

## MEMORANDUM

**DATE:** February 14, 2024

**SUBJECT: SUMMARY FOR FEBRUARY 23, 2024 BOARD MEETING**

### GENERAL BOARD MEETING ACTION ITEMS:

**CERTIFICATE OF ORGANIZATION & ELECTION OF OFFICERS:** Included for adoption is the Certificate of Organization of the Airport Board for 2024. This Certificate of Organization selects the Officers of the Board and identifies the Registered Agent for the Airport. Following Board approval of the Certificate of Organization it will be filed with the Wyoming Secretary of State, the Teton County Clerk, the Town Council of the Town of Jackson, and the County Commissioners of the County of Teton, State of Wyoming, pursuant to Wyoming Statutes Section 10-5-202(b).

**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 items are listed on the Consent Agenda.

1. **Approval of Minutes:** Presented for Board review and approval are the minutes from the special Board Meeting held on January 22, 2024.
2. **Mead and Hunt 5<sup>th</sup> Amendment – 2024 On-Call Services:** The Airport has an On-Call Agreement with Mead and Hunt for environmental and sustainability services. An Amendment is required for each service provided under the On-Call Agreement.

This 5<sup>th</sup> Amendment is for general services provided by Mead and Hunt for 2024 that do not fit within a specific project's scope. These services include support tasks to manage and implement existing environmental and sustainability programs, develop new programs, and strategically plan for how the Airport can best live up to its values regarding environmental stewardship, community support, financial and operational responsibility, and overall sustainability. These tasks will allow Mead and Hunt to support the Airport in unknown questions regarding environmental and sustainability issues and lay the groundwork for initiating detailed tasks in the future. On-call tasks allow for the flexibility of addressing questions that arise quickly and can help to facilitate consistency and a path forward.

Examples of items that will be billed under this Amendment include weekly meetings between the Mead and Hunt team and Airport staff, researching regulations or innovative technologies for application at the airport, developing language for messaging, or high-level analyses for environmental/sustainability planning efforts. This Amendment is a not to exceed amount of **\$220,090**.

3. **Mead and Hunt 6<sup>th</sup> Amendment – Net Zero Roadmap:** This Amendment to the Mead and Hunt On-Call Environmental Services Agreement is for the development of a Net Zero Roadmap. Under this Amendment, Mead and Hunt will analyze JAC terminal buildings and systems, vehicles, and energy sources to identify energy efficiency and emission reduction measures to achieve Net Zero by 2050.

The Scope of Work (SOW) includes project management and coordination, data collection and review, emissions forecasting, stakeholder engagement, development of emissions reductions strategies, and development of the final net zero roadmap.

The total not to exceed amount of this Amendment is **\$212,700**. JAC has received \$180,000 in federal grant funds through the Bipartisan Infrastructure Bill towards this project and an additional \$7,200 in state funds. The remaining \$25,500 will be paid for with airport funds. The FAA has reviewed this SOW and is supportive.

4. **Mead and Hunt 7<sup>th</sup> Amendment –Support Services for Pursuing Designation as a DarkSky International Urban Night Sky Place (UNSP):** This Amendment to the Mead and Hunt On-Call Environmental Services Agreement is for the support services for pursuing designation as a DarkSky International Urban Night Sky Place.

Mead and Hunt will manage the process of preparing and submitting the application. The process of preparing the application will include project management, agency coordination, data collection, developing required application elements, stakeholder engagement and outreach, and final application submittal.

As part of this process, an in-depth study of existing conditions will be conducted to evaluate the necessary improvements that will need to be made to bring the Airport into compliance with the DarkSky program. Following submittal of the application to DarkSky International, the Airport will have five years to be 90% compliant, and ten years to be 100% compliant with DarkSky lighting criteria.

The total not to exceed costs of this Amendment for the application process is **\$210,990**. The costs of the necessary improvements to the airport facility will be dependent on the outcome of the study of existing conditions and needed improvements that will occur during the application process. Initial estimates indicate that the required upgrades will cost the airport around \$500,000.

5. **Resolution to Amend Series 2022C Bond Resolution:** On December 14, 2022, the Board adopted the Series 2022C Bond Resolution for the funding of the Hangar Three Project. Presented for Board approval is a Resolution to Amend the Series 2022C Bond Resolution.

The original 2022C Bond Resolution (relating to Hangar 3 construction) provided that repayment of the bond would be secured by “FBO Net Revenues.” However, in a few places the Resolution was confusing and indicated repayment might be secured by the broader range of FBO Revenues. This Amendment to the 2022C Bond Resolution clarifies that repayment of the bond is secured only by FBO Net Revenues.

This Amendment also provides for the release of the remaining funds held by First Interstate Bank under terms agreeable to the Airport and First Interstate Bank. The construction completion date was delayed from the spring of 2024 to the fall of 2024 due to supply chain issues with the electrical switchgear. This Amendment to the Resolution is necessary due to the timing of the construction completion and release of funds.

6. **Official Depositories:** Under Wyoming Statute, the Board is required to name the financial institutions in which they will deposit funds at least annually. The Board fulfills this requirement in February of each year. The Board is naming Wells Fargo, Bank of the West, and First Interstate Bank as official depositories for funds. Once these depositories are named, there is no specific requirement to deposit funds at any of the named institutions.

The Board is not required to name WyoSTAR or Wyoming Class as an official depository. Neither WyoSTAR nor Wyoming CLASS is a bank. WyoSTAR is a local government investment pool, separately authorized by WS 9-1-416. Wyoming CLASS is a trust, separately authorized under the Wyoming Statutory Trust Act. Both operate as pooled investment accounts, investing in things that qualify as authorized investments for local governments. They do not act as banks, are not insured like banks, and operate instead under state rules (in the case of WyoSTAR) and an indenture of trust (Wyoming CLASS). Wyoming CLASS and WyoSTAR are identified as authorized investments in the Board’s Statement of Investment Policy.

7. **Rental Car Agreements:** Presented for Board approval are three agreements for the rental car concession opportunities in the commercial terminal and one agreement for the rental car concession opportunity in the FBO terminal.
  - a. Commercial Terminal – Avis Budget Group
  - b. Commercial Terminal – Overland West Inc. (Hertz Rent A Car)
  - c. Commercial Terminal – Enterprise Rent A Car Company of UT LLC (Enterprise and National)
  - d. FBO Terminal – Gitibin & Associates LLC (Go Rentals)

The current rental car agreements expire on April 30, 2024. A Request for Bids (RFB) for the rental car opportunities was published in October 2023 with Bids due on January 17<sup>th</sup>. In response to the RFB, we received bids from 6 companies for the 3 commercial terminal opportunities and bids from 3 companies for the single FBO opportunity. The bids were evaluated for completeness, and it was determined that the high bidders submitted bids that were responsive.

The minimum revenue guarantee (MAG) for the upcoming three-year term will rise to \$29,405,325. For reference, the previous three-year MAG was \$17,790,847. The high bidders for the commercial terminal concession (for the 3-year term) are Avis/Budget (\$10,600,000), Hertz (\$10,100,103), and Enterprise/National (\$7,305,222). The high bidder for the FBO concession opportunity is Go Rentals (\$1,400,000).

It will be advantageous to have a rental car provider located in the FBO terminal. Having an in terminal provider for rental cars will significantly reduce the workload for FBO staff.

- 8. Knife River Agreement for Vehicle Service Road Project:** The Vehicle Service Road (VSR) on the southwest side of Runway 1/19 has been a documented safety concern in the small area where the road crosses the Enterprise Ditch which falls within the Runway Safety Area (RSA). This issue does not meet the safety requirements of the RSA as required by the FAA. This issue was identified during the initial design phase of the Runway 1/19 Reconstruction Project, but due to funding limitations and environmental clearance timing challenges, this VSR within the RSA issue was not addressed during the initial design. However, with the total budget underrun with the Runway 1/19 Reconstruction Project, and with the recent environmental clearance to construct the proposed bridge, this issue can be resolved with this proposed Change Order No.13 to the Runway 1/19 Reconstruction Project by realigning the road and installing a bridge to span the Enterprise Ditch.

At the September 2023 Board Meeting, the Board approved an Amendment to the on-call engineering agreement with Woolpert (formerly Jviation) for the design work and construction services related to this project. This Change Order is for the cost of construction for this project.

It is recommended that the Board approve Change Order No.13 (Federal) in the amount of **\$840,665** to Knife River Corporation under the Runway 1/19 Reconstruction Project. Approximately \$690k of this project will be covered using recovered federal grant funds from the underrun of the Runway 1/19 Reconstruction Project. The remaining portion (~\$150k) will be supported with airport funds. The FAA and WYDOT have indicated support for this approach and for the project.

#### **ACTION ITEMS:**

**Financial Reports:** Financial reports for December 2023 and January 2024 will be presented for Board acceptance.

**Knife River Agreement for Schedules II, III, and V of the Deice Access Taxilane and North Taxiway A Rehabilitation Project:** The airport has been working with our engineering consultant, Jviation/Woolpert, on making improvements to the deice pad area. Jviation/Woolpert completed the first phase of the design (Deice Access Taxilane

& North Taxiway A Rehabilitation), and bids were opened on March 31, 2023. Shortly thereafter, the Board awarded Schedules I, VI, and VII of work to Knife River Corporation (Knife River) at a cost of \$6,012,710. The awarded schedules were completed on time and under budget in 2023.

Moving forward, JAC and Jviation/Woolpert continued to discuss the possibility of award with Knife River on the remaining unawarded schedules (Schedules II-V) which had a 360-day bid hold from time of bid opening. These discussions included reducing Knife River's as-bid costs to better align with the programmed funding for this project. Knife River presented a revised pricing proposal to complete Schedules II-V in the following amounts:

- Schedule II: **\$11,999,950**
  - Schedule III: **\$3,110,382**
  - Schedule IV: **\$2,501,736** \***Schedule IV is not recommended to be awarded until June/July 2024\***
  - Schedule V (Non-Federal): **\$1,868,220**
- Total = \$19,480,288**

JAC is programmed to receive several federal grants to complete the remaining work on this project—one in February 2024, two in July/August 2024, and one in February 2025. These federal grants total nearly \$20 million in funding which will sufficiently cover the above schedules of work that have not been awarded to date. Staff has reviewed the project costs using the latest JAC cash flow and the anticipated construction cost invoicing.

It is recommended that the Board award Schedules II & III in the amount of **\$15,110,332** and Schedule V (Non-Federal) in the amount of **\$1,868,220** to Knife River (total of \$16,978,552). FAA and WYDOT have indicated support for this approach and the project.

**Woolpert 10<sup>th</sup> Amendment – Construction Administration and Construction Management for Schedules II, III, IV, and V of the Deice Access Taxilane and North Taxiway A Rehabilitation Project:** This 10<sup>th</sup> Amendment to the Woolpert On-Call Engineering Agreement is for the Construction Administration and Construction Management related to Schedules II, III, IV (pending award) and V of the Deice Access Taxilane and North Taxiway A Rehabilitation Project.

The FAA requires an Independent Fee Analysis (IFE) to be conducted for engineering services on a federally funded project. The IFE is currently in process and will be completed in advance of the February 23, 2024 Board meeting.

Pending concurrence of the IFE, this 10<sup>th</sup> Amendment is in a not to exceed amount of **\$1,438,121**, which includes Schedule IV which will be awarded over the summer as federal funding becomes available. If Schedule IV is not awarded, the CA/CM work for that schedule will not be completed and the Board will not pay for the work.

**Resolution 2024-02 – AIP 79:** FAA Grant AIP 3-56-0014-079-2024 is in the amount of \$3,093,750 and will be provided via an FAA Supplemental Discretionary Competitive

Funding Opportunity. This grant has a 93.75% FAA share, a 3.75% WYDOT share, and a 2.50% local match. These funds will be used for the Underground Stormwater Detention and Filtration System Expansion. This Resolution accepts and agrees to the conditions in the Grant Agreement. After the Board accepts the grant, it will be placed on an agenda for the Town and County's consideration as the Airport Sponsor.

### **Knife River Agreement for Underground Stormwater Detention and Filtration**

**System Expansion:** In early 2023, JAC applied for an FAA Supplemental Discretionary Competitive Funding Opportunity grant to expand the existing Stormwater Underground Detention and Filtration System that was originally installed in 2018/2019. Later in 2023, JAC was notified that they were selected to receive ~\$3.1 million in funding to design and construct this proposed Project.

Expanding the existing detention system (existing capacity = ~3.86 acre-feet) will allow surface runoff from additional impervious areas on the airfield (runway, taxiways, deice pad areas) that are currently not being captured to have their stormwater runoff be collected and treated. In doing so, this will allow for a significant decrease in total suspended solids (80% minimum) and a decrease in total petroleum hydrocarbons (upwards of 90%) for stormwater collected in these new areas as a biologically active "filter cake layer" builds up in the system over time. All stormwater captured will be processed through the underground stormwater detention and filtration systems, pumped to the surface, and discharged over a riprap stilling basin. The proposed expanded stormwater detention system will have a ~+3.20 acre-foot capacity resulting in a net total stormwater detention capacity of ~7.06 acre feet. Please note, that although this proposed 'expansion' project references 'expansion', the existing and proposed detention systems will function completely independent from each other but will be nearly identical in terms of design and construction. This approach simplifies the operation and maintenance of the detention systems as well as reduces the risk of failure.

Bids were opened for this Project on January 31<sup>st</sup> with three bidders providing bid proposals—Ridgeline Excavation, Phaze Concrete, and Knife River Corporation. The apparent low bidder was Knife River Corporation (Knife River) at \$2,399,803.00 which was nearly \$1.2 million less than the Engineer's Estimate, and nearly \$300k less than the next low bidder. JAC is scheduled to receive the federal grant to complete this project in March or April of this year. Awarding the Project now will allow Knife River to begin procuring materials for the Project which is anticipated to start in August of this year. Awarding this Project now will not have an impact on JAC's cash flow as the FAA grant will be received before any payments are due.

Based on the foregoing, it is recommended that the Board award Schedules I & II in the amount of **\$2,399,803.00** to Knife River. Additionally, the FAA and WYDOT have indicated support for this approach, and for the Project as a whole.