

Casper/Natrona County International Airport

May 24, 2023

Board Study Session - 11:00 a.m.

Board Meeting - 1:00 p.m.

The meeting and study session will be conducted at the
Airport Public Safety Building, 8328 Fuller Street

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Approve and Sign Minutes of the April 19, 2023 Board Meeting
4. Approve Expenses and Sign Checks
5. Approve and Sign Leases, Contracts, Agreements, and Resolutions
 - A. Professional Services Contract Amendment 2 – T•O Engineers
 - B. Land Lease Agreement Amendment 2 – Transportation Partners & Logistics, LLC
 - C. Food and Beverage Concession Agreement – Grace Partners, LLC
 - D. Land Lease Agreement – Austin Abrams
 - E. Hangar Lease Agreement – Christopher McAtee
 - F. Assignment Agreement - High Adventure Race Fabrication and Tom LaFountain
 - G. Land Lease and Building Rental Agreement – Jadee & Christie Kroeger
6. Financial Report
 - A. Discussion and Action on the Airport’s Fiscal Year 2024 Operating Budget.
7. Director Report
8. Operations Report
9. Activity Report
10. Other
 - A. From the Board
 - B. From the Floor
11. Next Board Study Session – June 21, 2023 11:00 a.m.
Next Board Meeting – June 21, 2023 1:00 p.m.
12. Executive Session
13. Adjourn

**Casper / Natrona County International Airport
Board Meeting
May 24, 2023**

BOARD MEMBERS PRESENT

Kermit Wille, President
Fred DeVore, Vice President
Steve Emery, Treasurer (via phone)
Joe MacGuire, Secretary
Rob Hendry, Member

AIRPORT STAFF

Glenn Januska, Airport Director
Dan Kittinger, Deputy Director of Operations and Public Safety
Jake Hlavacek, Deputy Director of Construction and Maintenance
Tatum Hlavacek, Deputy Director of Finance and Administration
Debbi Shutts, Administrative Assistant - AP/Payroll

COUNTY COMMINSIONER

The President called the meeting to order at 1:05 p.m. and led the Pledge of Allegiance.

APPROVAL OF MINUTES

The President asked for a motion to approve the minutes of the April 15, 2023, Board Meeting. The Member moved and the Vice President seconded the motion. The motion carried.

APPROVAL OF EXPENSE CHECKS

The President asked for a motion to approve and sign the expense checks. The Vice President moved, and the Member seconded the motion. The motion carried.

APPROVAL OF LEASES, CONTRACTS, AGREEMENTS, AND RESOLUTIONS

The following items were presented for approval:

- A. Professional Services Contract Amendment 2 – T•O Engineers
- B. Land Lease Agreement Amendment 2 – Transportation Partners & Logistics, LLC
- C. Food and Beverage Concession Agreement – Grace Partners, LLC
- D. Land Lease Agreement – Austin Abrams
- E. Hangar Lease Agreement – Christopher McAtee
- F. Assignment Agreement - High Adventure Race Fabrication and Tom LaFountain
- G. Land Lease and Building Rental Agreement – Jadee & Christie Kroeger

The President requested that the Airport Director go through the leases one by one.

Professional Services Contract Amendment #2 with TO Engineers is a change within TO's standard contract to cover all the work anticipated to occur in the 5-year period.

Transportation Partners has wind turbine storage in two locations, their agreement expires this year, and it is a 5-year extension of their lease. The Member asked how long the wind turbines are stored at the Airport. The Airport Director responded that the turbine storage is continual, with turbines coming in and out at different time. The President asked if a market analysis was done for the land leases. The Airport Director responded that a market analysis for the larger land parcels was done a number of years ago and we have been doing a CPI adjustment since that time period.

Land Lease Agreement with Austin Abrams is space near the maintenance facility.

Hangar Lease Agreement with Christopher McAtee is for a County block T-Hangar.

Land Lease and Building Rental Agreement with Jadee & Christie Kroeger is for a storage building.

A standard assignment agreement with High Adventure Race Fabrication and Tom LaFountain was discussed in length. High Adventure Race Fabrication (Marlon) requested to have their lease agreement assigned to Tom LaFountain. With the Boards approval the lease assignment would assign all the rights and responsibilities for the building for the balance of the agreement to Tom LaFountain until the lease expires next year. The President asked the lease rate and the Deputy Director of Finance and Administration responded that it is about \$2,300 a month. The President asked how many square feet the building is, and the Deputy Director of Construction and Maintenance responded that the building is about 25,000 square feet in size. After looking at the lease the Airport Director clarified that the land is 59,000 square feet and the building is 21,468 square feet. The President asked how long the lease is and the Airport Director stated that the lease expires August 31, 2024, and that there is a cold storage component in the building, approximately 50% cold storage and 50% shop area.

It was acknowledged that the lease amount is lower than the market but that this lease has been in effect for a long time. The lease was signed when the market was at a low and we couldn't give the buildings away, let alone lease them for market rates which may not sit with grant assurances correctly. We have identified that we've been leasing some buildings below market and are moving in the right direction to mitigate that. The President does not see how we can transfer the lease to somebody else with the same deal the current lessee is getting. The Lessee can continue subleasing to others and the Airport will maintain the lease in High Adventure Race Fabrication name.

The Airport Director clarified that the request was to assign the agreement from one entity to another with the current terms and conditions as the agreement and rate structure being applied to High Adventure Race Fabrication. It was further clarified that the rate structure is going to stay in place whether it's through them or another entity for the next year, which gives us 9 months from now to put a proposal together or decide what to do with the building.

The Member asked why we are handling this building differently, because we went out for bid on the hangar. The Airport Director stated that when we get to the point of the lease expiring, we can go out

and get proposals or do what we want with the building but at this point there is a valid lease with High Adventure Race Fabrications through August 2024.

The President reiterated that we know the current lease holder, Marlon, and we don't know what Tom LaFountain does and inquired what kind of credit checks we do on the tenants.

The Vice President stated that we can keep doing what we are doing now, leasing to High Adventure Race Fabrication or let the assignee use the building and write the check to us each month.

The President stated that if we assign the lease to someone else, we need to look at a different rate structure. The Vice President asked if there is an assignment section in the lease, the President stated that there is, but must have the Boards approval. If the Board says no to the assignment, High Adventure Race Fabrication can keep making the payments for the rest of the term. The Airport Director read Section 10.12 in the High Adventure Race Fabrication lease agreement detailing the assignment provision. The notion is that at the end of the current term, the building will be rented at fair market value.

It was asked to the Secretary if the building could be used as a hangar, and he responded that the building has a hangar door and used to be used as a paint shop.

The President stated that we should not assign the lease at this point and allow the customer to keep subleasing spots, since that's what he's been doing anyways, which is not a violation of the lease. Keep the lease as is until it matures and then it can go up to a fair market value. If the Lessee wants to get out of the lease, the Board President will approve that, and will then put the building up for bid at that point. If the company was sold to Tom LaFountain there is a different process, a transfer of ownership that needs followed, with the Boards approval.

The Deputy Director of Finance and Administration clarified that we do credit checks on our new lessees.

The Secretary stated that he agrees with the President to not assign the lease and that it is our responsibility as the Lessor to make sure that what they are doing with that building is acceptable. We need to know what's going on, who it is and minimally do a credit check, make them fill out a questionnaire and have best practices implemented, for example, you cannot have an open fire in these buildings, etc.

The Treasurer moved to not approve the transfer of High Adventure Race Fabrications Lease to Tom LaFountain and the Member seconded the motion. The motion carried.

The Secretary made a motion, that we as a Board, create a policy looking forward, with regard to leases and keeping them consistent among different types of leased property, hangars vs. cold storage vs. shop space vs. office space, and that we include best practices so that going forward maybe we won't have some of these complex issues. The Member seconded the motion.

The Airport Director asked for clarification on "consistency" when it comes to the policy, consistent

rates, consistency of use, or consistency for maintenance? The President clarified that consistency mostly in big rate changes, for example the T-Hangars have all been put on lease schedules so everyone's rate will move lock step which should be implemented for all commercial property. The Secretary added to take a look at best practices and if that includes a credit check or review of policies, to make sure everybody has the same understanding. Additionally, the Member said to make sure the escalator that is built into some of the leases is large enough, to ensure we don't get behind with market values.

The Airport Director responded that our leases have a fixed rate adjustment vs. a variable CPI. This is because 1) we have about 350 lease agreement with about 250 tenants, it is difficult to figure out what to adjust and when dealing with that many, and 2) we operate more like a city than a landlord / lessee, we provide snow removal, etc., a lot of the same services the city does, so when you look at CPIs or inflation historically has been 1% or 2%, our cost to operate the Airport, snow removal and maintenance, goes up a different amount than what an inflationary adjustment would be so we've tried to steer away from using an inflationary adjustment. The Vice President suggested we do a CPI or 3.75%, whichever is higher. The Airport Director stated that with 350 leases it becomes challenging. The President added that if we keep leases relatively short it gives us a lot better room to adjust. There will be times when we adjust downward. The Vice President added that anything (i.e., buildings) on the airfield side of the fence, we need to do everything we can do get airplanes in it. If this building can have airplanes in it, we need to address that next year when that lease is up. If there is a shortage of space and if it can be used for hangar storage, we need to do that.

After discussion the motion carried.

The Treasurer researched Grant Assurance 24 and the Airport Compliance Manual published by the FAA and Chapter 17 Paragraph 11 with respect to non-aeronautical rates and read the paragraph. In conclusion, we should find comps to set the fair market value try to get up to at least the low end of fair market value given the condition of the property and we need to trend in that direction.

Grace Partners, Sky Terrace, lease was discussed that they will be paying \$500 per month minimum or 3% revenue whichever is greater.

The President addressed the floor to explain the fair market value discussion. We have grant assurance language to comply with in order to maintain our ability to get grants so we can do projects like resurfacing the runways which is largely 95% - 98% funded by the government. Without complying with the other rules and maintaining the stewardship of the assets of the Airport we lose the ability to get that money. We have a hodgepodge of leases that have been put into place over the last 15 years and some of them were at extremely low rates because at one point in time there was not any demand for the buildings out here. Now that things have changed, some of those leases are still in place, but it's sticker shock for the people who are tenants that are getting increases that might be in one case almost 3 times what they've been paying for the last couple years. We are trying to work through that the best we can.

The Secretary asked if for the Grace Partners lease, does either side have the ability to exit that agreement? The Airport Director responded, other than the termination provisions, there is not. It is a

three-year agreement, and it automatically renews for another three-year term unless either party provides notice to the other that they don't want to continue prior to that second three-year term. It was clarified that the rolldown gates separating the bar and common area will be paid for by the Airport. Also, the bar area can be accessed by the Airport through the door behind the bar as well as through the rolldown gates. No security issues will arise due to the installation of the rolldown gates.

The President asked for a motion to approve and sign A through E and G of the leases, contracts, agreements and resolutions. The Vice President moved, and the Member seconded the motion. The motion carried.

The Airport Director discussed the Avigation Easement request and presented the section of land under discussion. The Airport received a request from someone who inquired about purchasing property near the Airport who wants to rezone the property from light industrial to residential. The Airport Director, who does not support the rezoning, asked the Board if they had interest and support.

The Secretary made a motion to reject the Avigation Easement request for two reasons, 1) complaints and 2), safety and the Vice President seconded the motion. The President recused himself from the vote. The motion carried.

The Airport Director presented a request for a transfer of ownership of Soaring Aviation. Travis from Rising Wing's Aviation addressed the Board. Rising Wings Aviation is wanting to purchase the controlling interest in Soaring Aviation. Rising Wing's Aviation will help Soaring Aviation rejuvenate the company.

The Member made a motion to approve the controlling interest, transfer of ownership, of Soaring Aviation to Travis Peters, and the Vice President seconded the motion. The motion was carried with four voting yays and one voting nay.

FINANCIAL REPORT

The Airport Director gave the following report for the month of April:

- In the month of April, we recorded \$554,899 in revenue, which is \$158,331 over budget.
- Year-to-date revenue is \$4,479,806, which is \$514,131 over budget.
- Expenses for the month were \$420,183.
- Year-to-date expenses are \$3,905,426, which is \$29,196 over budget.
- Net Income for the month was \$134,716, and Net Income for the year to date is \$574,380.

The discussion on the Operating Budget for FY24 was postponed until the June Board meeting.

DIRECTOR'S REPORT

The Airport Director reported on the following:

1. Airfield Electrical Project – The transfer switch will be shipped out July 12th and regulators will be shipped out early September. We cannot move forward with the new generator or the lighting control panel in the control tower until we receive the transfer switch and regulators.

Discussion was had with the FAA on liquidated damages. Unless we can show monetary damage the FAA says we cannot apply liquidated damages and thus we don't have a lot of

ability to compel the company to do anything different.

2. Airport Parkway Resurfacing – Milling work started this morning with a June 15th projected completion. Nothing will be impacted in terms of not being accessible during the construction with the exception of vehicles exiting the pay lot when they are doing the paving right out front of where the exit lanes are, but this will be night work and will be coordinated to not have any impact on passengers.
3. Air Traffic Control Tower – Presentation by Aviation was done at the pre-meeting to look at the shadowing for site 1.
4. Car Rental QTA – Waiting for a board to be submitted and programmed for the fuel master system to our Admin computer to get the fueling facility component of the QTA in operation.
5. County Hangars / HOG Group – While doing work on Taxiway B for the SEAT base, we are looking at the possibility of doing some pavement work around the hangars.
6. Engineering Services – Going through the Statement of Qualifications process. The President and Member are part of the selection committee, and the submittal deadline is May 30th.
7. Pavement Management Plan – We have submitted changes to the agreement with Applied Pavement Technology.
8. Parking Lot Phase III – Bond and contracts are in place and are looking at the week of July 5th to start reconstruction of the rental car ready return lot.
9. Runway 8/26 Resurfacing – Bids opened with 100 day bid hold. Working with FAA for discretionary funding. The work will start in 2024. The Member asked that if we have money to do all the work, would the FAA reimburse us next year when they had funding available. The Airport Director responded that we can talk with the FAA to see if that is a possibility in the future.
10. SEAT/LAT Base – Contracts in place and looking at a June 12th start date with the pre-construction meeting prior to that time. Ramshorn is the contractor that was awarded the bid.
11. Terminal HVAC Controls – Work will be completed mid-October.
12. 3731 Esmay – Close to having an agreement completed to bring before the Board for approval.
13. Advertising Displays – In the process of converting terminal back-lit diorama advertising displays to digital. We believe we can increase our advertising revenue by getting people into the displays quicker and less expensively.
14. Casper Aero Center – Received the 30% plans and responded with comments. Received 60% plans and will be getting 90% plans next week.
15. ATCT Upgrade Lighting – FAA is upgrading their exterior lighting on the base building and the parking lot.
16. Hazardous Materials Storage - The FAA approached us about putting in a hazardous materials storage building near the radar facility. We have a memorandum of agreement with the FAA

from 2005 which provides space to the FAA to lease them the land for the glide scope antenna and radar facility at no cost to them.

17. High Country Crane RFP – RFP out in August with a new lease in place starting the beginning of September.
18. Transient Aircraft Parking – Working with ForeFlight to get our transient aircraft parking area listed and available to pilots. The designated area is next to the Public Safety building.
19. It was reported by the Deputy Director of Construction and Maintenance that the BLM SEAT base is planning on starting up the week of June 5th with aircraft arriving June 15th.
20. SPCC – Working with Deputy Director of Construction and Maintenance and the Deputy Director of Operations and Public Safety to complete review.
21. Fly Casper Alliance – Meeting with the City of Casper today at 4:00 at their study session. The President asked when the CRJ900 would be scheduled to come in and the Airport Director responded that it would be around the July 7th timeframe.
22. Runway Run – Have logistics in place for the event. Proceeds will be going to the pilot scholarship program through Casper College.

OPERATIONS REPORT

The Deputy Director of Operations and Public Safety read the following report:

1. ARFF Response – Station 8 has had multiple Alert 1's for aircraft landing in runway safety area grass. Per our Letter of Agreement with the tower, Station 8 stages on the ramp for standby during these landings. We are using these Alerts as training opportunities for radio communications and staging tactics.
2. On Friday, May 12th, at 1:52 pm, and Sunday, May 14th, at 9:03 am, Station 8 was dispatched to Atlantic Aviation, for a fire alarm. Both occasions were false alarms.
3. Medical Response – On Sunday, May 14th, Station 8 was dispatched to 8500 Airport Parkway (terminal building) for male saying he needed an ambulance. Captain McIntire and Firefighter Gray responded and found the individual saying he was not feeling well. Vitals were taken and he was transported to Wyoming Medical Center by Mills Fire Department for further evaluation.
4. Law Enforcement – On May 2nd, at 3:42 pm, Station 8 was dispatched to 3390 Michie for a disturbance. It was reported that a male individual (suspect) was at the house making threats towards the persons that lived at this residence. The female resident was home and called 911. The male who lived at the residence was not present at the time of the initial disturbance. The suspect drove his vehicle down Michie and parked. At the same time Deputy McIntire responded to the address. As Deputy McIntire was arriving on scene a motorcycle was directly in front of him, this was the male who lived at the residence, he stepped off his motorcycle and discharged his firearm into the ground attempting to scare off the suspect. Deputy McIntire immediately stepped out of this vehicle with his firearm drawn, disarmed the male, and took him into custody. After the investigation, the suspect who started the disturbance was trespassed from the Airport grounds, no charges were filed against the male who discharged his firearm, and the residents have been evicted from 3390 Michie. This was the second law

enforcement call we have had at this residence. Names on the individuals were not reported due to it being an ongoing investigation.

As a side note, Deputy McIntire has 40 years of law enforcement experience and the individual with the least amount of experience is 17 years. The total of everyone's experience as a law enforcement officer at public safety is 171 years.

5. ARFF Training Facility Upgrade – Punch list items are still being addressed.
6. ARFF Training Facility – We currently have 108 participants (last year's total 105) signed up for the upcoming training season consisting of our 40-hour class, handline, and truck burns.

Last week he held our first of three ARFF 40-hour classes. We had 9 students that came from Provo Airport, Sheridan Airport, Grand Junction Airport, and Hall County Airport (Grand Island, NE). Provo Airport has 16 individuals needing to get ARFF certified this summer.

7. In House ARFF Training – We completed our annual live fire training for our personnel. We conducted night burns this year.
8. Airport Security Plan (ASP) – I have put in a Change of Condition Affecting Security (CCAS). This is for the new vehicle gate that has been installed between Aero Center Casper and Natrona Avionics. This will require us to update our security plan that comes with a 60-day deadline to have the update complete.
9. Station 8 – D&S Construction has finished the painting of the fascia on Station 8. This has been a nice improvement to the exterior of the building.

The Member asked the Deputy Director of Construction and Maintenance if we were able to fix the snow blower. He stated that attempting to weld cast iron cannot be guaranteed to hold and is expensive to try to fix the issue. A replacement has been found in Colorado, but Colorado Airports have to get permission from their Aeronautics Commission to release their equipment to an outside state. We are awaiting that decision.

The Member asked the Deputy Director of Operations and Public Safety if we've put more thought into doing battery fire training at the ARFF Facility. Discussions have been had with Natrona County Fire District and they are interested in possibly looking at setting up a facility here on site at the Airport.

The Member requested we investigate grass landings so Public Safety does not have to respond every time an aircraft lands in the grass. The Airport Director explained that we've been working on designating a grass strip and researching if we must respond to every grass landing.

ACTIVITY REPORT

- A. The Airport Director referred to the Board Activity Report. For Aircraft freight, car rental revenue and passenger enplanements we are still lagging compared to pre-Covid. But compared to last year we are slightly down in Aircraft operations, freight and misc. concessions but everything else compared to last year has been picking up. Fuel storage and flowage revenue is doing good this year. Three of the four United flights are on a 76 or larger passenger airplane. With the additional seats and potentially what could be happening with Riverton and Sheridan, who are not getting the additional seats, we may see more customers coming to Casper.

The Member asked if we were up to date with enplanement information since we had problems getting the numbers before. The Airport Director responded that we are up to date.

OTHER

A. From the Board:

The Secretary said that the Young Eagles event will be on Saturday June 17th at Hangar 4. Thank you to Atlantic Aviation for hosting.

B. From the Floor:

1. Dan Grace requested the status of Runway 8/26 contract award – The Airport Director responded that the bids have been opened with a 100-day bid hold. We are working with the FAA to get the money we need to award the base bid and the different schedule to do all the work. We will award the contract with whatever money we have available. We will award the bid this year with work starting next year. The apparent low bidder is Century who did the 3/21 project a few years back.
2. Scott from Atlantic Aviation presented the Airport Director with a canvas of the Vigilant Guard military exercise as a thank you for working with them.
3. Joe Filer, a tenant and the AOPA service rep had a couple comments. Paving in front of the hangars on the taxiway on bravo should be more than a band aid approach. There are chunks of asphalt coming up in front of the Hangars and the drainage is bad. Concern with the paving project, what is going to happen with the tenants? Are they going to be moved out onto the ramp? How long is the project going to take? It's very important that as that plan develops, the Airport lets them know what they need to do as soon as possible so people can make arrangements. The ramps in front of the hangars are long overdue and he hopes more than a band aid approach is taken.

Comment on High Adventure Race Fabrication - he calculated out at 10 and a half cents a square foot for that building. More importantly when that comes up for renewal, please strongly consider aeronautical use. For years people have been coming and going through a secured gate that has nothing to do with aircraft and we can use that as hangar space. He's building a second aircraft in his barn. Something behind a secured fence attached to a brand-new paved taxiway needs to be dedicated to aeronautical use, seems pretty clear to him. The north of the Hangar looks like an RV park, nobody else would be allowed to park their RV next to their Hangar. When that comes due, I hope we can find a place where people can use it to support Aircraft.

AOPA side of things, self-service fuel, where are we with that? It's been down and there's a concern when GA picks up this summer and someone coming in at night will need to use the self-serve.

Transient parking has been an issue with AOPA for some time, but we are still not doing the best job of notifying pilots of where that's at. Contacting ForeFlight will help but needs to be on the Airport diagram. If needed the FAA can help get that done.

Thank you for your time, dedication and efforts. The President asked if he could please

send all his suggestions and comments to the Airport Director via email.

4. Jim Fuhrer – ATCT Tower – in reference to grass landings, conversations have been had with quality control group and the Tower has to fill out a mandatory report. Will get Glenn more information on grass strip runways from Helena, MT. Would like to schedule a safety meeting before we implement a grass strip runway. ERGL's are part of a risk mitigation initiated almost 5 years ago as a result of the RSAT. If those get delayed it might not have a monetary impact but a safety impact resulting in a runway incursion or a surface event or an accident going through that intersection. The Airport Director shared with the group that Jim retires in 4 days! Jim introduced a new supervisor, Marcus.
5. Shawn, representing Grace Partners, wanted to say thank you and that they are looking forward to the next three years. Wanted to let everyone know that they do discounts for Airport employees so come in for lunch!
6. The Member stated that he also heard about the self-fueling issues for a long time and requested a briefing of what's going to happen when they change over to unleaded and how that's going to work. The President asked if we determined who owns the tanks. Atlantic Aviation responded that they have a new QT pod coming and are waiting for that to arrive and install which will be here at the end of the month and installed mid-June if they can overcome supply issues.

NEXT MEETING

The next pre-board meeting will be on Wednesday, June 21, 2023, starting with the study session at 11:00 a.m., with the next regular Board meeting starting at 1:00 p.m. in the ARFF Training Center room.

ADJOURNMENT

The President adjourned the regular meeting at 2:31pm.

APPROVED

