JIA AIRPORT BOARD MINUTES

August 14, 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** Ms. Soutiere 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	Eve Soutiere
Charlie Williams	

Staff Present:
David Palmer, Airport Manager
Andres Delgado, Airport Superintendent
Angelica Lopez-Campos, Airport Business Manager
Sherri Layne, Deputy Municipal Attorney
Ke Mell, Airport Architect
Brandon Bagwell, CCFR

3.APPROVAL OF MINUTES

Mr. Epstein requested discussion regarding the minutes. Mr. Epstein stated item 9-C is not well written. Mr. Epstein stated he did say the FAA should be held accountable for their mistakes, but the way it is written there is no context on what the mistakes were. It is not clear to him, and he thinks the paragraph needs to be rewritten. If a vote were to be taken, he would vote no.

Mr. Palmer stated transcription had a tough time hearing it, and they can rewrite it. Ms. Soutiere clarified that Mr. Epstein is looking for more context. Mr. Williams suggested Mr. Epstein give some salient points, and Mr. Epstein stated he would if he could remember.

Motion by Ms. Rodell to table consideration of the minutes until the next board meeting. Motion passed by unanimous consent.

4. **APPROVAL OF AGENDA**

Motion by Mr. Godkin for an item 4-B to be added to the agenda for election of officers now that all board members have been positioned. Motion passed by unanimous consent.

Election of Officers
Mr. Godkin nominated Ms. Soutiere for chair and Mr. Epstein for vice chair. Ms. Rodell asked if the secretary is also the chair of the finance committee, and Ms. Soutiere stated she thought it had been in the past, but she is not sure if it has to be. Mr. Godkin nominated Rodell as secretary and chair of the finance committee.

Motion by Mr. Godkin for unanimous consent on his officer nominations for the airport board. Motion passed by unanimous consent.

5. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS
None.

6. UNFINISHED BUSINESS

A. Airport Manager
Mr. Palmer stated that the airport board made an offer to Andres Delgado and the offer was accepted. The code requires a majority vote of the board members.

Ms. Soutiere moved to appoint Andres Delgado to the position of Airport Manager effective August 18, 2025 pursuant to the terms and conditions of the board's offer made on August 8, 2025. Motion passed by unanimous consent.

Discussion on the Motion
Mr. Godkin stated he is really happy to have Mr. Delgado as the airport manager. Mr. Godkin thanked Mr. Palmer for his assistance. Ms. Soutiere stated that the process has been long and difficult and she is grateful that Mr. Delgado decided to apply and step up.

Mr. Delgado spoke stating that he is looking forward to working with everyone.

B. Approve a new position for Deputy Airport Manager
Ms. Soutiere stated that this is a request to authorize the position of deputy airport manager and it has been discussed before. The former position was eliminated in favor of the creation of the security manager position. This position was in recognition of both the loss of experienced personnel and the addition of duties related to airport administration. The airport has a need for business development, budgeting, grant writing, tenant and business enterprise recruitment and development. The position would support the airport manager in all aspects of the airport administration and fills the manager's position during absences. The position provides depth of staff for compliance, purchasing, contracting, and personnel issues. The deputy airport manager would relieve the business manager of tasks that have been assumed simply because there were no other staff here. Airport policies, rates and regulations need to be reviewed, updated and implemented in an overall consistent manner, and this project that has not been possible while dealing with the current issues as they arise. The position would be a range 22 position, and the estimated cost for middle step placement is $108,800 and $54,400 for benefits, for a total of $163,200. Funds would come from the fund balance.

Motion made by Mr. Epstein that the airport board approve the expenditure from the fund balance of $163,200 for the deputy airport manager position. Motion fails.

Discussion on the Motion
Mr. Epstein asked what is left in the fund balance after the deputy airport manager position is funded. Mr. Palmer responded next week or the week after they will have the year-end numbers and have a better idea of the fund balance. On the next item on the agenda, they are taking about a million dollars for the fire truck. They will have about $775,000 going back into the fund balance because they are going to close out the terminal project. The balance moves around. Unless they get a financial plan going, which they will discuss later, they are borrowing against the fund balance until they can generate revenues because the revenues right now do not match the expenditures. Part of the reason for doing this job is so they can start working on that, on the financial plan, and sources of revenue. Referring to a sheet from the last meeting, they had 3 million in the reserve and there was another number he cannot remember. Ms. Lopez-Campos stated what the projections were and that they are showing that they are short, but this is all thinking they have the million dollars for the fire truck, that they are borrowing the money for now until they hopefully get PFC money, and also it does not have the money that is going to come back from the project, and increasing revenues to match the expenses; all those things are not built in.

Mr. Palmer stated his intent was to get into the numbers at the next finance meeting which is not scheduled yet. AIP money is now available for painting the runway, which is about $250,000 that they will not have to spend from their budget, and there are a few other things like that.

Mr. Williams stated, in looking at the handout from last time, this is not their closing, and given all the adjustments, he feels they are premature. He feels they need a deputy airport manager, but he does not want to spend money until they know they can afford to spend money. He is also concerned that they vote to do this and then have the assembly tell them they need to budget and do things differently.

Ms. Soutiere stated it is $163,000, and while that is a lot, they are looking at how to increase revenue, and right now they have a skeleton crew, and they need people to be able to do the work to get the revenue to come in.

Mr. Redmond agrees that they need to have the staff in place so they can do the tasks that are getting neglected right now, which includes finding funds.

Ms. Rodell asked Mr. Palmer if they can have good numbers and a finance committee meeting before September 16 where they have a much better sense of where all the moving parts are. They are already into the fiscal year. They do not have to wait until July 1, 2026 to start recruiting for this position. They spent a lot of time with airport management recruitment talking about the need for senior staff and how important it is for all of the airport operations and FAA certifications. She would feel more comfortable if she had numbers in front of her as far as the airport's financial position before saying yes. If the motion needs to be delayed a month, that's fine.

Mr. Palmer responded that Angie will have year-end numbers soon. They need to generate revenue and they are not sustainable the way they are right now. A few hours ago, he had two TSA inspectors in his office asking that they do some audits and checks on some operators and they gave until end of day tomorrow to do it. The only people in the room were Mr. Palmer and Mr. Delgado, and they asked if that could be postponed until the security manager arrived. They wanted to know who is going to be on their certification manual list for responsible people when Mr. Palmer is gone.

Angie Flick, finance director for CBJ, stated the end-of-year closing process takes some time. Monday was the deadline for all departments to turn in invoices that need to be charged back to the prior fiscal year and those are getting processed this week. All journal entries are supposed to be in tomorrow for adjustments. Then they start internally with finance aggregating numbers seeing if there needs to be adjustments.

Mr. Godkin stated that in a meeting they had a week ago they made a commitment to give Mr. Delgado all the support they could because they recognized they need to surround him with people and more help, and that support is still there, but he is going to err on the side of caution and not spend money if he does not know if he has it. He supports Rodell's discussion on moving this back a month.

Mr. Epstein stated he is aligned with Mr. Godkin and Ms. Rodell. They need to make an informed decision because they have a fiduciary responsibility to their customers. They can come back in two weeks for a special meeting or wait until next month when they have a better and clearer picture of where they are.

Mr. Bedford stated he hears that the board generally supports hiring a deputy airport manager. He thinks they should talk timeline, when they can hire, how they can proceed. Mr. Palmer responded that the process is the board passes an appropriation, then it goes to the assembly for introduction and then the next meeting would be a public hearing on the appropriation, so one board meeting and two assembly meetings. HR would do their work on the position description but that will likely be done by the time of the public hearing. Then they recruit, so October or November. The decision is how much of a reserve do you need to have, and their policy has been they need three months of operating reserve.

Ms. Rodell asked what the reserve is and what the fund balance is as of today, and clarified that the reserve is a subset of the fund balance or that is how it has been historically. Ms. Lopez-Campos responded that she has not looked at the numbers. She knows that if they increase the expenses, the operating reserve gets bigger because it is based on a formula based on three months. She will see what they prepared for the July 10 board meeting, that they have an operating reserve of $2.8 million, and according to her projections at that time they have a fund balance of $2.3 million, so they are in the negative half a million.

Mr. Redmond suggested amending the motion to have it pending and get the numbers solidified before the next meeting. Mr. Epstein preferred to call for a vote and then go from there.

Motion made by Mr. Redmond that a similar motion be made pending that the numbers present themselves within the next three weeks and that they kill this at the next regular airport board meeting if the numbers are not agreeable but otherwise get the ball rolling and get the position filled. The motion did not advance. Chair Soutiere responded that if the finance committee can meet before the next board meeting, or they can have a special board meeting. Ms. Soutiere asked that the finance committee meet in the next couple weeks.

C. Airport Rescue Fire Fighting Vehicle

Mr. Palmer stated that in July of last year they got an AIP grant. In September they ordered the truck. The truck was purchased through Sourcewell, a government-owned co-op, and in April he was told that the co-op did not meet the AIP requirements because they did not use a low bid for a decision. Sourcewell uses a matrix that looks at a variety of other items that the FAA does not care about. Palmer got the matrix from Sourcewell and went back and forth with FAA as much as he could. He talked to other fire departments and to Sourcewell's experts. He had to agree that FAA was probably right. Turns out that every fire department that buys trucks through Sourcewell does not use AIP funds, and Sourcewell does not say that. It was a mistake that was made. The choice was to cancel the order and reorder it, or write their own specs, or buy a truck through the state. The state did not have a 1500-gallon. They only had a 3000-gallon truck. Their option was to use their own money and keep the truck and not cancel the order. Rosenbauer stated they were $80,000 into the project. It would have cost $80,000 and another 550 days to get the truck after ordered. Canceling the order did not make sense. They were operating on a leased 1992 ARFF truck as their second truck. Mr. Palmer came to the board asking to use their reserves. FAA told him PFC money is allowable for the truck but that will not start for a couple of years when PFC 10 is started. So they are borrowing their own money for a while but they will eventually get that.

In the meantime, they reprogrammed that grant and bought other equipment. He did not go to the assembly for a loan because they do have some reserve. One way or another they need to get the truck. It is due to be delivered in March. The truck they have leased will go back.

Ms. Rodell clarified that the PFC 10 money will be used. They are currently in PFC 9. The million-dollar grant money was used to purchase the amphibious rescue vehicle, airfield equipment and motor grader, but asked how those items were originally going to be funded. Mr. Palmer responded that the rescue vehicle was already in the works. The rest of the equipment they did not have, and it was just a year ago that the graders were available for AIP. They did not plan to buy a grader with AIP money until it became obvious that graders were available and that they had a grant that they were not able to use for the fire truck.

Mr. Williams clarified the PFC 10 money will not be available for reimbursement for at least two years. Palmer stated the way he understands it, they have PFC 9 now, and he just received an email from FAA two days ago that said July 2027 that expires. By the time they get there, PFC will be lined up. Williams stated the FAA requires this truck and asked how soon the truck has to be in place. Mr. Palmer replied, as long as the trucks they have continue to operate, they are okay.

Mr. Williams asked if they would be better off asking the assembly for a loan until they can be reimbursed. Palmer responded that, since they will be asking for a loan to keep their fund balance up, he would not be too optimistic.

Mr. Epstein stated the Sourcewell truck is in the process of being assembled and it would be the quickest option. He is concerned about maintaining their Index C rating. This concerns operations right now and he supports the motion. Mr. Williams supports that position and stated he likes to know all the options and time units, and further stated that they have to maintain their Index C.

Mr. Godkin stated, when he used to buy trucks, 94% was paid federal, 6% match, which would be $60,000-plus, and asked where that is programmed to come from or was there no match. Mr. Palmer responded the match is already in the budget. The $60,000 will be used when they pay for the truck.

Motion made by Ms. Rodell that they approve the request for the CBJ Assembly to de-appropriate FAA Grant #3-02-0133-101-2024 of $1,007,116 and appropriate $1,007,116 from the airport operational reserve to purchase a 1500-gallon Rosenbauer airport rescue fire fighting vehicle, and they expect the operational reserve to be reimbursed under PFC 10 once that application is confirmed. Motion passed by unanimous consent.

D. Develop a sustainable finance plan
The use of fund balance for recurring operational expenditures is not recommended nor sustainable. The use of reserve funds for personnel costs is a temporary measure. An updated financial plan is necessary.

Motion by Ms. Rodell to move to direct the airport manager to review the airport's rates and charges and develop a proposal to generate sufficient revenue to fund the airport's operations. The manager may, with the board's approval, engage an aviation financial consultant. Motion passed by unanimous consent.

7. NEW BUSINESS

None.

8. STAFF REPORTS

A. Airport Manager's Report
Mr. Palmer reported they have an accounting tech hired now. He has been here for almost a month. The security manager, Kathy Mancini, is still on track to be there in late September.

They are leasing a property adjacent to Seaplanes cargo area. It has been surveyed and they are in the final stages of getting the lease signed. It is about 18,000 square feet and works out to roughly $17,000 a year in revenue.

Wheels rolling disaster drill was completed. EVAR rip rap was done in time for the flood and there was no damage. They heard today the state may be coming through with reimbursement funds.

They have been talking to Dowl Engineering about helping them with a grant. There is a grant that will soon be available that allows for work in a non-federal air traffic control tower. The tower has a lot of serious problems that have been ignored because it is not a federal tower, but the feds operate it.

Ms. Rodell asked if the baggage handling system is working. Mr. Palmer responded yes. The bag belt that handles the incoming luggage was broken, and it is now repaired. Bobby from maintenance says it will be about $60,000 to completely rebuild the system. It is not something that needs to be done right away. Ms. Rodell asked if there was any new damage to airport property from the flood. Mr. Palmer responded there was no damage at all and the rip rap worked fine.

B. Airport Project Manager's Report
Ke Mell reported that they came through the flood without damage. Staff were on site on August 13 at 8:15 a.m., about the time of peak flow.

C. Airport Project Manager's Report
Mike Greene stated, regarding the BIL grant for the air traffic control tower repairs, he issued an RFP to RESPEC, an engineering firm for mechanical and electrical, based on the list that has been provided within this memorandum of the mechanical and electrical issues in the tower that they already know about. They should have a fee proposal shortly. CBJ Contracting is on board with them and advising that they can work under the existing term contact as long as they stay beneath the $50,000 cap. They will be ready to work with Dowl on the preparation of the grant whenever it is released by the FAA. It is a comprehensive list consisting of items that have been on their list to do for years but they have never had any money to approach them.

They have been working with RESPEC on the terminal surge protection project. The project has grown in scope as they started looking more closely on it, and it now encompasses the introduction of surge protection arrestors to the electrical panels in the terminal, SREB building and Sand-Chem building. Initial estimate just for materials is about $150,000. RESPEC is working on a complete construction cost estimate.

Runway shoulder grading and navigational aids project, they met with FAA on July 31st, the director and lead planner with FAA Alaska Airports. As can be seen in Mr. Greene's writeup, the word frustration appears routinely. They still do not have any response from the FAA as to whether or not they are going to do their internal engineering review and make them go through that entire process, so that issue is still unresolved.

Regarding the Community Development Department's request that they obtain a floodplain permit for the project, they have responded to the CDD again and have resubmitted the entire application and it is now in their hands. Mr. Redmond asked, regarding the FAA staff, if this was the same person he met in-person or an anonymous group of people they are working with. Mr. Greene responded they have their financial person that works from the FAA Alaska Airports who is part of the process and part of the document review. As they develop the project, they send the information to them for review. There is another person with the air traffic organization with Alaska Airports who is the one that requested the engineering review. They are now working with a replacement person who is adamant that the review take place. In a recent FAA meeting, the director expressed the opinion that he did not understand why a simple, straightforward project would trigger the need for this internal engineering review.

Mr. Redmond clarified that, at all levels, this is Alaska FAA. Mr. Greene responded correct, that it is not federal. Mr. Epstein stated that it does not appear that is all FAA, that there are two organizations involved, the Airports Division in Anchorage, which is responsible for administering the AIP program and the airport certification program and airport planning. The air traffic organization is located in Federal Way, and they are the engineering arm and the program that installs what is being described here. There are two organizations in play and it is a complex situation.

All the parts and pieces are in Juneau to finish the apron lighting, putting the new tops of the poles on and reinstalling all of the lights, and that will happen next week.

9. ASSEMBLY LIAISON

None.

10. BOARD MEMBER COMMENTS

Mr. Epstein and other board members thanked Palmer for serving as interim airport manager. The board also welcomed Mr. Delgado and Liaison Nolan Davis and Board Member Jeff Redmond.

11. ANNOUNCEMENTS

None.

12. NEXT MEETING DATE

Second Thursday of the month at 6:00

13. EXECUTIVE SESSION

None.

14. ADJOURNMENT

Motion to adjourn at 7:15 p.m. by unanimous consent.