



AIRPORT BOARD AGENDA

December 11, 2025 at 6:00 PM

Airport Alaska Room/Zoom

<https://juneau.zoom.us/j/81320381493>

Or join via audio: 1-253-215-8782 Webinar ID: 813 2038 1493

TO TESTIFY: CONTACT SHANNON VAN VALIN, 907-586-0962

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
 - A. **July 10th, 2025 Airport Board Minutes, August 7th, 2025 Special Airport Board Minutes, September 11th, 2025 Airport Board Minutes, September 25th, 2025 Special Airport Board Minutes, October 9th, 2025 Airport Board Minutes, November 13th, 2025 Airport Board Minutes.**
4. **APPROVAL OF AGENDA**
5. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**
6. **UNFINISHED BUSINESS** JNU Financial Model – FY24 and FY25 Validation (Attachment A), staff will present test runs of the streamlined rates and fees model using FY24 and FY25 actual numbers, along with a comparison to prior-year rates. The objective is to validate the model's structure and calculations, demonstrate alignment with previous math and the financial statements, and show how expenses and dedicated revenues are grouped to the airfield and terminal, how non-airline revenues offset each side, and how the model produces landing fees, terminal rent, and related charges. Board feedback on the comparison will be used to finalize the tool for rate setting.
 - A. **Attachment A**
7. **NEW BUSINESS** Rate-Setting Scenarios Staff will present historical data and three scenarios for landing fees, terminal rent, and related charges generated by the validated model (Attachments B-E). Scenarios will highlight key levers, including allocation choices, shared-cost treatment, non-airline revenue offsets, and timing assumptions, with simple sensitivity views to illustrate trade-offs. Board discussion and direction will guide the next iteration of scenarios and the budget schedule.
 - A. **Attachments B-E**
8. **STAFF REPORTS**
 - A. **Airport Manager's Report — Andres Delgado**

- B. Airport Project Manager's Report — Ke Mell
- C. Airport Project Manager's Report — Mike Greene

9. CORRESPONDENCE

- A. Letter from Jodi Garza, Alaska Seaplanes re: FY27-30 Budget and Rate and Fee Model (ATTACHMENT G)

10. COMMITTEE REPORTS

11. BOARD MEMBER COMMENTS

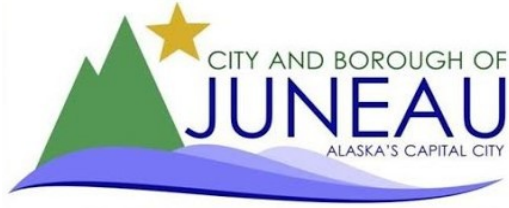
12. ANNOUNCEMENTS

13. NEXT MEETING DATE January 8th, 2026 at 6:00pm in the Alaska Room/Zoom.

14. EXECUTIVE SESSION

15. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's Office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's Office telephone number is (907) 586-5278, e-mail: city.clerk@juneau.gov.



JIA AIRPORT BOARD MINUTES

July 10, 2025 at 6:00 PM

Airport Alaska Room/Zoom

<https://juneau.zoom.us/j/81320381493>

Or join via audio: 1-253-215-8782 Webinar ID: 813 2038 1493

TO TESTIFY: CONTACT SHANNON VAN VALIN, 907-586-0962

1. **CALL TO ORDER** Chair Eve Soutiere called the meeting to order at 6:00 p.m.

2. **ROLL CALL**

Members Present:

Dennis Bedford

David Epstein

Jerry Godkin

Chris Peloso

Eve Soutiere

Charlie Williams

Member Absent: Angela Rodell

Staff Present:

David Palmer, Airport Manager

Andres Delgado, Airport Superintendent

Angelica Lopez-Campos, Airport Business Manager

Ke Mell, Airport Architect

Dallas Hargrave, Human Resources and Risk Management Director

Sherri Layne, Deputy Municipal Attorney

Nathan Reddekopp, Airfield Maintenance

Mike Greene, Airport Project Manager

3. **APPROVAL OF MINUTES**

Mr. Bedford moved to approve minutes of July 10, 2025 Airport Board Regular Meeting as presented. Motion passed by unanimous consent.

4. **APPROVAL OF AGENDA**

Mr. Epstein moved to approved agenda as presented. Motion passed by unanimous consent.

5. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

None.

6. **UNFINISHED BUSINESS**

Airport Manager hiring progress report from Dallas Hargrave

Mr. Hargrave reported on the status of the Airport Manager recruitment. He explained that he had hoped to bring forward a proposed finalist process for Board consideration at this meeting, but the recruitment had not progressed to that stage. He stated that

the applicant pool did not yet contain enough qualified candidates to move to final interviews. He expressed optimism that the process would be further along by the next Board meeting, or possibly sooner, but emphasized that the recruitment needed more time.

Board members received the update for information. No motion was made, and no action was taken.

7. NEW BUSINESS

Approve the increase of FTE funds for Construction Inspector

Mr. Palmer presented his recommendations regarding the Construction Inspector position and related staffing needs. He explained that the position formerly held by Mr. Greg Jerue was funded at 0.38 full-time equivalent. He recommended increasing this position to 1.0 FTE and using it substantially as a building and facility maintenance position, with work divided between the terminal and airfield facilities.

Mr. Palmer reported that he had met earlier in the week with CBJ Finance staff to discuss the proposal. He stated that the tentative plan had been to fund the position initially from airport reserves, with the intent to address ongoing funding through future rates and fees adjustments. Finance staff indicated that if the Board approved motions to fund this position from reserves, they would oppose the funding when the appropriation came before the Assembly, because they did not support using reserves to fund recurring operating costs. Mr. Palmer clarified that his intent was not to rely on reserves permanently but to allow the airport to fill the position and begin addressing deferred work while a rates and fees proposal was developed.

Mr. Palmer noted that the airport's budget for the new fiscal year, which began July 1, was already projected to be in deficit, potentially even before accounting for approximately one million dollars needed for an ARFF vehicle. He referenced analysis prepared by Ms. Lopez-Campos that illustrated the deficit and the effect of existing and proposed staffing.

During discussion, Mr. Epstein asked why the position was proposed to increase from approximately one third time to full time. Mr. Palmer explained that although the job title was "Construction Inspector," the actual work historically included a wide range of maintenance and carpentry tasks across the airport campus. Rather than pursue a full reclassification at this time, he proposed retaining the title but using the position primarily as a maintenance resource serving both terminal and outlying facilities.

Mr. Williams asked how this proposal related to a prior vacancy that had been converted to a maintenance position. Ms. Lopez Campos clarified that an internal candidate had been promoted into that earlier vacancy, the position had been reclassified as maintenance, and the pay had been adjusted. Mr. Palmer stated that the current recommendation was to increase Mr. Jerue's former 0.38 FTE position to 1.0 FTE, with approximately half of the work assigned to the terminal and half to outlying facilities such as the chemical building, which currently received limited dedicated maintenance attention.

Mr. Bedford commented that he had understood that Mr. Smiley's position was primarily janitorial, while Mr. Jerue's work focused on building maintenance. Ms. Lopez Campos explained that Mr. Smiley's position had been moved one step above custodial so that he could provide limited support to Mr. Bobby on certain tasks. Mr. Jerue's position had been more construction and carpentry oriented, including full building maintenance responsibilities. Mr. Palmer noted that the chemical building boiler alone

was costing approximately one hundred thousand dollars per year to heat the building and that he hoped to address that issue before the next winter. While he could not identify a single critical task that needed immediate action, he emphasized that Mr. Bobby was being called in for a wide range of systems issues and that the airport had added substantial square footage with no parallel increase in maintenance staffing. Several Board members raised questions about timing. Mr. Bedford and others asked whether the position could wait until a new Airport Manager was hired. Mr. Palmer replied that some tasks might be deferred for a few months, but he preferred to secure authorization for the position so that the new manager would not need to wait for Assembly approval before proceeding with recruitment.

Ms. Mell strongly supported funding the position. She stated that no one had the time to create a comprehensive list of deferred work items because staff were continually moving from one urgent task to the next, especially after the departure of key administrative staff. She noted that the buildings were now several years old and beyond the initial "honeymoon period," and that systems such as the heat pumps were not functioning as intended. Ms. Mell believed the additional position would relieve pressure on Mr. Bobby and allow him to focus on higher-level issues that only he could handle.

Mr. Williams expressed concern about the sufficiency of the proposed salary level. He observed that the position appeared to require a high skill set and questioned whether a roughly seventy-seven-thousand-dollar increase, with total compensation around one hundred eight thousand dollars, would attract the necessary expertise. He also expressed doubt that the additional position alone would resolve outstanding issues with heat pumps and the boiler without adequate management support and resources. Mr. Williams further recalled that a previous administration had eliminated the Deputy Airport Manager position in favor of a Security Manager, and he found it confusing that the airport might now consider spending roughly one hundred fifty thousand dollars per year to reestablish a deputy position.

Serving on the Finance Committee, Mr. Williams also commented that fund balance figures presented at different times had varied significantly, ranging from approximately two hundred thirty-three thousand dollars to about 1.1 million dollars above reserves. He was uncomfortable approving new spending without reconciling those discrepancies. Mr. Epstein added that the proposed duties sounded more like a maintenance position and questioned whether using the Construction Inspector title and classification was consistent with CBJ personnel rules.

In response, Mr. Hargrave explained the process used by Human Resources. When a position is funded and a position description is updated, HR reviews the revised description and assigns it an appropriate classification. Reclassification authority lies with HR, and that process is separate from the Board's decision to authorize or fund a position. He stated that the immediate need was to secure the FTE and funding, after which the position description could be updated and routed for classification.

Mr. Peloso stated that the airport had grown substantially and that additional staffing was inevitable, which in turn implied a need for adjusted rates and fees to provide long-term funding. In his view, approving the position and forwarding it to the Assembly would demonstrate that the position was a legitimate operational need and help provide context for future rate and fee changes. Chair Soutiere agreed that supporting the position would put the need clearly on the record and reinforce the message that rates and fee adjustments were likely necessary.

Mr. Williams emphasized that he did not want to send a request to the Assembly that was likely to be rejected. Given the projected deficit, he preferred to explore options for reallocation and cost control in combination with any new staffing. He stated that he supported the concepts behind both the proposed Construction Inspector position and the Deputy Airport Manager position, but he did not want to aggravate the deficit. Mr. Godkin expressed concern that Finance had described the budget as being in deficit shortly after the Assembly approved a balanced budget. He stated that he wanted a more comprehensive review with Finance and Budget staff to fully understand the numbers.

Mr. Williams suggested convening a Finance Committee meeting as soon as possible to reconcile the differing fund balance reports and examine the broader financial context. Mr. Palmer responded that he had already requested a meeting with Finance and would welcome Board participation.

After discussion, Mr. Godkin moved to approve an increase of seventy-seven thousand dollars in personnel funding to convert the existing 0.38 FTE Construction Inspector position to a 1.0 FTE position. During debate on the motion, Mr. Williams suggested reclassifying the position as a maintenance position rather than a Construction Inspector position. Mr. Epstein asked whether reclassification would jeopardize the ability to fill the position. Mr. Hargrave reiterated that the Board's action was to authorize funding and FTE, and that HR would address classification after the position description was updated. Based on that explanation, Mr. Williams withdrew his suggestion to alter the classification at this time.

Following discussion, the motion to increase funding to establish the Construction Inspector position at 1.0 FTE passed by unanimous consent.

Staff were directed to update the position description and work with Human Resources to ensure appropriate classification and recruitment. Board members also expressed interest in meeting with Finance staff, potentially through the Finance Committee, to reconcile fund balance figures and discuss options for addressing the projected deficit and rates and fees.

8. STAFF REPORTS

A. Airport Manager's Report

Mr. Palmer presented his report on several items.

He first discussed a proposal to purchase a 1,500-gallon Rosenbauer ARFF vehicle using airport reserves. The proposal contemplated asking the CBJ Assembly to de appropriate FAA Grant No. 3-02-0133-101-2024 in the amount of 1,007,116 dollars and to appropriate 1,007,116 dollars from the airport's operational reserve to fund the vehicle purchase. Mr. Williams moved to forward this request to the Assembly.

During discussion of the motion, Mr. Epstein expressed dissatisfaction with the procurement process and questioned why noncompliance with FAA AIP procurement requirements had not been identified earlier. He anticipated that the Assembly would ask pointed questions and stressed that the airport needed to be prepared with clear explanations. He also expressed concern about any action that might jeopardize the airport's ARFF Index C status.

Mr. Godkin then raised a point of order, asking whether the Board could act on the ARFF funding proposal at this meeting because it was not clearly described as an action item

on the publicly noticed agenda. Mr. Palmer stated that there was no immediate deadline requiring action at this meeting and that the item could wait for a future agenda. Ms. Layne confirmed that Mr. Godkin's point of order was well taken and that the matter should be included on a future agenda if the Board wished to act. Mr. Williams withdrew his motion. The Board took no action on the ARFF funding proposal and directed that the item be scheduled on a future agenda for formal consideration.

Mr. Palmer next reported that the airport had received a letter from the FAA referencing an anonymous complaint alleging that Juneau International Airport may not have met ARFF Index C requirements for 292 days between January 1, 2024 and May 10, 2025, due to concerns about equipment functionality. He stated that Mr. Brandon Bagwell had submitted a response on behalf of the airport. Mr. Palmer had also written to the FAA inspector, explaining that an ARFF truck had been ordered and providing additional details about the airport's efforts to maintain compliance.

Mr. Palmer informed the Board that Mr. Bruce Malazarte was scheduled to begin work the following week and that Ms. Kathy Mancini was expected to start in late September. He briefly discussed the runway safety project and associated RSA work, noting that Mr. Greene would provide more detail in his report. Mr. Palmer explained that a Reimbursable Service Agreement with the FAA was being developed and that light poles had been temporarily shortened, resulting in additional costs. Final costs would be reported once the work was complete.

Mr. Palmer reported that an airfield lease with Alaska Seaplanes for their cargo area was in progress. Under the proposed arrangement, Alaska Seaplanes would lease additional space and access the area via the curb cut used during prior parking lot construction, which would improve traffic flow and provide more operational space.

Mr. Williams asked how the airport intended to recover the cost of a sewer extension for Temsco that had been paid approximately six weeks earlier. Mr. Palmer responded that, as far as he knew, the cost had been incurred and was not currently being recovered. He recalled that there had been discussion about recouping costs by charging new users tapping into the line. Mr. Williams expressed concern that it was not equitable for other airport users to effectively subsidize Temsco's sewer costs. Mr. Palmer stated that he had been informed that the Board had previously approved the expenditure. Mr. Godkin referenced an email dated May 16, 2023 that discussed the original agreement and related correspondence from downtown, and he suggested that Board members review that email for background.

B. Airport Project Manager's Report

Ms. Mell reported on the Mendenhall Riverbank Stabilization Project. She stated that a preconstruction meeting had been held on site on July 7. Island Contractors anticipated that construction would take between two and four weeks, which she and the engineer believed was a conservative schedule. Work was expected to occur Monday through Saturday, from 7:00 a.m. to 5:30 p.m., beginning around July 14. Some work near low tides might require Sunday work during minus tides. The emergency vehicle access road would be closed when work was underway and open at other times, with appropriate notifications provided by Island Contractors.

Ms. Mell also reported that comments on the Master Plan Update had been submitted. She noted that additional comments from Board members were still welcome.

C. Airport Project Manager's Report

Mr. Greene reported on several projects.

He first addressed the terminal surge protection study being conducted by RESPEC. The airport had received a draft report recommending that secondary surge protection be provided through additional circuit breakers both where power enters the building and where it exits the primary distribution panels. The recommendation called for a total of forty-nine additional breakers. Mr. Greene noted that he had follow-up questions about the methodology used in the study, but he expected the report to be finalized soon. The overall goal was to reduce equipment damage caused by power groundouts and surges. Mr. Greene then reported on the Runway Safety Area shoulder grading and NAVAIDs project. He stated that the airport was working with the FAA on a reimbursable agreement and reviewing comparable agreements. The draft Reimbursable Agreement indicated that the engineering review costs fronted by the airport would not be AIP eligible, even though RA costs for AIP eligible projects are generally subject to reimbursement. The FAA had indicated that the airport would need to advance approximately seventy-eight thousand dollars for design review and an additional amount, yet to be determined, for the construction Reimbursable Agreement. Design for the project was at one hundred percent and ready to bid, but the designer was on standby pending resolution of the RA issues. The project had received a Corps of Engineers permit, and a floodplain development permit application had been submitted. Mr. Greene noted that what had initially been expected to be a relatively straightforward project had become considerably more complex.

In response to questions, Mr. Epstein asked for clarification about the FAA's position that RA costs were not AIP eligible. Mr. Palmer stated that the FAA had indicated in the draft RA that the engineering review costs would not be AIP eligible, but in later discussions suggested that they might be eligible without providing a firm commitment. Drawing on his experience with AIP projects, Mr. Epstein questioned why such costs would be eligible for other jurisdictions but not for the City and Borough of Juneau. He observed that FAA staff typically consulted with sponsors several years in advance on projects and noted that such advance coordination had not occurred here. Mr. Greene explained that the project originated as a follow-up requirement to complete RSA grading that should have been addressed in prior projects. Mr. Epstein stated that this was the second example discussed at the meeting where FAA decisions appeared to shift late in the process, and he expressed concern that the FAA needed to be held accountable to its own procedures.

9. CORRESPONDENCE

None.

10. COMMITTEE REPORTS

None.

11. ASSEMBLY LIAISON

None.

12. BOARD MEMBER COMMENTS

Mr. Epstein asked whether there had been any applicants for Airport Board positions. Chair Soutiere replied that she had not yet received any information on that question but would follow up.

Mr. Godkin stated that he felt as though he were in limbo. He explained that he had agreed to serve until July 1 and that the current meeting was being held on July 10. He wanted to ensure that his continued service on the Board was appropriate and that Board actions remained valid. Chair Soutiere stated that she would follow up with Ms. Lopez Campos and others to clarify Board appointment status.

Mr. Epstein stated his understanding that, under CBJ practice, when a member's term expired and no replacement had yet been appointed, the member was authorized to continue serving and Board actions remained valid. Mr. Godkin stated that he accepted that understanding and was willing to continue serving until successor appointments were confirmed.

13. ANNOUNCEMENTS

None.

14. NEXT MEETING DATE August 14 at 6:00 p.m.

16. ADJOURNMENT Ms. Soutiere called to adjourn at 7:45 p.m.



JIA AIRPORT BOARD MINUTES

August 7, 2025 at 12:00 PM

Airport Alaska Room/Zoom

<https://juneau.zoom.us/j/81320381493>

Or join via audio: 1-253-215-8782 Webinar ID: 813 2038 1493

TO TESTIFY: CONTACT SHANNON VAN VALIN, 907-586-0962

1. **CALL TO ORDER** Mr. Bedford called the meeting to order at 12:00 p.m.

ROLL CALL

Members Present:

Dennis Bedford-Chair	David Epstein
Jerry Godkin	Jeff Redmond
Angela Rodell	Eve Soutiere
Charlie Williams	

Nolan Davis, Tenant Liaison

CBJ Staff Present:

Sherri Layne, Deputy Municipal Attorney	David Palmer, Airport Manager
Ke Mell, Airport Architect	Dallas Hargrave, HRRM
Mike Greene Airport Architect	Nathan Reddekopp, Airfield Maintenance
Brandon Bagwell, CCFR	
Andres Delgado, Airport Superintendent	

Public:

Amy Fuller-Lyman, Alaska Airlines

2. **APPROVAL OF AGENDA**

Mr. Epstein made motion, agenda unanimously approved.

3. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

None.

4. **EXECUTIVE SESSION**

Ms. Rodell made a motion to recess into executive session to discuss matters which may tend to defame or prejudice the character or reputation of any person, namely confidential information to be discussed with an Airport Manager candidate. Motion passed by unanimous consent.

Mr. Bedford called meeting back into public session at 1:05 p.m.

5. **UNFINISHED BUSINESS**

Discussion of the Airport Manager Selection

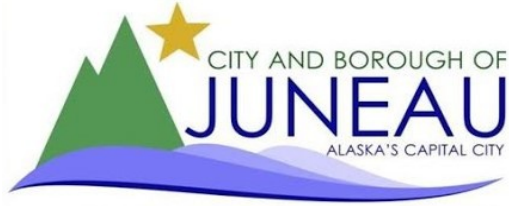
Motion by Ms. Soutiere directing Mr. Hargrave to make an offer to Mr. Delgado for the airport manager position conditioned on full Board vote at the next meeting. Motion seconded. Motion passed by unanimous consent.

Airport Architect Ke Mell, asked for clarification regarding Mr. Hargrave's August 6th memorandum. The bottom of the background paragraph of the memorandum states, "Because no other candidates who had previously expressed interest in the position have applied." Ke Mell would like to know which candidates Mr. Hargrave is referring to in that paragraph.

Mr. Hargrave responded that at the last meeting that he was present at the Board, the Board was going to reach out to specific people who had potentially been interested, stating one person even flew to Juneau but then did not apply. They did not reach out to everyone who was initially interested. Everybody involved in the process has been considered.

6. ADJOURNMENT

Mr. Bedford made a motion to adjourn at 1:09 p.m. by unanimous consent.



JIA AIRPORT BOARD MINUTES

September 11, 2025 at 6:00 PM

Airport Alaska Room/Zoom

<https://juneau.zoom.us/j/81320381493>

Or join via audio: 1-253-215-8782 Webinar ID: 813 2038 1493

TO TESTIFY: CONTACT SHANNON VAN VALIN, 907-586-0962

1. **CALL TO ORDER** Mr. Bedford called the meeting to order at 6:00 p.m.

2. **ROLL CALL**

Members Present:

Dennis Bedford

David Epstein

Jerry Godkin

Jeff Redmond

Angela Rodell

Charlie Williams (Zoom)

Nolan Davis, Tenant Liaison (Zoom)

Staff Present:

Andres Delgado, Airport Manager

Sherri Layne, Deputy Municipal Attorney

Brandon Bagwell, CCFR ARFF Program Manager

Ke Mell, Airport Architect

Mark Fvette, CCFR

Nathan Reddekopp, Interim Airfield Superintendent

3. **APPROVAL OF AGENDA**

Motion to approve agenda made by Mr. Godkin. Motion passed by unanimous consent.

4. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

None.

5. **UNFINISHED BUSINESS**

None.

6. **NEW BUSINESS**

A. Air Traffic Control Tower (ATCT) Rehabilitation and Funding

Mr. Delgado reported on his meeting with Laurie Suttmeier, FAA Division Director for

the Alaska Region. Ms. Suttmeier informed him of a forthcoming funding opportunity for the tower. For many years the tower had issues that did not provide the best working environment for air traffic controllers. Juneau ATCT is airport owned and federally operated, which placed the Airport in a gray area for rehabilitation funding. Ms. Suttmeier noted a Notice of Funding Opportunity (NOFO) was anticipated; it would be competitive at the national level and would prioritize shovel ready projects.

Mr. Delgado stated staff needed to begin preliminary design work. The estimated cost was \$25,000, inclusive of \$16,000 in consultant services and staff time. He explained this would position the Airport competitively for the grant. According to Ms. Suttmeier, Juneau was the only Alaska airport likely to apply, so the odds appeared favorable. He concluded the project would substantially benefit both the tower and the flying community.

In discussion, Ms. Rodell asked why Juneau owned its ATCT. Mr. Delgado was not certain and referred to Airport Architect Ke Mell. Ms. Rodell asked whether the Airport had considered selling the ATCT to the FAA. Mr. Delgado replied that the Airport had met with the FAA siting team a few years prior and that a transfer would be a lengthy process requiring significant FAA will. Mr. Epstein asked whether the FAA could assume tower maintenance. Mr. Delgado responded that Ms. Suttmeier indicated the FAA did not wish to build more towers; however, the current administration was prioritizing renovation and rehabilitation to improve airspace safety. He noted there was a possibility, but the concept remained in the early stages.

Ms. Mell provided historical context. Juneau Airport originated as a WWII airbase; a tower existed by the early 1960s. She suspected that, early on, towers were FAA constructed. Contract towers came later. She surmised JNU's tower was conveyed to the Airport, along with land, so the FAA could be relieved of maintenance obligations while the FAA continued to staff it. Nationally, contract towers are constructed and operated by contractors with contractor controllers, whereas FAA towers are FAA owned and staffed. Mixed models are not typical. She added the FAA would likely prefer not to own the tower, and a contract tower path might be feasible but would require a multi-year FAA siting process with limited national teams. Given the scope, the Airport had not initiated that process.

Mr. Epstein stated that based on his FAA experience there was zero possibility the FAA would assume ownership of the current building. He noted the discussed funding was for rehabilitation of the existing structure with ownership remaining with the Airport. He referenced a little over \$40,000 to start preliminary design; Mr. Delgado clarified the figure was \$25,000, consistent with Airport Architect Mike Greene's report.

Mr. Bedford asked about staffing capacity and whether assigning staff to the project would impact other programs, and whether the spending would be lost if unsuccessful. Mr. Delgado responded that value would be gained regardless; the effort would help renew the FAA contract and keep the FAA in the facility. He added the FAA wanted to see “skin in the game,” and work would carry forward to future rounds if not awarded.

Ms. Rodell clarified that the amount was \$25,000, not \$40,000, and included \$16,000 for consultant services and staff time, and that the \$25,000 could be reimbursable if the grant were awarded.

Ms. Mell stated that even if the grant were not awarded, the money would not be wasted because the consultant would produce scoping and schematic level work framing the issues. She noted the workspace could be difficult at times and was not improving, and the investment had value for this or a future opportunity.

Mr. Williams stated the Airport did not have a current lease with the FAA. He felt this project would help position the Airport to formalize a lease. Mr. Delgado confirmed the Airport had been month to month for the last couple of years and that rehabilitating the tower would help meet FAA standards and improve the workspace.

Mr. Godkin asked how the master plan aligned with the tower project. Ms. Mell responded the master planning was ongoing and would not be submitted for a few weeks; a public release was expected in November and a final in December. The master plan did not address the condition of the current tower; it looked at future operations and a potential future tower. Equipment issues were FAA equipment matters and outside Airport control or the master plan scope. She noted Mr. Greene had coordinated with current FAA tower staff on the funding matter.

Mr. Epstein asked who attended the initial master plan meeting; Ms. Mell identified Ben Dodd, the local tower supervisor. No specific equipment was mentioned. She added the tower main electrical disconnect was included in the project scope, though not raised by tower personnel.

Mr. Redmond asked about national competitiveness, the likelihood of future rounds, and the importance of investing now. Mr. Delgado replied the program was competitive nationally and prioritized shovel ready projects; Ms. Suttmeier implied Juneau’s odds were good, especially if the Airport invested now, but not guaranteed. Mr. Redmond observed the funding was a temporary opportunity while the main tower master plan was a 10 year horizon.

Mr. Epstein asked about timing if the motion passed. Mr. Delgado stated the application window would be approximately one month and had been expected August 4; the site

now indicated August to September. He estimated tower rehabilitation could cost \$200,000 to \$250,000 or more. Ms. Mell noted cost information was included in Mr. Greene's report.

Motion: Ms. Rodell moved to approve the appropriation of up to \$25,000 in Airport Capital Reserve funds to establish a new CIP for preliminary design work related to rehabilitation of the Juneau ATCT to position the Airport to apply under the forthcoming FAA Airport Infrastructure Grant AIG Funding Reallocation NOFO. Seconded by Mr. Redmond. Motion passed by unanimous consent.

B. Ramps Rehabilitation – Apron Light Pole Height Correction

Mr. Delgado reported the light pole height issue was near resolution. The total cost was \$72,244. He requested approval to transfer funds from the Terminal Renovation CIP to the Ramps Rehabilitation CIP; the source was remaining local match funds that would avoid additional draws from reserves.

Mr. Epstein asked how much remained in the Terminal Renovation CIP. Ms. Lopez Campos responded there was sufficient funding, though the precise amount was not available during the meeting.

Mr. Redmond asked whether the error was contractor-related and whether covering it would set a precedent. Mr. Delgado stated the issue had been documented in prior meetings; multiple review layers missed the height discrepancy. FAA later determined the heights were incorrect, and ATC raised sightline concerns. The Airport lowered the poles. He noted it was a pricing mistake that the Airport would monitor closely in the future and that blame was shared between the Airport and the design contractor. Mr. Godkin added that Mr. Greene had accepted responsibility at a prior meeting, and the Board accepted that and moved on.

Motion: Ms. Rodell moved to approve the transfer of \$72,244 from the Terminal Renovation CIP to the Ramps Rehabilitation CIP to fund apron light pole height corrective work. Motion passed by unanimous consent.

C. Accept DOWL's Proposal

Mr. Delgado reported that, at the Board's request, Mr. Greene sought a remedy from DOWL. DOWL offered \$35,000, and Morris Engineering offered \$10,000, for a total of \$45,000 toward the corrective work.

Motion: Mr. Godkin moved to approve acceptance of a \$45,000 reimbursement from DOWL (\$35,000) and Morris Engineering (\$10,000), to be deposited in the Ramps

Rehabilitation CIP for apron light pole corrective work. Motion passed by unanimous consent.

Discussion:

Mr. Williams noted the sequencing and asked why funds were deposited to the Ramps CIP rather than offsetting the Terminal Renovation transfer. Ms. Lopez Campos explained negotiations were ongoing when Assembly action was needed; the project CIP required sufficient authority to proceed, so the \$72,244 was advanced. If the proposal had not been accepted, the project still needed to move forward. The amount could be reduced later if necessary.

Mr. Redmond requested legal review. Ms. Lopez Campos confirmed Law had reviewed. Mr. Bedford stated it was encouraging that consultants accepted responsibility. Ms. Mell clarified there was no fault by the construction contractor (Seccon); the issue was with the design consultants (DOWL and Morris). She appreciated their contribution toward correction.

D. SIDA/ADA Elevator

Mr. Delgado reported the Assembly had appropriated \$50,000, with the Board's recommendation, for design of a SIDA/ADA elevator serving the departure lounge. He requested an additional \$15,000 transfer from the Airport Capital Reserve to fund staff time and completion of design.

Motion: Mr. Godkin moved to approve an additional \$15,000 in Airport Capital Reserve funds for staff time and completion of concept design for the Departure Lounge ADA Elevator CIP, to be reimbursed with future FAA grant funding. Motion passed by unanimous consent.

Discussion:

Mr. Redmond clarified the elevator would connect the departure lounge exterior to the SIDA area.

7. STAFF REPORTS

A. Airport Manager's Report

Mr. Delgado reported the Airport completed its Triennial Emergency Exercise on August 22, followed by a hotwash with participating agencies. Over 200 participants took part, and the exercise was successful.

He announced two hires: Jacob Shaver, Senior Mechanic, and David Munson, Equipment Operator I.

C.C.F.R. ARFF Program Manager Brandon Bagwell updated the Board on ARFF apparatus:

- A-3 (2003) entered long term service and maintenance for oil leaks; the engine and transmission must be removed; the unit may not return to service.
- A-2 (1993) is in service, but parts and technical data are no longer available; future failures pose risk.
- A-1 (2016) has a major water leak. While mechanically operable, FAA turret suppression requirements must be met. A replacement part was on order from Minnesota on a rush with no ETA. If additional issues arise before A 3 returns, the Airport would need to declare a reduction in index.

Mr. Bagwell stated addressing ARFF readiness was a high priority. He escalated to his Chief and engaged State leadership to identify resources. Given limited mutual aid, they pursued a temporary loaner and were close to a solution. He credited Chief Etheridge's efforts.

Mr. Epstein asked about the ramifications of index reductions. Mr. Bagwell explained JNU is an Index C airport. A drop to B would preclude aircraft larger than a 737-700. A drop to A would limit service to Dash 8 or ATR 72. Either would impose economic hardship.

Mr. Bedford suggested examining maintenance programs. Mr. Bagwell described a major overhaul of recordkeeping and noted the mechanic will retire in April. He explained refurbishment practices in aviation do not translate directly to fire apparatus. NFPA recommends moving apparatus to reserve at 15 years.

Mr. Godkin, as a former fire mechanic, encouraged exhausting local options before retiring the 2003 engine and suggested evaluating component repair paths. Mr. Bagwell responded diagnosis was pending; planning must assume worst case. All three rigs were experiencing recurring issues that require careful fleet management. Mr. Godkin recommended pursuing a replacement plan and considering a quick response vehicle to extend service life. Mr. Bagwell agreed additional options were under review.

Mr. Redmond asked about comparative costs of repairing the leak versus acquiring surplus apparatus and long-term reserve value. Mr. Bagwell stated A 1 would be the best candidate for reserve soon; A 3 should be retired per NFPA; the Palmer lease truck is nearing retirement by NFPA guidance. Surplus trucks could range from \$500,000 to over \$1,000,000. New mid-sized crash trucks were in the \$1.2 to \$1.3 million range. A large crash truck could be \$1.4 to \$1.8 million. Scenarios included: if A 3 returns, it would become the spare when the new truck arrives; if A 3 does not return, the leased truck would be retained until replaced. Because AIP generally does not fund capacity beyond index, a third truck might require a waiver given Juneau's isolation.

Regarding Board support, Mr. Bagwell prioritized closing the loaner arrangement, receiving the new truck, planning a structured replacement roadmap (including a pickup style quick response unit), and overhauling maintenance recordkeeping.

Deputy Municipal Attorney Sherri Layne updated the Board on Aviation Worker Screening litigation. The court held TSA did not follow rulemaking procedures and must undertake rulemaking but did not vacate the mandates. JNU must remain compliant and may need to acquire explosives detection equipment next year; units can exceed \$100,000 each. Airports considered seeking rehearing; outside counsel estimated about \$2,500 per airport for that effort. To date, JNU had spent nearly \$20,000; continuing could cost another \$10,000. No Board decision was required at this time.

Ms. Mell reported no additional updates to her project list.

Mr. Greene was absent. Mr. Delgado delivered his report. He noted temporary fixes for the ATCT and reported on refrigerant piping issues. Thin gauge copper had been installed contrary to specifications in a prior retrofit. Lab analysis confirmed the variance. Schmolck Mechanical agreed to repair at no cost to JNU, avoiding near six figure expense. Ms. Mell clarified this was a contractor responsibility, based on substitution of non-specified pipe, and was distinct from the apron issue, which was a design responsibility.

8. CORRESPONDENCE

None.

9. COMMITTEE REPORTS

Ms. Rodell reported the Finance Committee met on September 4. All present at this meeting had attended, so no recap was necessary. The session provided a general financial overview. She requested inclusion of the fund balance number and related information items in future Board packets. Mr. Epstein noted follow-up communication with Ms. Rodell and asked whether a revised set of numbers would be provided. Ms. Rodell stated Mr. Delgado was working on how to present that information.

10. ASSEMBLY LIAISON

None.

11. BOARD MEMBER COMMENTS

Ms. Rodell will not be available for the October 9th meeting. She will be out of the

country and not available to call in.

12. ANNOUNCEMENTS

None.

13. NEXT MEETING DATE

The next regular Airport Board Meeting will be held on Thursday, October 9th at 6:00 p.m. in the Alaska Room/Zoom.

14. EXECUTIVE SESSION

None.

15. ADJOURNMENT Mr. Epstein moved for adjournment, meeting adjourned at 7:21 p.m.



SPECIAL AIRPORT BOARD MEETING MINUTES

September 25, 2025 at 2:00 PM Airport Admin

<https://juneau.zoom.us/j/82753690455?pwd=7ab1cq3rdAS1B2bQUb2yWFGGbUnF11.1>

Zoom ID: 827 5369 0455

Passcode: 547735

TO TESTIFY: CONTACT SHANNON VAN VALIN, 907-586-0962

1. **CALL TO ORDER** Chair David Epstein called the meeting to order at 2:00 p.m.

2. **ROLL CALL**

Members Present:

David Epstein-Chair

Dennis Bedford

Angela Rodell

Jeff Redmond

Nolan Davis, Tenant Liaison (Zoom)

Staff Present:

Andres Delgado, Airport Manager

Ke Mell, Airport Architect

Sherri Layne, Deputy Municipal Attorney

Angelica Lopez-Campos, Airport Business Manager

1. **APPROVAL OF AGENDA**

Agenda approved by unanimous consent.

2. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

None.

3. **UNFINISHED BUSINESS**

Aviation Worker Screening (AWS) and Litigation

Airport Manager Andres Delgado reported that outside counsel presented oral argument on October 17, 2024. The court found that TSA adopted the national amendment without following the Administrative Procedures Act. The Board needed to determine whether to continue in the litigation or withdraw. Continued participation was estimated to cost between \$2,500 and \$4,000, possibly up to \$10,000, with \$5,000 remaining in the previously approved purchase order. Mr. Delgado stated that the Airport would benefit from any national ruling regardless of participation.

Deputy Municipal Attorney Sherri Layne explained that outside counsel planned to file a

request for rehearing seeking a firm deadline for TSA’s rulemaking and a stay on the EDSE requirement during the process. Thirteen airports were participating, consisting primarily of small and mid-sized airports such as Billings, Bismarck, Colorado Springs, Raleigh-Durham, Milwaukee County, Asheville, San Jose, and Spokane. The State of Alaska was not participating for other Alaska airports. While costs were expected to stay under \$5,000, this was not guaranteed.

Board Questions and Discussion: Ms. Rodell asked about the size of participating airports and what success would look like. Ms. Layne stated that success meant securing a deadline for TSA rulemaking and added that the ultimate rule outcome was expected to be unchanged. The rulemaking process typically takes about three years.

Ms. Rodell asked why the case was continuing if the final outcome would not change. Ms. Layne noted that the Airport originally joined to oppose the unfunded mandate and to show solidarity, but that the benefits of continued participation were now limited.

Ms. Rodell stated that her inclination was to withdraw and redirect resources toward preparing comments during the future federal rulemaking process.

Mr. Delgado reported that TSA currently requires monitoring of three doors. By April 2026, each door must be equipped with explosive detection equipment funded by the Airport. Fairbanks’ recent purchases exceeded \$100,000 per unit, implying a minimum cost of \$300,000 plus staffing. Two new security technicians had already been hired with the expectation that hours may increase. The Airport has maintained full compliance since September 25, 2024.

Board Chair Mr. Epstein stated that TSA had been directed by the court to follow proper procedures and he did not expect a different outcome.

Board member Mr. Redmond stated he had hoped litigation would buy additional time for funding, but acknowledged that the current motion did not address that purpose.

Motion: Ms. Rodell moved that Juneau International Airport withdraw from the AWS litigation coalition, request dismissal from further participation, and continue operational compliance with AWS while monitoring TSA rulemaking and court actions.

Discussion on the Motion: Ms. Rodell stated that litigation was unlikely to provide relief and that the Airport’s efforts would be better focused on federal rulemaking comments.

Mr. Delgado reiterated that withdrawal would not affect required compliance.

Mr. Epstein agreed that the likely outcome of TSA’s rulemaking would not change.

Mr. Redmond indicated he would not oppose the motion.

Action: Motion passed by unanimous consent.

4. CORRESPONDENCE

None.

5. ASSEMBLY LIAISON

None.

6. BOARD MEMBER COMMENTS

None.

7. ANNOUNCEMENTS

Jeff Mr. Redmond announced he would not be present at the next Board meeting.

8. NEXT MEETING DATE The next regular Airport Board Meeting will be held on October 9th at 6:00 p.m.

9. EXECUTIVE SESSION

None.

10. ADJOURNMENT Mr. Epstein called to adjourn at 2:31 p.m.



JIA AIRPORT BOARD MINUTES

October 9, 2025 at 6:00 PM

Airport Alaska Room/Zoom

<https://juneau.zoom.us/j/81320381493>

Or join via audio: 1-253-215-8782 Webinar ID: 813 2038 1493

TO TESTIFY: CONTACT SHANNON VAN VALIN, 907-586-0962

1. **CALL TO ORDER** Chair Eve Soutiere called the meeting to order at 6:05 p.m.

2. **ROLL CALL**

Members Present:

Dennis Bedford

David Epstein

Eve Soutiere

Charlie Williams

Staff Present:

Andres Delgado, Airport Manager

Angelica Lopez-Campos, Airport Business Manager

Sherri Layne, Deputy Municipal Attorney

Ke Mell, Airport Architect

Kathy Mancini

Brandon Bagwell, CCFR

3. **APPROVAL OF MINUTES**

Motion to approve the minutes were approved by unanimous consent.

4. **APPROVAL OF AGENDA**

Motion to approve the agenda was approved by unanimous consent.

5. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

No public participation.

6. **NEW BUSINESS**

A. AIP ARFF Wetland Resuce Vehicle Grant FFY25

Mr. Delgado reported that the Marsh Master MM-2X, a tracked, all-aluminum vehicle designed for wetland rescue operations, is capable of transporting up to 20 people using the included skid attachment. He noted it is a unique vehicle and that Juneau may be the first airport in the U.S. to receive FAA approval for its use. Once in assembly, the unit has a three-month lead time.

Motion

Mr. Epstein moved to approve the appropriation of \$300,200 in AIP grant funds and \$20,000 in local match from the Capital Reserve to the ARFF Wetland Rescue Vehicle CIP. Outcome: The motion passed unanimously.

Discussion on the Motion

Mr. Bedford confirmed that adequate storage is available for the vehicle. Mr. Epstein asked whether this vehicle was obtained due to prior issues with snow-removal procurement. Mr. Delgado clarified that this project had its own funding source. When the ARFF truck grant was rescinded, funds were reallocated, allowing the project to move forward more quickly.

Mr. Williams asked whether the wetlands would require construction of a ramp. Mr. Delgado stated that the vehicle is designed for both water and wetland use; no ramp is required.

B. AIP Snow Removal Equipment Grant FFY25 Procurement

Mr. Delgado stated that this request includes a motor grader and a vacuum truck. These items were originally expected to be purchased with the next fiscal year's grant, but due to the rescinded ARFF truck grant, funding was reallocated. The motor grader is newly approved by the FAA for pavement use, and the vacuum truck replaces the current aging unit.

Motion

Mr. Williams moved to approve the appropriation of \$1,037,875 in AIP grant funds and up to \$60,000 in local match from the Capital Reserve to the SRE FY25 CIP.

Motion passed unanimously.

In discussion Mr. Bedford asked how collected materials from the vacuum truck are managed. Mr. Delgado clarified that this unit is primarily used for foreign object debris (FOD) and sand cleanup from snow-removal operations; materials are disposed of at the sand pile. The vehicle can support glycol recovery, but it is not used for that purpose. Ms. Lopez-Campos asked whether the local match amount needed to be adjusted to \$60,000. Ms. Layne confirmed that if the assembly ordinance stipulates "up to \$60,000," the amendment is appropriate.

Motion: The local match amount was amended from \$54,625 to \$60,000 for the SRE FY25 CIP.

Amendment approved unanimously.

STAFF REPORTS

A. Airport Manager's Report

Mr. Delgado welcomed Kathy Mancini to the airport staff.

Work continues with Matt Townsend (Frasca) on revising the airport's financial model. Ms. Lopez-Campos reported that the number of spreadsheets has been reduced from 50 to 9 tabs. Mr. Williams asked when the model will be ready for review; Ms. Lopez-Campos estimated it will be available within a few weeks and suggested the Finance Committee review it first.

Mr. Delgado noted that although the federal government shutdown began on October 1, air traffic control operations continue without indication of staffing-related shutdown risks. When asked by Chair Soutiere, he confirmed the Airport Certification Manual requires operations to move to CTAF if the tower closes.

The new CIP was submitted to the FAA on October 1; no response has been received yet.

Mr. Delgado provided an attachment with future project planning information.

ARFF Truck Update

Chief Brandon Bagwell reported that the airport permanently lost A-3, and repairing it would require sending a specialist from Oshkosh for a minimum of three months, costing \$86,000–\$100,000. A loaner truck has received FAA approval and is nearing legal clearance. The 2016 Rosenbauer and 32-year-old Palmer trucks remain in service. The new Rosenbauer truck is expected in March.

Mr. Epstein confirmed that the federal shutdown has not affected airport staff.

Mr. Epstein asked about the Shell Simmons / Yandukin project on the CIP. Ms. Mell explained that the waterline beneath Shell Simmons is over 40 years old and at risk of failure. Two sinkholes are present in front of the terminal. The project will address waterline replacement, traffic engineering, and eliminating unsafe access patterns near Seaplanes.

B. Airport Project Manager's Report

Ms. Mell provided updates:

The temporary fence for the Guardian Hangar (Doud BTS) is complete. Alaska Commercial Contractors expect survey and geotechnical drilling crews onsite next week.

Ms. Mell read a technical update on ADL 107380 conveyance, noting that following state conveyance, a small remaining strip of tidelands will remain outside airport control but covered by an FAA easement. The updated Airport Layout Plan (ALP) will be incorporated into the Master Plan Update. Mr. Epstein asked about Exhibit A; Ms. Mell confirmed it will be updated.

Mr. Williams asked about the departure lounge carpet replacement, noting it is not budgeted. Ms. Mell confirmed that staff shortages have delayed preparation of bid documents. The CBJ Contracts Division will assist once airport staff complete preliminary work.

7. CORRESPONDENCE

None.

8. COMMITTEE REPORTS

None.

9. ASSEMBLY LIAISON

None.

10. BOARD MEMBER COMMENTS

Mr. Epstein announced he will not attend the November regular board meeting.

11. ANNOUNCEMENTS

None.

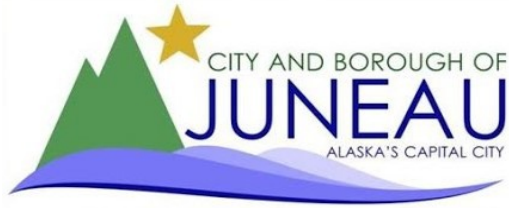
12. NEXT MEETING DATE The next meeting is scheduled for November 13 at 6:00 p.m. in the Alaska Room and via Zoom.

13. EXECUTIVE SESSION

None.

14. ADJOURNMENT

Mr. Bedford made a motion to adjourn at 6:40 p.m. by unanimous consent.



JIA AIRPORT BOARD MINUTES

November 13, 2025 at 6:00 PM

Airport Alaska Room/Zoom

<https://juneau.zoom.us/j/81320381493>

Or join via audio: 1-253-215-8782 Webinar ID: 813 2038 1493

TO TESTIFY: CONTACT SHANNON VAN VALIN, 907-586-0962

1. **CALL TO ORDER** Chair Eve Soutiere called the meeting to order at 6:00 p.m.

2. **ROLL CALL**

Members Present:

Eve Soutiere-Chair

David Epstein

Dennis Bedford

Jeff Redmond

Jerry Godkin

Charlie Williams (Zoom)

Angela Rodell

Staff Present:

Andres Delgado, Airport Manager

Nolan Davis, Airport Tenant Liaison

Ke Mell, Airport Architect

Mark Fvette, CCFR

Angelica Lopez-Campos, Airport Business Manager

Christine Woll, Assembly Liaison

Kathy Lou Mancini, Airport Security Manager

Presenter: Matt Townsend, Frasca & Associates

Public Present:

Sarah Lowell, Coastal Helicopter

Tom Williams, Ward Air, Inc.

Jodi Garza, AK Seaplanes

3. **APPROVAL OF AGENDA**

Motion to approve agenda made by Mr. Epstein. Motion passed by unanimous consent.

4. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

None.

5. UNFINISHED BUSINESS

None.

6. NEW BUSINESS

A. JNU Rates & Fees Model

Mr. Delgado reported on the JNU rates and fees model. He shared that Ms. Lopez-Campos worked very closely with Frasca and Mr. Townsend over the last couple months to streamline the model at the Board's request. He explained it was an effort to simplify the way rates and fees are done and how it will be presented to the Board and public.

Mr. Townsend, with Frasca & Associates, presented on the Simplified Rates and Charges Model. He explained that they were initially hired by the airport in late 2020 to prepare a more analytically based financial model to be used to calculate airport rates and charges and do long term financial forecasts to assist with capital planning. He stated that Frasca has advised more than 60 airports of all sizes and they have expertise on airline rates and charges and federal principles applied to the federal rates charges policy. He shared that in regard to Frasca JNU work, they were asked to improve clarity and transparency by removing functions no longer needed, with the goal of having simple and transparent calculations for airport fees and charges. They are not recommending or setting new rates today, but did put in preliminary budgetary numbers to see where the numbers came out. He discussed FAA guidance and key principles for airport rates and charges, which are self-sustaining, local preference, fair and reasonable fees, not unjustly discriminatory, transparency, and consultation. Mr. Townsend talked about the Residual Model and Compensatory Model. He explained that the concept of the Residual Model is to accumulate the cost at a rate base, and allocate operating costs, capital costs, and other financial requirements, as well as crediting nonairline or nonaeronautical revenues in the calculation. It also ensures that they recover 100% of their cost.

Ms. Rodell asked for confirmation that for the Residual Model to work, they have to have clear agreements with their users to recoup the residual leftover.

Mr. Townsend responded that is the guidance the federal government gives, but there are plenty of airports that operate without agreements. He added that aeronautical users could file a complaint about that, but that is very rare, as not having an agreement is not a basis for a complaint in and of itself.

Ms. Rodell inquired about the advantages and disadvantages of having an agreement versus a 30-day model.

Mr. Townsend explained that in regard to Phoenix Airport, who has the 30-day agreement, the advantage is that the airlines have no capital project approval rights and their operating model is extraordinarily flexible, where they can reallocate gates in a 30-day period. He said that not having an agreement also gives the airport operator a lot more flexibility.

Ms. Rodell voiced that sounds like it would come with a lot more responsibility.

Mr. Townsend expressed that costs are allocated to activity centers to calculate fees, and the typical cost centers are airfield, terminal, or other aero rate bases. He talked about what makes JNU unique and JNU's financial structure. He gave an overview of the JNU Rates & Fees Model, with the first step being to establish financial requirements, then allocate requirements to rate bases and airfield requirements by user type, credit all available revenues, derive rates and charges, and recover in full finance requirements. He went over the Airfield O&M, Terminal O&M, and Security O&M expenses. He noted that in the Airfield, the cost and revenues are generally allocated 85/15, with the exception of ARFF.

Mr. Redmond asked how fixed the 85/15 is and if it should be changing based on actual numbers as they move on or be set as policy.

Mr. Townsend responded that he did not know where the 85/15 came from, but assumed a workload type study was done to try an approximate airfield cost. He added that 85/15 has been historical practice for a long time here, so they would want to have a clear basis for changing that.

Mr. Redmond asked if that seemed normal.

Mr. Townsend answered that this is the only airport he has worked out that does this, but in general, it is very normal to take all of the cost of the airfield and credit other airfield related revenues or non-signatories in regard to the residual ratemaking concept.

Mr. Townsend displayed the Aeronautical Rate Calculation Model in its entirety to the Board and went over all tables, costs, and rate calculations.

Mr. Epstein asked where the forecast numbers came from.

Mr. Townsend answered that the Draft Master Plan Update projected a 2.3% enplanement growth per year from November 2, 2025.

Mr. Williams inquired if they will go back and test this against previous years expenses to see how it works out since the numbers seem to be forecasts.

Mr. Townsend expressed that he had not been asked to do that, but did not see why they could not do that if it was of interest.

Mr. Williams added that it seemed logical, as they could prove whether they have everything the way they need it to be once the model is completed.

Mr. Townsend shared that he felt good about what they did with the model, as he understood how complicated the old model was and he did not like how the calculations looked. He stated that this model is a clearer presentation of the intent for the rates and charges calculations and still gives them freedom to make changes.

Mr. Bedford asked where they are in terms of the complexity of their model compared to others.

Mr. Townsend responded that this model is extraordinarily simple and very clear. He said the prior model had too long a list of specifications, which complicated it, but the rates and charges that have been in place for a very long time were not overly complex.

Mr. Epstein asked if there was a link in this model presented today and the budget expenses that Ms. Lopez-Campos presented at the Finance Committee Meeting.

Ms. Lopez-Campos answered yes, they are the same she used in that meeting.

Mr. Epstein asked if the scores of lines of data would stay the same moving forward.

Ms. Lopez-Campos responded that maybe the Finance Board should decide if they want some information presented differently or not.

Ms. Rodell asked for confirmation that this model will not help identify alternative revenue sources.

Mr. Townsend confirmed that is correct.

7. STAFF REPORTS

A. Airport Manager's Report

Mr. Delgado reported on the Workers Screening update. He explained there was litigation with TSA and several airports, and the explosive detection equipment slated for them to procure by April 2026 has been postponed indefinitely and they no longer have a requirement to acquire that equipment; however, it may pop back up soon so they have budgeted for that equipment for FY27. He shared that the government has reopened with business, and they did see a temporary passenger reduction from the Anchorage and Seattle Hubs they connect to. They had a meeting with the FAA yesterday morning in regard to the Capital Improvement Program, which was very productive. He said there are a couple of IOUs and a couple of projects were pushed

back to FY27 or beyond. Mr. Delgado reported that the ARFF truck from Gus Davis arrived on October 27th and is now in service and going pretty well.

Mr. Epstein voiced that after FAA was there yesterday, they came to visit them and made a clear point on keeping the approaches clear with removal of obstructions. He asked if they made that point here.

Mr. Delgado answered not necessarily, except for some discussion regarding the MALSR Project off of Runway 26, and that it may end up being a full rebuild instead of an extension.

Mr. Epstein asked if our approach is clear and if there are any obstructions.

Mr. Delgado responded there are no obstructions.

B. Airport Project Manager's Report

Ms. Mell updated the Board on the Mendenhall Riverbanks Stabilization. She said the Western Alaska storms are washing across the Department of Military and Veterans Affairs, and they expect it will be December before they should let them know when to expect the approach.

Mr. Delgado asked Ms. Mell to touch on the projections that are currently being coordinated with the FAA.

Ms. Mell responded it is a matter of which projections, as there was a discrepancy between the terminal area forecast enplanement numbers the FAA uses and the numbers Mr. Baker came up with, but they have met and are negotiating the difference.

C. Airport Project Manager's Report

Mr. Green reported on the Surge Projection Project, which they are still trying to prepare for advancement. He shared that they have a 95% design submittal from RESPEC, where they are addressing the surge protection issues throughout the terminal, SREB Building, and SandChem Building. He explained that project will add surge protection and arresters on every electrical panels in all three of those buildings. He noted that they have started looking at a UPS system for the tower and they are standing by to see where that goes. He then discussed the Runway Shoulder Grading Project. They met with the FAA Air Region Airport Division yesterday, who confirmed that they want to have the FAA do an in-house engineering review of the project plans, so now they need to execute the reimbursable agreement that is \$94,500 to move this project forward. He added that there will be a second reimbursable agreement after this

at an unknown cost. He said the FAA is calling this a target of opportunity, and they have some FAA equipment they want to have replaced that they could make part of the construction contract, but they are not clear on that yet.

Mr. Epstein asked if the equipment in question is converting the VASI to PAPI.

Mr. Delgado answered yes.

8. CORRESPONDENCE

None.

9. COMMITTEE REPORTS

Ms. Rodell reported the Finance Committee met last week and went through an initial overview of expenses, but are still waiting from some important information to come out of downtown, including file contract information for negotiated salary numbers and personnel costs and the closeout for FY25 fund balance. She said they are looking to have another Finance Committee Meeting in December.

Mr. Delgado added that they have one set for November 24th, but the time has not been set yet.

Ms. Lopez-Campos noted they also have one on December 1st. They agreed on a 2:00 p.m. meeting time for the November 24th Meeting. She added that they will also have a Regular Board Meeting on December 11th.

Mr. Bedford talked about Wetland Rescue Vehicle they brought up at the last meeting. He said they should look at life cycle costs and talk about maintenance and upkeep on any of their capital investments.

Mr. Williams complimented Mr. Delgado, Ms. Campos-Lopez, and Mr. Townsend for the fine work they did on the new model. He saw it as a great simplification and something they can really use to their benefit in the future.

10. ANNOUNCEMENTS

None.

11. NEXT MEETING DATE

The next regular Airport Board Meeting will be held on Thursday, December 11th, at 6:00 p.m. in the Alaska Room/Zoom.

12. EXECUTIVE SESSION

None.

15. **ADJOURNMENT** Mr. Epstein moved for adjournment, meeting adjourned at 7:33 p.m.

SUMMARY OF AERONAUTICAL RATES AND CHARGES

Juneau International Airport
For Fiscal Years Ending June 30

	S/H/B Rates for 2024			Rates in FY24			
	Signatory	Non-Sig (a)	Total	Percent change	Signatory	Non-Sig (a)	Total
AIR TRAFFIC ACTIVITY (b)							
Enplaned Passengers	329,491	n.a.	329,491				
Landed Weight (in 1,000 lbs)	949,830	35,065	984,895				
Fuel Flowage (in gallons)							
Part 121/Large Jet	3,825,125	-	3,825,125				
Part 135 GA and Other Users	1,107,264	217,423	1,324,687				
Total	4,932,389	217,423	5,149,812				
AIRFIELD COST CENTER (c)							
Landing Fee Rates <i>(per 1,000 lbs of MTOW)</i>	\$5.18	\$6.48		69.3%	\$3.06	\$3.83	
Fuel Flowage Fee Rates <i>(per gallon of delivered fuel)</i>							
Part 121/Large Jet	\$0.401	n.a.		54.1%	\$0.260	n.a.	
Part 135 GA and Other Users	\$0.445	\$0.557		68.0%	\$0.265	\$0.333	
TERMINAL COST CENTER (d)							
Terminal Building Rental Rates <i>(per rented square feet per year)</i>							
Counter (North Wing) plus 7 Feet	\$28.56	n.a.		-6.2%	\$30.45	n.a.	
Counter (East Wing)	\$35.71	n.a.		-6.9%	\$38.35	n.a.	
Office (North Wing)	\$25.71	n.a.		-7.2%	\$27.69	n.a.	
Office (East Wing) (Base Rate)	\$28.56	n.a.		-7.5%	\$30.89	n.a.	
Office (Admin East)	\$28.56	n.a.		-7.5%	\$30.89	n.a.	
Baggage Claim (Public)	\$28.56	n.a.		-7.5%	\$30.89	n.a.	
Storage/Makeup (Covered Bag Wel)	\$22.85	n.a.		-7.1%	\$24.61	n.a.	
Storage/Frt Room (North Wing)	\$22.85	n.a.		-7.1%	\$24.61	n.a.	
Canopy Storage (North Wing)	\$14.28	n.a.		-6.7%	\$15.30	n.a.	
Holdroom/Departure Lounge	\$35.71	n.a.		-6.9%	\$38.35	n.a.	
SECURITY COST CENTER (e)							
Passenger Security Screening Fee <i>(per enplaned passenger)</i>	\$2.95	n.a.		30.5%	\$2.26	n.a.	

**Model Performance
w FY24 ACTUALS**

MTOW - Maximum Certified Takeoff Weight.

- (a) Signatory rates times a 25% premium.
- (b) See Table 2 for detail.
- (c) See Table 6 for detailed calculation.
- (d) See Table 7 for detailed calculation.
- (e) See Table 8 for detailed calculation.

SUMMARY OF AERONAUTICAL RATES AND CHARGES

Juneau International Airport
For Fiscal Years Ending June 30

	S/H/B Rates for 2025			Rates in FY25			
	Signatory	Non-Sig (a)	Total	Percent change	Signatory	Non-Sig (a)	Total
AIR TRAFFIC ACTIVITY (b)							
Enplaned Passengers	346,131	n.a.	346,131				
Landed Weight (in 1,000 lbs)	959,910	39,801	999,711				
Fuel Flowage (in gallons)							
Part 121/Large Jet	3,872,886	-	3,872,886				
Part 135 GA and Other Users	1,026,291	279,109	1,305,400				
Total	4,899,177	279,109	5,178,286				
AIRFIELD COST CENTER (c)							
Landing Fee Rates <i>(per 1,000 lbs of MTOW)</i>	\$3.64	\$4.55		8.9%	\$3.34	\$4.18	
Fuel Flowage Fee Rates <i>(per gallon of delivered fuel)</i>							
Part 121/Large Jet	\$0.283	n.a.		-5.7%	\$0.300	n.a.	
Part 135 GA and Other Users	\$0.314	\$0.393		-4.7%	\$0.330	\$0.413	
TERMINAL COST CENTER (d)							
Terminal Building Rental Rates <i>(per rented square feet per year)</i>							
Counter (North Wing) plus 7 Feet	\$27.65	n.a.		-10.8%	\$31.00	n.a.	
Counter (East Wing)	\$34.56	n.a.		-11.5%	\$39.04	n.a.	
Office (North Wing)	\$24.88	n.a.		-11.7%	\$28.19	n.a.	
Office (East Wing) (Base Rate)	\$27.65	n.a.		-12.1%	\$31.45	n.a.	
Office (Admin East)	\$27.65	n.a.		-12.1%	\$31.45	n.a.	
Baggage Claim (Public)	\$27.65	n.a.		-12.1%	\$31.45	n.a.	
Storage/Makeup (Covered Bag Wel	\$22.12	n.a.		-11.7%	\$25.05	n.a.	
Storage/Frt Room (North Wing)	\$22.12	n.a.		-11.7%	\$25.05	n.a.	
Canopy Storage (North Wing)	\$13.82	n.a.		-11.3%	\$15.58	n.a.	
Holdroom/Departure Lounge	\$34.56	n.a.		-11.5%	\$39.04	n.a.	
SECURITY COST CENTER (e)							
Passenger Security Screening Fee <i>(per enplaned passenger)</i>	\$3.08	n.a.		14.4%	\$2.69	n.a.	

**Model Performance
w FY25 ACTUALS**

MTOW - Maximum Certified Takeoff Weight.

- (a) Signatory rates times a 25% premium.
- (b) See Table 2 for detail.
- (c) See Table 6 for detailed calculation.
- (d) See Table 7 for detailed calculation.
- (e) See Table 8 for detailed calculation.

Enplanments/Pax:

	FY25	FY24	FY23	FY22	FY21	FY20	FY19
AK AIR	329,988	314,142	319,187	273,719	165,396	239,145	315,658
DELTA	16,143	15,349	17,510	13,515	5,035	9,587	13,524
	346,131	329,491	336,697	287,234	170,431	248,732	329,182
Incr/(Decr)	5.05%	-2.14%	17.22%	68.53%	-31.48%	-24.44%	

Landed Weight/1,000 lbs:

	FY25	FY24	FY23	FY22	FY21	FY20	FY19
AK AIR	933,485	923,546	962,969	835,652	715,628	817,525	859,783
DELTA	26,425	26,284	35,036	16,800	16,625	15,225	17,325
Part135/GA	39,801	35,065	34,514	37,245	31,760	26,986	28,823
	999,711	984,895	1,032,519	889,697	764,013	859,736	905,931
Incr/(Decr)	1.50%	-4.61%	16.05%	16.45%	-11.13%	-5.10%	

Fuel/Gallons:

	FY25	FY24	FY23	FY22	FY21	FY20	FY19
SIG/Part121	3,872,886.00	3,825,125.10	3,654,380.60	3,146,017.60	2,474,331.20	3,272,542.90	4,462,529.70
SIG/Part135	1,026,291.00	1,107,263.95	1,040,196.05	906,364.99	674,312.29	809,697.81	1,189,224.95
NON SIG	279,109.00	217,423.60	331,302.50	332,058.80	286,424.60	315,675.50	350,303.70
	5,178,286.00	5,149,812.65	5,025,879.15	4,384,441.39	3,435,068.09	4,397,916.21	6,002,058.35
Incr/(Decr)	0.55%	2.47%	14.63%	27.64%	-21.89%	-26.73%	
By Category:							
SIG/Part121	1.25%	4.67%	16.16%	27.15%	-24.39%	-26.67%	
SIG/Part135	-7.31%	6.45%	14.77%	34.41%	-16.72%	-31.91%	
NON SIG	28.37%	-34.37%	-0.23%	15.93%	-9.27%	-9.89%	

Assumptions worth noting while staff prepared different FY27 scenarios

Expenses Assumptions Scenario #1 (no Rate Increases):

- Base operating expense projected for FY27, as previously presented to Board and includes 1 FTE for Deputy Manager position was added to FY27 (\$190K).
- Management & Consultant Fees under Airfield Division, for contract for Wildlife Management Services (Account '5392') has an assumed yearly 5% increase starting in FY27.
- CBJ Finance has asked JNU to assume same Union increases as MEBA employees for FY27 Contract amounts for ARFF & Security Divisions (under Account '5390'). Staff added a 3% increase in FY27, since both of these contracts are mostly based on CBJ's Personnel Servs.
- FY27 has a one-time expense of \$400K under Security Division Vehicles & Equipment (Account '5510') for the purchase of 2 portable bomb detection equipment to comply with TSA's mandate that has been postponed from APRIL 2026. It is assumed JNU will need to purchase this equipment in FY27.

Revenues Assumptions Scenario #1 (no Rate Increases):

- FY27 projects an annual 2.3% growth on Air Carrier enplanements as directed by Finance Committee on November 24, 2025.
- FY27 projects an annual 1% growth on Landed Weight & Fuel quantity.
- Using present/FY26 Rates & Fees to show projected FY27 '**Deficit**' of \$1,176,850 after 3 month Reserve and \$0 increase on Capital Reserve if rates are not increased in FY27.

Expenses Assumptions Scenario #2 (Rate Increases to cover Ops expenses):

- Same Expense assumptions as Scenario #1.

Revenues Assumptions Scenario #2 (Rate Increases to cover Ops expenses):

- FY27 has an annual 2.3% growth on Air Carrier enplanements as directed by Finance Committee on November 24, 2025.
- FY27 has an annual 1% growth on Landed Weight & Fuel Gallons Use.

- Increasing Rates & Fees as per Model results in a slight 'surplus' of \$15,656 after 3 month Reserve. With the release of Debt Reserve funds in FY27, we could increase Capital Reserve by \$300K in FY27.

Expenses Assumptions Scenario #3 (Rate Increases to cover Ops expenses & plus \$500K):

- Same Expense assumptions as Scenario #1 & #2. PLUS, an additional \$200K above based operating expense from Airfield Cost Center to build up Capital Reserve. Management wants to contribute yearly \$500K to Capital Reserve for the next several years.

Revenues Assumptions Scenario #3 (Rate Increases to cover Ops expenses & plus \$500K):

- FY27 has an annual 2.3% growth on Air Carrier enplanements as directed by Finance Committee on November 24, 2025.
- FY27 has an annual 1% growth on Landed Weight & Fuel Gallons Use.
- Increasing Rates & Fees as per Model. Additional \$500K increased Capital Reserve.

SUMMARY OF AERONAUTICAL RATES AND CHARGES

Juneau International Airport
For Fiscal Years Ending June 30

	Budget 2027			Current Rates in FY26			
	Signatory	Non-Sig (a)	Total	Percent change	Signatory	Non-Sig (a)	Total
AIR TRAFFIC ACTIVITY (b)							
Enplaned Passengers	354,092	n.a.	354,092				
Landed Weight (in 1,000 lbs)	969,509	40,199	1,009,708				
Fuel Flowage (in gallons)							
Part 121/Large Jet	3,911,615	-	3,911,615				
Part 135 GA and Other Users	1,036,554	281,900	1,318,454				
Total	4,948,169	281,900	5,230,069				
SCENARIO #2:				SCENARIO #1:			
AIRFIELD COST CENTER (c)							
Landing Fee Rates <i>(per 1,000 lbs of MTOW)</i>	\$3.659	\$4.574		9.6%	\$3.34	\$4.18	
Fuel Flowage Fee Rates <i>(per gallon of delivered fuel)</i>							
Part 121/Large Jet	\$0.345	n.a.		15.1%	\$0.300	n.a.	
Part 135 GA and Other Users	\$0.384	\$0.479		16.2%	\$0.330	\$0.413	
TERMINAL COST CENTER (d)							
Terminal Building Rental Rates <i>(per rented square feet per year)</i>							
Counter (North Wing) plus 7 Feet	\$37.97	n.a.		22.5%	\$31.00	n.a.	
Counter (East Wing)	\$47.46	n.a.		21.6%	\$39.04	n.a.	
Office (North Wing)	\$34.17	n.a.		21.2%	\$28.19	n.a.	
Office (East Wing) (Base Rate)	\$37.97	n.a.		20.7%	\$31.45	n.a.	
Office (Admin East)	\$37.97	n.a.		20.7%	\$31.45	n.a.	
Baggage Claim (Public)	\$37.97	n.a.		20.7%	\$31.45	n.a.	
Storage/Makeup (Covered Bag Wel)	\$30.38	n.a.		21.3%	\$25.05	n.a.	
Storage/Frt Room (North Wing)	\$30.38	n.a.		21.3%	\$25.05	n.a.	
Canopy Storage (North Wing)	\$18.99	n.a.		21.9%	\$15.58	n.a.	
Holdroom/Departure Lounge	\$47.46	n.a.		21.6%	\$39.04	n.a.	
SECURITY COST CENTER (e)							
Passenger Security Screening Fee <i>(per enplaned passenger)</i>	\$5.28	n.a.		96.2%	\$2.69	n.a.	

MTOW - Maximum Certified Takeoff Weight.

- (a) Signatory rates times a 25% premium.
- (b) See Table 2 for detail.
- (c) See Table 6 for detailed calculation.
- (d) See Table 7 for detailed calculation.
- (e) See Table 8 for detailed calculation.

Available Fund Balance Summary
Airport Fund
 12/4/2025

Scenario #1

	FY25		FY26		FY27 Requested
	FY24 Actuals	Amended Budget	Projected Actuals	Amended Budget	
EXPENDITURES					
Total Expenditures	<u>15,085,123</u>	<u>14,142,254</u>	<u>13,657,500</u>	<u>14,978,406</u>	<u>15,093,175</u>
FUNDING SOURCES					
ALL Summarized	11,623,223	11,217,088	13,937,800	10,760,055	11,729,266
Total Funding Sources	<u>11,623,223</u>	<u>11,217,088</u>	<u>13,937,800</u>	<u>10,760,055</u>	<u>11,022,106</u>
FUND BALANCE					
Debt Reserve					
Beginning Reserve Balance	9,213,900	6,928,900	6,928,900	6,582,800	6,582,800
Increase (Decrease) in Reserve	<u>(2,285,000)</u>	<u>(2,395,000)</u>	<u>(346,100)</u>	<u>(2,515,000)</u>	<u>(4,067,800)</u>
End of Period Reserve	<u>6,928,900</u>	<u>4,533,900</u>	<u>6,582,800</u>	<u>4,067,800</u>	<u>-</u>
Capital Reserve					
Beginning Reserve Balance	-	-	-	201,361	201,361
Increase (Decrease) in Reserve	<u>-</u>	<u>201,361</u>	<u>201,361</u>	<u>(120,000)</u>	<u>(120,000)</u>
End of Period Reserve	<u>-</u>	<u>201,361</u>	<u>201,361</u>	<u>81,361</u>	<u>81,361</u>
Available Fund Balance					
Beginning of Period	3,783,400	1,937,000	1,937,000	2,362,039	2,362,039
Increase (Decrease) in Fund Balance	<u>(1,176,900)</u>	<u>(731,527)</u>	<u>425,039</u>	<u>(1,583,351)</u>	<u>(428,155)</u>
End of Period Available Fund Balance	<u>2,606,500</u>	<u>1,205,473</u>	<u>2,362,039</u>	<u>778,688</u>	<u>1,933,884</u>
Less 3 Mo. Operating Reserve	(2,742,506)	(2,734,189)	(2,609,800)	(2,811,969)	(2,765,472)
Ending Available Fund Balance (AFTER 3 Mo. RESERVE)	(136,006)	(1,528,715)	(247,761)	(2,033,281)	(1,176,850)
STAFFING	35.40	37.20	39.20	39.82	39.82

Not increasing rates in FY27 could potentially produce a deficit of \$1,176,850 on Available Fund Balance (AFTER 3 mo. RESERVE).

Available Fund Balance Summary
Airport Fund
 12/3/2025

Scenario #2

	FY25		FY26		FY27 Requested	
	FY24 Actuals	Amended Budget	Projected Actuals	Amended Budget		Projected Actuals
EXPENDITURES						
Total Expenditures	15,085,123	14,142,254	13,657,500	14,978,406	14,792,421	15,093,175
FUNDING SOURCES						
ALL Summarized	11,623,223	11,217,088	13,937,800	10,760,055	11,729,266	12,514,612
Total Funding Sources	11,623,223	11,217,088	13,937,800	10,760,055	11,729,266	12,514,612
FUND BALANCE						
Debt Reserve						
Beginning Reserve Balance	9,213,900	6,928,900	6,928,900	6,582,800	6,582,800	4,067,800
Increase (Decrease) in Reserve	(2,285,000)	(2,395,000)	(346,100)	(2,515,000)	(2,515,000)	(4,067,800)
End of Period Reserve	6,928,900	4,533,900	6,582,800	4,067,800	4,067,800	-
Capital Reserve						
Beginning Reserve Balance	-	-	-	201,361	201,361	81,361
Increase (Decrease) in Reserve	-	201,361	201,361	(120,000)	(120,000)	300,000
End of Period Reserve	-	201,361	201,361	81,361	81,361	381,361
Available Fund Balance						
Beginning of Period	3,783,400	1,937,000	1,937,000	2,362,039	2,362,039	1,933,884
Increase (Decrease) in Fund Balance	(1,176,900)	(731,527)	425,039	(1,583,351)	(428,155)	1,189,237
End of Period Available Fund Balance	2,606,500	1,205,473	2,362,039	778,688	1,933,884	3,123,121
Less 3 Mo. Operating Reserve	(2,742,506)	(2,734,189)	(2,609,800)	(2,811,969)	(2,765,472)	(3,107,465)
Ending Available Fund Balance (AFTER 3 Mo. RESERVE)	(136,006)	(1,528,715)	(247,761)	(2,033,281)	(831,588)	15,656
STAFFING	35.40	37.20	39.20	39.82	39.82	40.82

Due to closing Debt Reserve in FY27, when applying Model rates to cover Ops expenses, we could still increase Capital Reserve by \$300K.

SUMMARY OF AERONAUTICAL RATES AND CHARGES

Juneau International Airport
For Fiscal Years Ending June 30

	Budget 2027			Current Rates in FY26			
	Signatory	Non-Sig (a)	Total	Percent change	Signatory	Non-Sig (a)	Total
AIR TRAFFIC ACTIVITY (b)							
Enplaned Passengers	354,092	n.a.	354,092				
Landed Weight (in 1,000 lbs)	969,509	40,199	1,009,708				
Fuel Flowage (in gallons)							
Part 121/Large Jet	3,911,615	-	3,911,615				
Part 135 GA and Other Users	1,036,554	281,900	1,318,454				
Total	4,948,169	281,900	5,230,069				
SCENARIO #3:							
AIRFIELD COST CENTER (c)							
Landing Fee Rates <i>(per 1,000 lbs of MTOW)</i>	\$3.949	\$4.936		18.2%	\$3.34	\$4.18	
Fuel Flowage Fee Rates <i>(per gallon of delivered fuel)</i>							
Part 121/Large Jet	\$0.384	n.a.		28.0%	\$0.300	n.a.	
Part 135 GA and Other Users	\$0.427	\$0.533		29.3%	\$0.330	\$0.413	
TERMINAL COST CENTER (d)							
Terminal Building Rental Rates <i>(per rented square feet per year)</i>							
Counter (North Wing) plus 7 Feet	\$37.97	n.a.		22.5%	\$31.00	n.a.	
Counter (East Wing)	\$47.46	n.a.		21.6%	\$39.04	n.a.	
Office (North Wing)	\$34.17	n.a.		21.2%	\$28.19	n.a.	
Office (East Wing) (Base Rate)	\$37.97	n.a.		20.7%	\$31.45	n.a.	
Office (Admin East)	\$37.97	n.a.		20.7%	\$31.45	n.a.	
Baggage Claim (Public)	\$37.97	n.a.		20.7%	\$31.45	n.a.	
Storage/Makeup (Covered Bag Wel)	\$30.38	n.a.		21.3%	\$25.05	n.a.	
Storage/Frt Room (North Wing)	\$30.38	n.a.		21.3%	\$25.05	n.a.	
Canopy Storage (North Wing)	\$18.99	n.a.		21.9%	\$15.58	n.a.	
Holdroom/Departure Lounge	\$47.46	n.a.		21.6%	\$39.04	n.a.	
SECURITY COST CENTER (e)							
Passenger Security Screening Fee <i>(per enplaned passenger)</i>	\$5.28	n.a.		96.2%	\$2.69	n.a.	

MTOW - Maximum Certified Takeoff Weight.

(a) Signatory rates times a 25% premium.

(b) See Table 2 for detail.

(c) See Table 6 for detailed calculation.

(d) See Table 7 for detailed calculation.

(e) See Table 8 for detailed calculation.

Available Fund Balance Summary
Airport Fund
 12/5/2025

	FY24 Actuals	FY25		FY26		FY27 Requested
		Amended Budget	Projected Actuals	Amended Budget	Projected Actuals	
EXPENDITURES						
Total Expenditures	<u>15,085,123</u>	<u>14,142,254</u>	<u>13,657,500</u>	<u>14,978,406</u>	<u>14,792,421</u>	<u>15,093,175</u>
FUNDING SOURCES						
ALL Summarized	11,623,223	11,217,088	13,937,800	10,760,055	11,729,266	13,055,817
Total Funding Sources	<u>11,623,223</u>	<u>11,217,088</u>	<u>13,937,800</u>	<u>10,760,055</u>	<u>11,729,266</u>	<u>13,055,817</u>
FUND BALANCE						
Debt Reserve						
Beginning Reserve Balance	9,213,900	6,928,900	6,928,900	6,582,800	6,582,800	4,067,800
Increase (Decrease) in Reserve	<u>(2,285,000)</u>	<u>(2,395,000)</u>	<u>(346,100)</u>	<u>(2,515,000)</u>	<u>(2,515,000)</u>	<u>(4,067,800)</u>
End of Period Reserve	<u>6,928,900</u>	<u>4,533,900</u>	<u>6,582,800</u>	<u>4,067,800</u>	<u>4,067,800</u>	<u>-</u>
Capital Reserve						
Beginning Reserve Balance	-	-	-	201,361	201,361	81,361
Increase (Decrease) in Reserve	<u>-</u>	<u>201,361</u>	<u>201,361</u>	<u>(120,000)</u>	<u>(120,000)</u>	<u>800,000</u>
End of Period Reserve	<u>-</u>	<u>201,361</u>	<u>201,361</u>	<u>81,361</u>	<u>81,361</u>	<u>881,361</u>
Available Fund Balance						
Beginning of Period	3,783,400	1,937,000	1,937,000	2,362,039	2,362,039	1,933,884
Increase (Decrease) in Fund Balance	<u>(1,176,900)</u>	<u>(731,527)</u>	<u>425,039</u>	<u>(1,583,351)</u>	<u>(428,155)</u>	<u>1,230,442</u>
End of Period Available Fund Balance	<u>2,606,500</u>	<u>1,205,473</u>	<u>2,362,039</u>	<u>778,688</u>	<u>1,933,884</u>	<u>3,164,326</u>
Less 3 Mo. Operating Reserve	(2,742,506)	(2,734,189)	(2,609,800)	(2,811,969)	(2,765,472)	(3,107,465)
Ending Available Fund Balance (AFTER 3 Mo. RESERVE)	(136,006)	(1,528,715)	(247,761)	(2,033,281)	(831,588)	56,861
STAFFING	35.40	37.20	39.20	39.82	39.82	40.82

This scenario increases expenses by \$500K from Scenario #2 and added to Capital Reserve. It is the intent of the Airport Manager to build up Capital Reserve to forward fund grant match (until PFC's are available), and to fund projects that are not FAA eligible.



TO: JNU Airport Board
FROM: Andres Delgado, Airport Manager
DATE: December 5, 2025
RE: Airport Manager's Report

A. Airport Financial Model – See also Agenda Item A in Unfinished Business

Staff are incorporating feedback from the Board and stakeholders and preparing budget schedules, with ongoing outreach to Part 121 and Part 135 carriers, including a December 5 meeting with Alaska Airlines and Delta Air Lines.

Both Alaska Airlines and Delta Airlines expressed support and provided feedback on the budget process, financial model, and prior presentations, and local Part 135 operators (see Correspondence) offered additional input; all of which will be incorporated into materials for the next Finance Committee meeting.

Previously, in November's Regular Board Meeting, staff presented an overview of the streamlined rates and fees model that retains JNU's cost-based methodology while improving clarity for the Board and the public. The briefing recapped JNU's history of setting rates across Part 121, Part 135, and non-aeronautical users, explained why the model was simplified without changing core logic, and walked through the allocation framework that maps expenses and dedicated revenues to the airfield and terminal rate bases to produce landing fees, terminal rent, and related charges. The presentation also outlined a consistent packet format with clear formulas and summary visuals.

B. FAA Part 139 Certification Inspection

JNU's annual FAA certification inspection took place November 18-20. The inspection went well and JNU continues to be a safe airport. A Part 139 inspection typically reviews the Airport Certification Manual and records, daily self-inspections, ARFF staffing, training, response times, and equipment, airfield markings, signs, and lighting, pavement conditions and FOD control, snow and ice control operations and documentation, wildlife hazard management, fueling agent compliance and inspections, construction safety, driver training and movement-area access, and NOTAM procedures and accuracy. JNU staff will address any noted discrepancies with documented corrective actions and timelines, if required. Thank you to Airfield Maintenance staff, ARFF personnel and USDA Wildlife Services staff for their support and hard work throughout the inspection and over the previous year.

C. Coastal Helicopters Christmas Lights Flights

Coastal Helicopters will sponsor the Annual Christmas Light Flights fundraiser on December 19, approximately 4:15 p.m. to 7:30 p.m., weather permitting. All proceeds benefit the Mendenhall Flying Lions and Cancer Connection. Flights will depart from the north wing of the Airport Terminal. The Airport will provide free parking for the event. Coastal Helicopters will donate aircraft, pilots, mechanics, and logistics. Booking will open about one week prior on Coastal's website at www.coastalhelicopters.com.

D. Airside Operations Snow and Ice Control Priorities

Snow events and rain on frozen pavement remain our most challenging winter conditions, particularly during rapid temperature swings. Snow is a "removal" event, requiring all personnel and tying up resources, while water over ice cause extremely slick conditions and can require temporary closures to restore safe braking conditions. In coordination with FAA and as set in the Airport Certification Manual, JNU priorities are runway operations first, followed by ARFF access routes and medevac movements to ensure safe continuity of service. We are nearly fully staffed this year, and all operators are trained and certified for movement-area work. This informational item is provided so tenants and users understand the priorities and requirements that guide winter operations.

E. JNU Enplanement Activity Report
(ATTACHMENT F)

F. UPDATE - Capital Improvement Program (CIP)

Staff met with FAA on November 12 to review JNU's October 1 CIP submittal. FAA provided suggestions on several projects that will result in updates to scope, descriptions, and costs. JNU staff continues to work with FAA to incorporate these changes and align priorities, phasing, and funding strategy. The original submittal emphasizes safety and reliability, sequences key airfield and terminal work so JNU can move quickly as funding windows open, including RWY 26 MALSR, E-1 ramp rehabilitation, terminal upgrades with accessibility improvements, MAGVAR conversion and lighting, outbound baggage, RSA grading, and recurring movement-area markings through FFY28.

G. UPDATE – Encampments on Airport Property

Encampments and trash in the Jordan Creek Greenbelt and other airport areas persist. On November 14, a significant clean-up occurred along Teal Street with coordinated efforts by CBJ Streets, JPD, and JNU. JNU staff continue to monitor for airport safety and security and conduct cleanouts as required in coordination with partner departments. This remains a continuing challenge for the Airport.

Hot Topics – The following items highlight ongoing issues staff is addressing in addition to regular Airport Project Reports.

H. NO CHANGE - ARFF Truck Status

The Gustavus (GST) ARFF truck arrived in Juneau on Monday, October 27 and is now in service as Engine A-29. All required notices and records, along with the AKDOT/JNU MOU, are complete.

I. NO CHANGE – Aviation Worker Screening (AWS)

On Oct 16, 2025, TSA instructed airports to maintain the worker-screening measures in place as of Aug 22, 2025 (date of the D.C. Circuit opinion) and indicated airports may pause work toward requirements with future implementation dates, including explosives detection equipment (EDSE) acquisition, until further notice, in coordination with the local TSA Federal Security Director. The prior EDSE purchase requirement targeted for April 2026 is therefore postponed indefinitely. DOJ did not file its Oct 21 status report. The Court ordered DOJ to respond to the coalition's petition for panel rehearing by Nov 12, 2025. JNU remains compliant with randomized screening across all hours while rulemaking proceeds.

J. NO CHANGE - Passenger Facility Charge (PFC10) Application Process

The Airport has initiated the public process for the PFC10 application. Draft projects and costs were provided to the airlines, with a consultation meeting held on March 11, 2025. Several proposed projects have since been removed; the application remains in draft status, and additional eligible projects will need to be identified before the application can be completed.

K. NO CHANGE – Juneau–Douglas North Crossing

The PEL Study continues to advance. Level 2 Screening results were released in February 2025, followed by a Draft Final PEL in May, with the final study due after the June 9 comment deadline. The July 2025 report confirmed all five alternatives remain viable for NEPA review, with Salmon Creek scoring highest. DOT&PF and DOWL continue to assert that any alternative conflicting with approach surfaces or the ALP will be modified or removed. Additional information and documents are available at www.jdnorthcrossing.com, and comments may be directed to JDNorthCrossing@dowl.com.

L. NO CHANGE – Egan/Yandukin Intersection Improvements Project

AKDOT has narrowed down design alternatives for the project. Please visit ADOT website for the project at <http://dot.alaska.gov/eganyandukin>.

M. NO CHANGE – ARFF Truck Procurement

In July 2024, JNU was awarded an AIP grant of \$1,007,116 to purchase a 1,500-gallon ARFF truck to replace A3, a 2003 Oshkosh. The FAA Airport Division has rescinded the grant because Sourcewell, the cooperative purchasing contract used, is not an approved method for procuring the ARFF apparatus. The truck was ordered in September 2024, Rosenbauer has begun the build, and delivery is expected no later than March 2026. This equipment is essential to maintaining JNU's Index "C" rating for

commercial jet service. Forward funding of this truck is being done through fund balance. The purchase will be shifted to PFC10 funding once collections tentatively begin in Spring 2027, with the draft PFC10 application to be updated after airline consultation. As PFC revenues are received, the fund balance will be reimbursed.

Juneau International Airport Monthly Activity Report for October 2025

Passenger Enplanements	Oct-24	Oct-25	Increase / Decrease	CYTD 2024	CYTD 2025	Increase / Decrease	FYTD* 2024	FYTD* 2025	Increase / Decrease
Alaska Airlines	23,892	22,887	-4.21%	284,794	287,026	0.78%	138,338	137,512	-0.60%
Delta Airlines	1,706	1,437	-15.77%	14,631	16,637	13.71%	12,360	13,049	5.57%
Total	25,598	24,324	-4.98%	299,425	303,663	1.42%	150,698	150,561	-0.09%

Passenger Deplanements

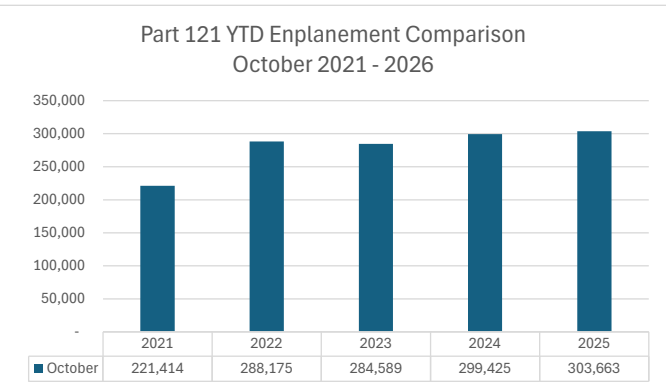
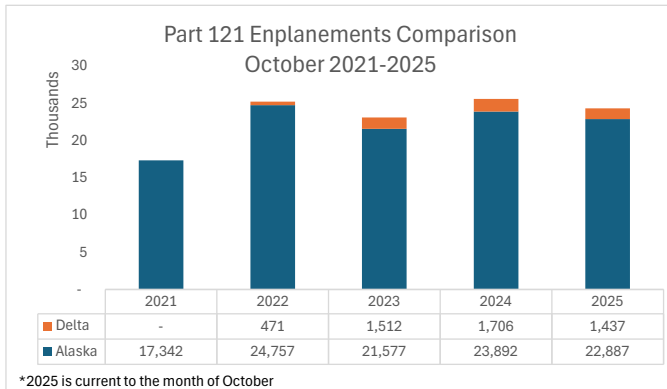
Alaska Airlines	22,198	21,140	-4.77%	286,383	287,026	0.22%	131,701	131,760	0.04%
Delta Airlines	1,379	977	-29.15%	15,296	15,510	1.40%	11,918	12,078	1.34%
Total	23,577	22,117	-6.19%	301,679	302,536	0.28%	143,619	143,838	0.15%

Landing

Alaska Airlines	434	437	0.69%	4,767	4,712	-1.15%	2,080	2,081	0.05%
Delta Airlines	31	24	-22.58%	147	139	-5.44%	123	116	-5.69%
ACE	90	84	-6.67%	734	790	7.63%	312	326	4.49%
Aero Air (Airlift Northwest)	24	28	16.67%	374	422	12.83%	166	182	9.64%
Aero Services (Atlantic / Trajen)	47	641	1263.83%	777	835	7.46%	404	433	7.18%
Total	626	573	-8.47%	6,799	6,898	1.46%	3,085	3,138	1.72%

Cargo

Air Mail	628,206	590,862	-5.94%	5,629,435	5,656,048	0.47%	2,388,136	2,386,012	-0.09%
Air Freight	1,374,909	1,437,490	4.55%	13,478,808	16,289,228	20.85%	5,996,077	7,241,633	20.77%
Total	2,003,115	2,028,352	1.26%	19,108,243	21,945,276	14.85%	8,384,213	9,627,645	14.83%





MEMORANDUM

TO: Andrés Delgado, Airport Manager

FROM: Ke Mell, Airport Architect

DATE: December 3, 2025

RE: Airport Architect's Report

*Updates since last report in italics. Look ahead in **bold italics**.*

Mendenhall Riverbank Stabilization: *On December 1 JNU staff inquired with the State of Alaska Department of Military & Veterans' Affairs (DMVA) as to the status of our request for reimbursement, which has been in the works since immediately after the August 2023 jökulhlaup. **Staff will continue to monitor the reimbursement process**, which is the only outstanding item, as both Island Contractors and proHNS have been paid and the project has been closed out by JNU.*

The final pay request for proHNS left \$9914 unspent in their contract, which brings the total cost of contractual services for the project to \$287,046.25, under the \$300K authorized by the Board in their May meeting and the Assembly in their June meeting. Staff will pursue reimbursement from DMVA. Staff will seek reimbursement for staff time required to administer the contracts and to coordinate with DMVA, but it is unclear whether JNU will be reimbursed.

JNU came through the 2025 jökulhlaup without damage. Staff were on site the morning of August 13 at 815a, about the time of peak flow. Water was high, but appeared to be 8-10' below the Emergency Vehicle Access Road/dike trail. Despite a number of trees floating past, the water velocity was relatively slow and was not scouring the riverbank. proHNS visited the site on the next day's low tide and provided a report with photos documenting no damage.

Island Contractors completed the work in late July and staff sent the final engineer's report, with extensive photographic documentation of the completed rock armor, to DMVA.

At the August 21, 2024, low tide JNU staff and proHNS visited the site of the 2023 damage. There was no damage from the 2024 jökulhlaup additional to the 2023 damage.

The jökulhlaup that occurred on August 5, 2023 stripped approximately 110 lineal feet of rip rap from the Mendenhall River embankment just southwest of the float plane pond. Permanent work to repair damage must follow normal City and Borough of Juneau contracting and bidding procedures and permitting by relevant agencies. Eighteen months from August 5, 2023, is February 5, 2025. JNU staff applied for the eight-month extension on November 26, 2024; DMVA staff assured JNU that the extension would be granted.

Master Plan Update (MPU): *Michael Baker International (MBI) and the Federal Aviation Administration (FAA) continue to resolve differences as to how numbers were derived in the Final Draft Forecast chapter of the MPU. JNU expects a complete draft in the new year, timing contingent on the FAA review.*

MBI presented an overview of their work to the CBJ Assembly Public Works and Facilities Committee at the Committee's June 2, 2025 regular meeting, and to the JNU Airport Board at the April 10, 2025 regular meeting.

MBI visited JNU on December 4 and December 5, 2024. They met w/JNU staff and members of the TAC, toured the facilities and laid the groundwork for their work over the following year.

The current Airport Master Plan is being updated with regard to data and forecasts of aviation demands, expansion for future planning consideration, Airport Layout Plan, and related Exhibit "A". This update will include an obstruction survey, but does not look to change the sustainability goals, environmental inventory, nor financial plan.

Channel/Loken/Coastal Contamination: *(No change)* As of August 28, Cox Environmental stated, "ADEC is currently taking much longer than their "standard" 30-day window to review submittals."

As of August 6, the State of Alaska, Department of Environmental Conservation (ADEC) hoped to complete their review of the Site Characterization Report by mid-August.

On June 30 JNU received the Site Characterization Report. Cox Environmental provided this summary:

- Soil: No Gasoline Range Organics (GRO) detected; one Diesel Range Organic (DRO) detection below cleanup levels; arsenic detected above migration to groundwater cleanup levels but below human health standards (considered naturally occurring).
- Groundwater: DRO detected below cleanup levels; arsenic detected above cleanup levels in three wells (considered naturally occurring); lead detected below cleanup levels.
- Extent delineated: Horizontal and vertical extent of GRO, DRO, and arsenic contamination delineated; lead plume delineated with additional wells installed.

CES recommends the site be evaluated for "Cleanup Complete with Institutional Controls" now that lead groundwater contamination extent has been delineated. DEC has not yet responded to the report.

At the January Board meeting the Board approved the appropriation of \$43,338 for Cox Environmental for an updated site work plan and additional drilling/testing groundwater wells, as required by ADEC, for the contaminated site abutting Airport-Coastal/Loken property; up-front funding provided by Airport Fund Balance and repaid through an insurance claim through CBJ Risk Management.

On December 9 ADEC approved the Site Characterization Report submitted by Cox Environmental on July 15, 2024. In the letter ADEC stated, "Additional site characterization is required south of

JIA-12 and west of CF-12 to determine the extent of the groundwater contaminant plume.” Cox Environmental has submitted a budget for the work required.

Cox Environmental is under contract for JNU's ADEC required Site Assessment Work Plan (SAWP), and under contract with Loken for their parallel SAWP. Drilling on both properties to assess the extent of below grade contamination was completed on May 9, 2024. Cox Environmental reported that “Based on field screening, contamination is likely present in soil borings ... located in the vicinity of the decommissioned waste oil burner. The contamination was present down to the water table which was encountered at a depth of 9-10 ft. below ground surface (bgs). The borings on the eastern portion of the Coastal/JIA properties did not indicate contamination is likely present. We will issue a full report after we complete sampling of the newly installed groundwater wells next week and have the results of the soil/groundwater samples from the lab.”

ADL 107380 Conveyance: *On November 25 JNU received the draft patent from the State of Alaska, Department of Natural Resources and forwarded it to the FAA for their review. If the FAA accepts the draft patent, JNU will concur w/the draft and await the final patent.*

The FAA has requested that the conveyance be included on Exhibit A of JNU's Airport Layout Plan (ALP), which is being revised by Michael Baker International (MBI) as part of the JNU master plan update.

DoudBTS has received a Phase I Environmental Survey Assessment, and shared it with JNU. JNU does not require an ESA from tenants, but tenant project financing and liability concerns do require it. The ESA did not reveal any issues.

DoudBTS has engaged Alaska Commercial Contractors (ACC) for the project. ACC has moved part of the large pile of recycled asphalt pavement (RAP) that occupies the northern side of the North East Development Area (NEDA) to make room for their work, and is constructing a temporary airfield security fence so construction can take place entirely on the unsecured (landside) of the airport. At completion of construction, the permanent security fence will be installed. You will see construction progressing this fall towards a planned 2026 hangar completion.

In April JNU was approached by DoudBTS requesting to lease an airfield lot on which to construct a hangar for Guardian Flight. Guardian currently occupies an existing hangar on Lot 2 of Block P, on Livingston Way between the lots occupied by Airlift Northwest's hangar and the National Guard's hangar. The new hangar will be an upgrade for Guardian, and will be located on Lot 5 of Block P, just east of the Wings hangar.

Staff Recruitment *(No change)* Due to the spring's retirements and resulting extreme short-staffing, staff have been working with CBJ Human Resources (HR) to update the position description and fill the position in support of the JNU projects office that Kris Ritter formerly occupied. Staff will continue to do so until the position is filled and on-boarded.

Secure Identification Display Area (SIDA) Americans with Disabilities Act (ADA) Elevator: *(No change)* On May 8 Northwind Architects submitted their fee proposal; staff are reviewing it.

On February 14, JNU received proposals from two design consultants, Jensen Yorba Wall and Northwind Architects. On March 24 Northwind Architects was selected and will begin contract negotiations with JNU shortly.

On March 4, 2025, the Assembly appropriated \$50,000 to the Manager for the Departure Lounge ADA Elevator Capital Improvement Project, funding provided by Airport Revolving Funds. The Airport Board reviewed and approved this at the December 12, 2024, meeting.

Staff thanks Mr. Bedford for participating in review of the two consultant proposals received for design of the elevator installation. In his email returning his comments, he noted: "I think that it is important that the elevator installation have minimum impact on the view of the airport from the sterile area. I think that it is beneficial to the airport and the aviation community as a whole that the traveling public be exposed to and take an interest in airport operations. Both proposals seem to recognize that the area on the ramp level between gates 3 and 5 is extremely congested but I would like to emphasize this point. Although the south wall of the terminal is probably the most logical site for the proposed elevator, that area takes the full brunt of the prevailing southeast wind, and this should be taken into account during the design process."

The work will be in two phases: 1) to conceptually identify possible locations and associated costs for an elevator; and 2) once a location is chosen, the architect and consultants will prepare bid documents. Staff estimate that concept design will be less than \$50K. Total design and construction costs will depend on the concept selected.

An elevator serving the Departure Lounge, Bagwell, and 121 Apron would facilitate ground boarding for passengers who cannot use stairs, and employee access between the floors. The elevator would require a SIDA badge for access and operation. Federal Aviation Administration (FAA) has reviewed the concept and stated that the project would be eligible for AIP or BIL funding.

E-1 Ramp Rehab: *(No change)* Staff have registered with the Alaska Heritage Resources Survey as a “qualified professional” and are editing the concurrence letters per Federal Aviation Administration (FAA) direction.

When the Categorical Exclusion (CATEX) application was submitted to the FAA in December of 2024, the FAA requested State Historic Preservation Office (SHPO) concurrence that no additional sites eligible for listing have been found or buildings have aged in (become 50 years old) since 2003. This requires a search of the Alaska Heritage Resources Survey website. Within the past year SHPO has restricted access to the website to “qualified professionals”. This would typically require CBJ to issue a Request for Proposals (RFP) for a qualified professional, evaluate their submissions, and contract for the services. For a small project like this, the administrative overhead—both time and money—to obtain the search is considerable. However, “qualified professionals” includes registered architects. JNU staff include registered architects, and staff have been granted access to the website. Normally the concurrence is a two-step process, but in this case—with the limited scope of the project and JNU having a qualified professional on staff, the FAA will approve a direct to findings process, skipping the first step.

Departure Lounge Carpet Replacement: *(No change)* Staff are drafting a scope of work and have estimated the cost at \$150,000. Staff anticipates funding the work through the local match for the terminal renovation project. When staff have a quote, this will come back to the Board for approval. The work is not included in the FY26 budget.

Carpet in the Transportation Security Administration (TSA) passenger screening area and the Departure Lounge needs replacing and continues to deteriorate; the work must include repair of underlying irregularities in the floor slab that are telegraphing through the carpet and accelerating wear. The FAA will not pay for this work. Staff are drafting a scope of work and budget. Ideally work would take place in February, when the terminal is relatively quiet.



MEMORANDUM

TO: Andres Delgado, Airport Manager

FROM: Mike Greene, JNU Airport Project Manager

DATE: December 1, 2025

RE: Project Office Monthly Report

Project specific summaries of project status and activity are presented below.

Runway Shoulder Grading and Navigational Aids (NAVAIDS): JNU has not yet signed a Reimbursable Agreement (RA) to formalize the agreement in which JNU, as the Sponsor, will provide funding for the Federal Aviation Administration (FAA) to complete their preliminary planning and in-house engineering review of the RSA Shoulder Grading project.

It remains the position of the Federal Aviation Administration's Air Traffic Organization (FAA-ATO) that a complete internal engineering design review of the project is necessary to determine whether the surface grade slope adjustments within the Runway Safety Areas (RSA's) are being brought to "standard" and whether bringing the surface grades to standard will adversely impact the FAA owned NAVAIDS that are located on both ends of Runway 8-26.

It also remains the position of FAA-ATO that should the FAA engineering review determine that the grading work adversely impact the VASI installation, the FAA will want the scope of the RSA Shoulder Grading project to be expanded to include the removal of the VASI and the installation of the new PAPI.

As of this report, the RSA Shoulder Grading project remains on hold pending CBJ/JNU review and acceptance of the FAA's Planning and Design review RA language. That being the case, the Board is advised that the project schedule is being impacted – based on the preceding and on the following:

- It is anticipated that the current approved project CATEX (Categorical Exclusion) will need to be revised and re-submitted to the FAA to reflect any changes initiated by the FAA into the project scope of work.
- It is anticipated that the FAA review will introduce additional modifications to the current set of design documents.
- Should the FAA determine that the grading work will "adversely impact" the existing VASI, they will be looking to utilize the JNU RSA Shoulder Grading project as the mechanism to install the new PAPI equipment. This will require additional modification to the current set of design documents. It will also be necessary for JNU's design consultant (HDR Engineers) to expand their scope of services to include the necessary electrical engineering.
- It is also anticipated that the JNU's Floodplain Development Permit application will need to be revised and re-submitted to CBJ Community Development to address any changes to the project scope of work.

The Board is further advised that the FAA has advised that they are going to require a second construction phase RA which will address the costs associated with the FAA's involvement during the project's construction phase. At this time, the extent of the FAA's involvement remains unclear.

Rehabilitate Part 121/135 Apron and Remain Overnight (RON) Parking Apron: The new motion sensors that were recently installed by SECON / Chatham Electric are also filling with water. Chatham Electric is once again working with MUSCO to obtain replacement motion sensors. The new lights are now operating at full intensity with on-off operation controlled by photocells. A full test of the lighting controls will be conducted once waterproof motion sensors have been installed.

The project, still almost a year ahead of schedule, will soon be determined to be substantially complete and the JNU and DOWL will move into the close-out phase.

JIA Surge Protection: No change since last report. RESPEC has submitted the 95% design documents for this project, which calls for the installation of fifty-one (51) surge protection / arrestors as add-ons to the existing electrical distribution panels within the Terminal, the Snow-Removal Equipment Building and the Sand-Chem Building. The estimated construction cost (materials and labor) for this initial scope of work is \$317,400.

Following receipt of the 95% documents, JNU requested a fee proposal from RESPEC to design an Uninterruptible Power Supply (UPS) battery-back-up system for the control tower, and to incorporate this design into the design documents for the surge protection project.

- Per FAA ATC request: "Addition of an Uninterruptible Power Supply/ Power Conditioning System (UPS/PCS) to the main branch electrical feed for the entire ATCT structure."
- RESPEC has been instructed to size the UPS based on the tower's entire electrical load.

The JIA Surge Protection project is being run through the 2023-2025 CBJ Term Consultant contract, which has a fee cap of \$50,000. Project Authorization (PA) 11 to this term contract, which covers RESPEC's original design effort, is in the amount of \$14,520.00. Per JNU's request, RESPEC has submitted a second fee proposal, in the amount of \$16,105.00, to complete the design for the introduction of a UPS battery back-up system for the control tower. This second proposal includes the design work to incorporate the tower UPS design into the design / construction document for the JIA Surge Protection project.

In their second fee proposal, RESPEC has also identified an additional potential design fee of \$5,855.00 to address the introduction of mechanical cooling if found to be needed following the design of the UPS battery back-up system. This additional proposal includes the design work to incorporate the mechanical cooling into the design / construction documents for the JIA Surge Protection project.

RESPEC's second fee proposal, if accepted, would add \$16,105 to the existing PA (\$14,520.00), bringing the amended PA total to \$30,625.00. If the mechanical cooling component is needed, the associated additional \$5,855.00 would amend the PA total to \$36,480.00.

That leaves \$13,520.00 below the PA cap – to use for limited construction administration (materials submittal review) and inspection services if deemed necessary and affordable.

Per the FAA's April 4, 2025 Reauthorization Program Guidance Letter (R-PGL) 25-02:

"Other Considerations: The statutory phrase "improve reliability and efficiency of the power supply... prevent power disruptions" may also be addressed through an on-airport power generation project not connected to a microgrid. An example of an eligible project is replacement of an electrical substation or electricity vault to ensure it is above the floodplain elevation or otherwise sited or designed to ensure safety or to create greater resilience to mitigate against disruptions from natural hazards.

The new statutory language makes eligible a project to improve “future electrical demand and to prevent power disruptions to the airfield, passenger terminal, and any other airport facilities.” For projects premised upon future electrical demand, sponsors need to provide justification by conducting an energy assessment under 49 U.S.C. § 47140.”

Based upon this R-PGL, JNU intends to submit this project to the FAA for determination of AIP eligibility.

The Board is advised of the following:

- A bid schedule / construction schedule for this project has not yet been identified.

Outstanding Terminal Work Items: No change since last report JNU continues to work with RESPEC (under contract with McCool Carlson Green (MCG) – designers for the Terminal Reconstruction project) on finalizing the following outstanding work items:

Air Traffic Control Tower – Temporary Fixes: No change since last report. Following the 07.31.2025 meeting with the Director and Lead Planner with FAA Alaska Airports JNU coordinated with CBJ Contracting and obtained approval to solicit a fee proposal from RESPEC to provide design and cost estimating services to address the following tower upgrades:

- A complete upgrade to the existing tower fire detection and alarm system.
 - o The existing fire detection and alarm devices are obsolete and need to be upgraded to addressable components that are compatible with the new terminal fire alarm system.
 - o The entire system installation needs to be reviewed for code-compliance.
 - o The interconnection between the tower FA system and the terminal FA system is to be maintained.
- The removal and replacement of existing air-handler VU-5 which provides outside (make-up) air to the control tower. Following modifications during the terminal renovation project, this air-handler also provides limited back-up heating to the tower.
 - o The VU-5 replacement would be a compact high-efficiency air-handler with heating coil(s) and a filter bank.
 - o The new air-handler would primarily be controlled by the existing building automation system with some occupant control.
 - o The new air-handler would be capable of providing heating to supplement the heat provided by the ceiling mounted cassettes up in the cab.
 - o The new air-handler would be equipped with Variable Frequency Drives to control fan speeds and supply (make-up) air rates.
 - o The new air-handler would provide positive air-pressure within the tower.
 - o The new air-handler will include an occupant controlled “air-replacement” system used to evacuate air from the tower cab. This system would allow occupants to initiate an automated sequence that would temporarily ramp-up the outside air delivery rate into the cab to flush the cab of excessive heat and/or jet exhaust fumes.
 - o Associated work will include the introduction of temperature-controlled make-up air into the FAA breakroom. This would address a long-standing code deficiency.
- The replacement of the FAA owned primary power disconnect switch.
 - o During the terminal renovation project, it was discovered that this switch was in very poor condition. The concern is that there is a possibility that if used to power-down the cab, the switch may not be able to hold when used to return power the cab.
- The introduction of surge protection devices on the four (4) tower electrical service panels.
 - o This work is already a part of the existing surge protection / power conditioning project with RESPEC.

- The introduction of additional convenience outlets within the tower cab.
 - o Per FAA ATC Request: “convenient and strategic locations within the Tower Cab based upon ATC and Tech-Ops recommendations”
 - o JNU has asked ATC to clarify the extent of this request.

On 08.22.2025, RESPEC submitted a fee proposal, in the amount of \$46,005.00 to address most of the above work items. RESPEC indicated that they could not complete the design and construction documents for the replacement of VU-5 within the \$50K contract cap. Instead, this proposal would complete only a schematic design and ROM construction cost estimate for this work.

Following a review of this proposal and concerned about committing \$46,005.00 to a design contract that may not be needed if JNU is not awarded the BIL grant, JNU asked RESPEC to provide a revised fee proposal to provide only an initial schematic level narrative and constructive cost estimate for all work - including the replacement of VU-5. This is the information that is needed for the BIL grant application.

On 08.27.2025, RESPEC submitted a revised fee proposal, in the amount of \$16,640.00. JNU has not yet accepted this fee proposal.

Ground Source Loop Field System and HVAC Modifications: No change since last report. JNU Building Maintenance continues to observe contaminates/sediment within the loop field medium (methanol), even with the equipment strainers, pump strainers, by-pass filter and dirt separators in place. The continuing concern is that the system is not getting any cleaner over time, and that somehow the contaminates/sediment keeps replenishing itself. In a meeting with JNU staff, JNU Airport Maintenance and engineers from RESPEC conducted on December 12, it was decided that the samples of these contaminates should be lab-tested to determine what this material is. JNU has asked RESPEC to coordinate with MCG and utilize their remaining contract fund balance to contract with a hydronic system fluid treatment specialist to examine the fluid chemistry, analyze the sediment, and inspect some of the piping in order to recommend or implement a treatment, cleaning, or fluid replacement plan for the distributed ground source piping system.

Culvert Condition Survey – Jordan Creek @ Runway 8-26: No change since last report. As previously reported, JNU has received the condition survey as prepared by proHNS engineering for the large half-arch aluminum culvert assembly which allows Jordan Creek to pass beneath Taxiway A and Runway 8-26. In their report, proHNS stated the opinion that an immediate catastrophic failure of the culvert is unlikely. The report goes on to state that continued deterioration is likely, and that repair work is recommended, even if the source of deterioration is determined and eliminated. proHNS has identified three (3) repair-in-place options, recommending them for further study. They would not require open trenching, would not require a closure of Runway 8-26 and would not require extensive permitting.

At this time, JNU does not have estimated construction costs for any of the three repair options. JNU has confirmed with the FAA that replacement / repair costs would not be AIP eligible because the culvert is within the 20-year useful life of grant 60-2014 and because the FAA considers this work to be a maintenance project.

JNU has requested a fee proposal from proHNS Engineering to complete the necessary design phase services and to provide bid-ready construction documents (technical specifications and drawings) based upon one of their three repair-in-place recommendations. The RFP has requested that the design consultant complete a structural analysis of the recommended repair option to verify that the repair would become a permanent load bearing replacement for the culvert in the eventuality that the old culvert fully deteriorated away. The RFP also requested that the design consultant prepare detailed construction cost estimates throughout the design process.

It was JNU's hope that proHNS' services could be obtained through CBJ's Term Consultant Contract – which has a \$50K cap. proHNS has advised that they cannot complete the identified scope for under \$50,000. proHNS also advised that based on their research into the three repair options that would not require runway shutdowns, the project is going to require specialty design services. Based on this communication, it would now appear necessary for JNU to obtain design services for this project by issuance of an official RFP for Consultant Design services through CBJ Contracting.

Parking Lot Concrete Repairs: No change since last report. Portions of the concrete curb and gutter within the public short term parking lot, the taxi waiting lot and the secure employee parking lot have been damaged by snow removal operations.

JNU had initially attempted to address this work by RFP 016 through the current construction contract with SECON but is now planning on running this work through CBJ's small civil term contract. JNU is currently preparing the scope of work package for this small project. A funding source for this work has not yet been identified.

Airport Construction Document Archiving: JNU Staff continue to work on sorting, scanning and culling the old, archived construction documents, as-built documents and miscellaneous reports.

End of Report

December 4, 2025

To: Andres Delgado, JNU Airport Manager

CC: JNU Airport Finance Committee, Angelica Lopez-Campos

Fr: Jodi Garza, Alaska Seaplanes, Island Air Express

Re: FY27-30 Budget and rate and fee model

I would like to begin by expressing our appreciation for the improved communication, transparency, and engagement demonstrated throughout this year's budget process. The early start and the additional clarity provided during the Finance Committee work sessions have been encouraging and reflect positively on JNU's leadership and commitment to accountability. Likewise, the draft rate model is a significant improvement to the prior model. It is simpler, easier to follow and allows for better transparency for rate-setting. Thank you for these efforts.

As we continue our review, we respectfully offer the following items for discussion to help ensure that the final budget and associated rates and fees remain fair, equitable, and reflective of both the immediate and long-term needs of Juneau International Airport.

Unresolved Rates and Fees Issue

The model calculation error identified in 2019, which resulted in an over-collection of rates and fees from Part 135/General Aviation tenants, remains unresolved. In early 2020, the board directed staff to evaluate and report back on this matter, including resolution. That never occurred. This ongoing discrepancy creates uncertainty around the fairness of the current rate structure. Because equitable rates and fees are a requirement under FAA Grant Assurances, we respectfully request that this issue be formally addressed, corrected, quantified and incorporated into rates and fees.

Approach to Budgeting

We recognize the importance of a conservative budgeting approach; however, assumptions must remain realistic to avoid unintended over-collection of revenue. Applying a vacancy factor for unfilled positions would provide a more accurate projection of personnel expenditures and help ensure the budget more closely reflects anticipated operations. We believe this adjustment would improve both accuracy and fairness.

Capital Projects

The budgeted \$300,000 allocation intended for capital project match prompts a request for greater clarity around how capital projects are prioritized and funded. We encourage the Airport to adopt a formal policy outlining funding sources, user-group responsibilities, and criteria for prioritization. Given this year's budget increases and the outstanding rates and fees issue, we also ask that this policy be developed as a separate, focused effort.

We recommend that the list titled "*JNU Non-AIP Eligible Projects List – FFY 2026–2030*" be referred to the Operations Committee for review, prioritization, and classification by user group before any associated funding is authorized in the budget.

As of December 2024, the CIP revolving account reported a balance of \$211,361. We request clarification on how this account differs from the new capital projects account proposed to be supported by the additional \$300,000. Additionally, on August 14, 2025, it was noted that \$755,000 from the Terminal Renovation Closeout would be returned to fund balance—did this transfer occur?

Fund Balance

We understand that \$1,000,000 of fund balance was used for the ARFF vehicle purchase, with reimbursement expected through PFC10. Could you please confirm whether a corresponding receivable has been recorded?

We also request additional detail regarding the \$700,000 reclassification identified during the FY24 reconciliation that resulted in an overstated fund balance.

Once the model is completed for FY25, we recommend adding the fund balance roll forward to Tab T9 of the model so that historical as well as planned future fund balances are being tracked and reported.

Expenses

The proposed \$400,000 allocation for explosive detection equipment does not appear to be required by TSA at this time. We respectfully request additional justification for this expense or consideration of deferring it.

We also support efforts to maintain staffing continuity and prevent burnout. Re-establishing a Deputy Airport Manager position may be appropriate, particularly if responsibilities such as grant development and administration could be incorporated. A focused grant strategy—including identification, application, and administration—would help offset project and maintenance costs and reduce pressure on tenants through future rate and fee increases. We request that a clear grant-pursuit plan be developed and implemented.

Contractual Services – Airfield (Significant Variability)

Contractual Services – Airfield expenses have fluctuated significantly year to year: \$189k in FY22, \$628k in FY23, \$1.3M in FY24, and \$368k in FY25. We request clarification on the drivers behind these variations. Additionally, with the FAA Reauthorization now providing reimbursement for this activity, it is unclear why future budgets remain flat and why a significant reduction is shown in FY28.

Concessions Revenue Decline

We request an explanation for the projected decline in gift shop revenue from \$67,000 to \$27,000.

New JNU Rate Model

It is important to note that this model makes no statement or implication on the 85/15 split between 121 and GA/135 for expenses and revenues. The split is a negotiated between the Tenants, JNU is not a party directly involved in the negotiation.

Actuals for at least one fiscal year should be entered in the model as base years to better demonstrate how rates determined by the model compare to prior actuals. We suggest using FY25/ as initial base years. Going forward, the model should be updated annually to understand how the then in-effect rates impacted overall net revenues of the airport and fund balance. Historical amounts would also help to test the model to ensure that it is functioning as intended and will provide assurance that rates and fees are fair and equitable, per grant assurance 22:Economic Nondiscrimination and 24: Fee and Rental Structure.

The model contains numerous assumptions on Tab T2 that are from varying period ends. The assumptions are also included only in cell comments. A comparison of the forward-looking estimates to historical actuals should also be included in the new tab so that a user can better evaluate the assumptions.

Overall, we remain committed to supporting a financially resilient and operationally strong airport. We believe that addressing these questions and establishing clearer long-term policies will strengthen JNU's financial sustainability and ensure that cost burdens are allocated fairly and appropriately among users.

Thank you again for the work that has gone into this year's budget process and for your continued collaboration. We respectfully request that JNU consider providing multiple budget scenarios for the Airport Board to evaluate as this process moves forward.