terminal rent, and land fees over the next budget year are proposed to increase by 13%, respectively. General Aviation ("GA") landing fees are proposed to increase by 25%; the total budgeted income for the Airport Operations enterprise center is \$23,660,021. Anderson advised that some cost centers, such as Firefighting and Security, had been allocated under the FBO enterprise center; the total expense budget for the Airport Operations enterprise center is \$21,857,122. She continued that the second enterprise center operated by the Airport is the Fuel Farm, with a budgeted revenue of \$23,262,491 and a total expense budget of \$24,226,899 (fuel fees not included). Anderson concluded that the final enterprise operated by the Airport is the FBO; the total income budgeted is \$41,491,593, and the total expense budget is \$35,685,618.



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Anderson said that while developing the capital plan, the Board approaches each construction project with awareness of potential environmental and community impacts from the beginning stages of the design, continuing through project completion. Capital revenue sources include federal grants, state grants, revenue bonds, customer facility charges, passenger facility charges, and fuel facility charges and fees. She noted that existing projects include those already funded, under contract, or underway; for instance, this year, construction is anticipated to start on the taxiway and deice pad improvements and continued construction work on Hangar 3. She stated that the Airport intends to complete several small capital projects, such as pavement repairs, painting, and equipment purchases. Anderson proposed that the Board approve the budget for submission to the Town and County for consideration at their Budget meeting.

Wallace moved acceptance of the FY 2023/2024 Budget in the form presented. Brown seconded the motion, which passed unanimously.

- C. General Service Administration (“GSA”) Lease Amendment – TSA Lease Space: Valsing introduced the GSA Lease Amendment for the additional office, training, and breakroom space for the TSA. She said that TSA would take over the screening operation on May 1, 2023, and needs space to conduct business successfully.

McLaurin moved approval of Lease Amendment #2 to GSA Lease LWY00512 in substantially the form as Lease Amendment #1, with the final square footage and rates of the leased space identified and approved by Airport Staff and authorized the Board President to sign. Turley seconded the motion, which passed unanimously.

- D. On-Call Engineering Agreement: Havel advised that one of the Airport’s requirements with the FAA is an on-call engineering service on contract to support the Airport with federal capital projects. He continued that On-Call Engineering Agreements are usually awarded for five (5)-years with a qualified firm and that a list of projects or potential projects is outlined in the request for qualifications (“RFQ”) process, which is evaluated based on qualifications, including technical competency, project approach and methodology, consulting firm’s experience on similar projects, qualifications of project personnel, and professional references.

McLaurin moved approval of the On-Call Engineering Services agreement with Jviation, a Woolpert Company, in the form presented. Wallace seconded the motion, which passed unanimously.



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Liebzeit asked the Board about the proposed meeting dates for 2023. Brown advised that August 16, 2023, would not work for her, and she will contact McDougall when she has a new proposed August board meeting date.

VIII. DIRECTOR'S COMMENTS:

- i. **Activity Reports:** Elwood stated operations were down 13.4% for commercial and 28.1% for general aviation ("GA") compared to March 2022. He said commercial enplanements were down 6% for March compared to 2022. Elwood stated that the load factor was 72.52% in March 2023.
- ii. **Operations/Security/ FBO Updates:** Havel advised that JHAB staff have been focused on FBO and winter cleanup. He recognized the seasonal snow removal crew for a job well done this winter. He noted that JHAB staff have been prepping for the 2023 full-scale event on April 23, 2023, at 9 AM.

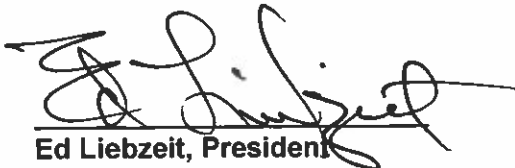
Crook advised that a PreCheck TSA event will be held on the week of June 26, 2023.

Foster said there are 264 hours before Jackson Hole Flight Services fully transitions to the Airport's official FBO. He advised that the team has worked through all the necessary tasks, and everything is ready to begin FBO operations on May 1.

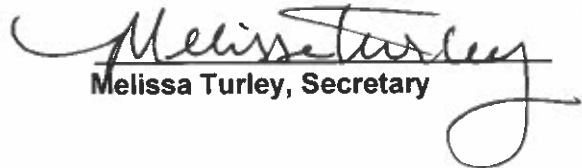
- iii. **Other:** Elwood recognized and congratulated Anna Valsing for achieving her Accredited Airport Executive ("A.A.E.") certification. He advised that robust conversations are happening on multiple levels for the START pilot program providing service to the Airport.

IX. BOARD COMMENTS: Brown advised that she will be attending the May 17, 2023, Board Meeting through the WebEx platform. Turley said that JHAB and JHAB staff recognize that transportation to the Airport is a problem, and we are looking for solutions. Liebzeit congratulated Crook and her team for their years of service to the traveling community.

X. ADJOURN: McLaurin made a motion to adjourn the meeting at 11:36 AM, and Turley seconded the motion, which passed unanimously.



Ed Liebzeit, President



Melissa Turley, Secretary



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