



## JIA AIRPORT BOARD MINUTES

November 13, 2025 at 6:00 PM

Airport Alaska Room/Zoom

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<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 Fuelle, 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.