AIRPORT BOARD
AGENDA
6:00 P.M., THURSDAY, NOVEMBER 18, 2021
ZOOM WEBINAR:
https://juneau.zoom.us/j/83530343030
Or Telephone: 1-253-215-8782, Meeting ID: 835 3034 3030, Passcode: 268448

TO TESTIFY: CONTACT PAM CHAPIN, 586-0962
BY 3:00 P.M. ON **NOVEMBER 17, 2021**

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES: Regular Monthly Meeting of October 14, 2021

IV. APPROVAL OF AGENDA

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

VI. UNFINISHED BUSINESS

A. **Coastal Helicopters Request for Wall Reimbursement** (Attachment #1). At the October 14, 2021, Airport Board meeting, the Board received an email correspondence from Mike Wilson, Coastal Helicopters, to have the Airport pay for replacement of an interior wall removed during the sand shed demolition. The plans called for the interior wall to be replaced with the new, single wall along the entire west face of the hangar. Coastal Helicopters is a subtenant to the Lokens, who own the hangar, which is also on private (non-airport) property. This item was moved to the November Board meeting so that the property owners (Lokens) and project manager could weigh in on the discussions with the Airport Board. Staff has no recommendation.

VII. NEW BUSINESS

A. **Airfield Forklift Acquisition**. Staff requests use of CARES funding to purchase a forklift for use in the Sand/Chemical Building. This would be a 7,000 lb.-capacity unit to unload and stack the one-ton bags of runway and roadway deicer (340 bags in a normal year), move them when needed for use, and re-stack at the end of season to make room for the new delivery. Currently, Airfield rents a forklift each season from Tyler Rental for $890/month. The cost is anticipated to be under $50,000 for the new unit, which would be a liquid-propane powered, wheeled lift truck. The Federal Aviation Administration (FAA) has stated that this piece of equipment is not eligible for Airport Improvement Program (AIP) funding.

Board Motion: *"Approve the purchase of a forklift vehicle for use in the Sand/Chemical Building, at a cost not-to-exceed $50,000, to be reimbursed from the CARES Act grant."*

B. **Snow Removal Equipment Building (SREB) Circulation Pump Upgrade.** As staff has mentioned the past few months (Project Manager Report), JNU continues to have issues with the circulation pumps for the ground source heat to both the SREB and the Sand/Chem building. The pumps were undersized (15 horsepower) and, after PDC Engineers looked at the design, two 25 horsepower pumps are required, as well as the system updated (drives); see Project Manager report in Attachment #4. The upgrades to this system were also listed on Staff's 'wish list' for CARES Act funding. However, this has become more urgent with loss of heat to the facilities. The cost of the pump upgrades, drives, contract administration, temporary heating during installation and administrative costs is estimated at $115,000. PDC will deliver the completed 100% set of documents on the week of November 8-12. Since this is an upgrade to the system, the Airport will be responsible for the cost of the system upgrades.

BOARD MOTION: *"Approve the purchase and installation of two 25-horsepower pumps and associated system drives for the snow removal equipment building heat pump system at a cost not-to-exceed $115,000; funding from the Juneau Airport CARES Act grant."*

C. **Sand/Chemical Building Back-up Boiler.** Also mentioned in the last few month (Project Manager Report) is the need for a redundant heating system should the heat pump system fail or during maintenance periods. This is another project listed on Staff's 'wish list' for CARES Act funding. Critical area heating systems such as in the sand/chem building would typically have a redundant system. This was not part of the design but has become a major concern that a back-up system is needed. The Airport had to bring in temporary heating systems last winter when the heat pump system was down. The redundant system would design and install an 80KW electric back-up boiler to the Sand-Chem Building. The cost estimate, including design, electrical work, contract administration and administration costs is $175,000.

BOARD MOTION: *"Approve the design, purchase and installation of an electric back-up boiler system for the Sand/Chemical building at a cost not-to-exceed $175,000; funding from the Juneau Airport CARES Act grant."*

D. **Civil Air Patrol (CAP) Rent Request** (Attachment #2)**.** The Alaska Wing of the Civil Air Patrol (CAP) has provided the attached letter requesting a continuation of the rent waiver originally granted by the Assembly in 1993. The CAP is experiencing severe funding restrictions, described in the attached letter. Their existing lease has been in holdover since 2012—the Airport had chosen to holdover rather than renew the lease, in the expectation that the CAP facility would be relocated, at their expense, to a location more favorable to the Airport. The issue of the relocation has not been revisited for some years, and staff would like to renew the lease in the short term (five years), at the nominal $1/year rent (per the request) which is allowable (CAP letter includes Federal Register excerpt).

Board Motion: *"Approve the five-year continuation of the one-dollar per year nominal rent for the Civil Air Patrol leased area."*

E. **Airport Manager's Report**:

1. Airport Certification Inspection. FAA Certification Inspector Randy Kuehler was in town October 19-22, 2021, for the Airport's annual certification inspection. The Airport has infractions related to fuel truck and Airport Rescue/Fire Fighting (ARFF) truck inspection paperwork and documentation, but these items were closed out at the time of inspections. Capital City Fire/Rescue (CCFR)/ARFF is looking at ways to capture inspections on-line and have the Airport Superintendent review on a monthly or quarterly basis to ensure inspection documentation is tracked. Otherwise, Inspector Kuehler was happy with the inspection. Inspections are also a good time for staff to learn more and ask questions from the experts.

2. Aircraft Accident October 22. On October 22, 2021, an Alaska Seaplanes Caravan went off the runway and into the runway safety area (RSA) during take-off. No injuries were reported. The full length of the runway was closed for almost four hours until the aircraft could be removed from the RSA, but a shortened runway was available for small aircraft shortly after the incident. The FAA and National Transportation Safety Board (NTSB) are conducting the investigation.

3. Airport Fund Balance (AFB) and Capital Revolving Account Balance (CRAB) (Attachment #3). The Airport Fund Balance was updated to more accurately reflect what is reported to/adopted by the Assembly, and align with the City & Borough of Juneau's (CBJ) Comprehensive Annual Financial Reports (CAFR). The report now reflects the close out of FY21. Note (see ** on spreadsheet) the final deficit for FY21 was not fully determined until after closeout. The final $266,210 for FY21 will be collected from CARES funds (as shown) in FY22. The CRAB reflects the approved use of the additional $108K for funding the Float Pond Phase 2 Design work until the grant is awarded after bidding.

4. CARES/CRRSAA Fund Balance. The breakdown of CARES Act/CRRSAA funds used and proposed to be used/proposed to-date is detailed below. This is an update based on the October Board approval of design costs for the bag belt replacement ($50K), and bagwell gas detection/alarm system design ($42,885); all estimates until bid award, but does not include the requisition of the forklift, the upgraded heat pumps and back-up boiler, proposed above. The FY21 operational expenses and tenant rent relief are now final numbers and combined into one line item for a total of $3,427,111. This total is slightly less than the estimated $4,194,153 for both tenant relief and operational expenses for FY21.

CARES/CRRSAA/ARG Act Use		10/22/2021
30,590,133	Grant awards*	
(727,145)	FY20 Operational Expenses	
(3,427,111)	FY21 Operational Exp incl tenant relief; yearend	
(602,375)	FY21 Airport GO Bond debt service	
(662,625)	FY22 Airport GO Bond debt service	
(203,028)	TWY Regulator Upgrade (appropriated)	
(1,610,000)	Bag Belt Replace - Est; + $50K design (10/21)	
(600,000)	Parking Lot Design (max) - Estimate	
(92,885)	Bagwell Gas Detect/Alarm - est; + $42,885 desgn	
22,664,964	Balance	
	Proposed Use	
(1,150,553)	FY22 Tenant Rent Relief (est)	
(1,838,000)	FY22 Operational Expenses (est)	
19,676,411	*Proposed/estimated balance FY22 end*	
**$98,347 concession relief requirement*		

5. Title 49 Variance Request. Staff continues to work on the variance application for trimming of vegetation along Jordan Creek (Airport property) for aviation safety and security. There are two issues: 1) inside the fence is a haven for wildlife to bed down including deer and birds, requiring additional patrol and mitigation; and 2) outside the fence between Yandukin and the new Glory Hall which see a lot of camps for many of our unsheltered population, as well as criminal/drug activity. Much of the second issue bleeds over to the terminal, parking lots and tenant lease lots. In discussions with our FAA certification inspector, this is a safety and security issue that needs to be mitigated immediately; especially the one inside the fence. His verbal recommendation was to level the brush and berm inside the fence as recommended by our U.S. Department of Agriculture (USDA) Wildlife Biologist and with guidance/ concurrence from the State/Alaska Habitat Biologist. Staff has been on-hold for years with the Title 49 Committee to adopt language change. Staff will continue to look at the fastest way to resolve this.

6. Emergency Vehicle Access Road (EVAR)/Dike Trail Partnership. The Airport would like to thank Laurie Craig for donating her time to removing alders and willows that have grown into the chain link fence along the EVAR. As Ms. Craig states: *"...it is labor-intensive to remove brush that has become entwined in the fence. That's why I have tackled this chore; it's to save the airport staff from a tedious task…."* She has done what she can reach and do from the public side including larger diameter brush and small spruce tree growth, but not the seasonal growth. Ms. Craig also wishes us to: *"Please convey trail users' appreciation for the snowplowing and grading of the trail. When I see baby strollers, toddlers on trikes, elders with hiking poles, hunters on bikes, and friends in wheelchairs, I am grateful for the continued public access the airport allows."*

Likewise, the Airport appreciates the partnership. EVAR/Trail users provide additional eyes/ears on the safety and security of the Airport.

Before and after picture of fencing clean up.

7. Hot Topics. The following is a list of on-going topics that staff is working on in addition to the regular Project Report:

- **UPDATE** – *Polyfluoroalkyl Substances (PFAS) Testing and Monitoring*. Cox Environmental Services has completed a draft report for Alaska Department of Environmental Conservation (ADEC) with proposed next steps in the monitoring phase of this project. The soil and groundwater sample results were provided at the October Board meeting. Staff was asked how much money was spent on PFAS to-date. Out of the two contract/appropriations totaling $236,232, the Airport has spent $145,786. The report filed with ADEC recommends quarterly testing of groundwater, survey the test wells to determine flow direction, and coordinate with Army National Guard for the testing of their drill sites (six) on airport property (notified in October 2021).

- **UPDATE –** *Oshkosh Plow Trucks*. All three of the new plow trucks are back in service. The new warranty period started the end of September and will be valid until Oct. 1 2022. Oshkosh had hoped to contract with Seaside Diesel in Juneau as an authorized service center for these trucks, but that contract fell through. Oshkosh will send an escalation packet that states that Oshkosh will send a service representative if Seaside Diesel fails to do the warranty work in a timely manner.

- **UPDATE –** *Taxiway A, E and D-1 Construction*. See Project Manager report.

- **NEW/UPDATE** – *Program Updates*. With the completion of the Taxiway Project, several of the Airport maps and diagrams in the Airport Layout Plan, Airport Facility Diagram (and 5010), Airport Certification Manual, Airport Emergency Plan, Wildlife Hazard Management Plan, Storm Water Pollution Prevention Program, Spill Prevention, Control & Countermeasure Plan and several Letters of Agreement (LOAs) with agencies require updates due to changes in airfield geometry. This will take several months to complete. The Airport aerial and mapping will also need to be updated and incorporated into many of these plans.

- **UPDATE** - Project List (non-Federally funded). At the May Airport Board meeting, the Board asked staff to compile a list of project wishes that would be a good use of CARES Act funds. Staff has begun an extensive list but is still gathering estimated costs of these items and hopes to have a comprehensive, albeit fluid list available to the Board within the next couple months. Additionally, these items will require a funding source long after CARES funds are no longer available. An annual line item in the budget for Maintenance and Operations repairs/replacement of systems will be introduced again with the upcoming budget cycle. Until the budget cycle, staff continues to bring the more urgent requisitions to the Board requiring CARES funding.

- **UPDATE –** *COVID Testing and Vaccines at Airports*. Capstone Clinic continues to provide COVID testing for passengers who want to COVID test at the Airport. It is not mandated for out-of-state travelers. COVID vaccines are offered seven days per week at the Airport from 12:30 p.m. to 9:30 p.m. on the first floor near baggage claim. Pfizer, Moderna (full and boosters) and Johnson & Johnson are available. Pediatric vaccines are NOT offered at the Airport. Anyone getting tested or vaccinated will need to register on the travel portal at www.Alaska.covidsecureapp.com.

- **NO CHANGE** – The FAA is in the process of replacing the electrical conduits/wiring for the *Precision Approach Path Indicators (PAPI) for the Runway 26 end*. This work began November 1 and is expected to be complete by November 13. Due to location of the work in the runway safety area, the FAA is working at night to minimize air traffic disruptions to airspace. Airfield crew is provided the safety officer for this work.

- **NO CHANGE –** *Mask Mandate at Airports Extended*. A federal mandate is in place which requires everyone to wear masks on airplanes, at airports, as well as on other forms of public transportation. **This mandate has been extended to January 18, 2022.** Failure to abide by the face mask mandate may result in fines, removal from facilities and/or stricter punishment, including being banned from flying.

- *COVID Update:* The most recent information may be found on the **CBJ website:** **https://juneau.org/covid-19/covid-19-travel** for local requirements; and **Alaska Travel Portal at: www.alaska.covidsecureapp.com.** Additionally, more information may be found at: https://covid19.alaska.gov/travelers/ and FAQs: https://covid19.alaska.gov/faq/. CBJ requirements require masking in all public areas once again due to rising COVID cases; COVID testing remains on a voluntary basis for travelers. Travelers should continue to check for changes to other areas including requirements for foreign travel. Masking requirements are continuing to rise in other cities and states again.

- **NO CHANGE –** *Honsinger Pond/Access (work in progress)*. Bicknell has worked out legal access to their Honsinger Pond property with the Alaska Department of Transportation (ADOT). Airport staff have been brought into discussions for development of the adjacent property due to (helicopter) flight paths and FAA compliance for development near an airport. Bicknell has now applied for rezone of several parcels from Industrial to General Commercial. The Airport continues to work through FAA on land use adjacent to airports for compliance.

- **NO CHANGE –** *Alaska Department of Environmental Conservation (ADEC) Storm Water Pollution Prevention Plan (SWPPP) Multi-sector General Permit (MSGP)*. A reminder to all businesses to review 'best practices' that have been posted on the JNU Airport's SWPPP webpage. Another reminder is for businesses to file either Notice of Intent (NOIs) or No Exposure forms and receive letters from ADEC. To-date, the Airport has only received a handful of these. The Airport is looking into contracting out services to gather monthly/quarterly samples, assessments, as well as the administrative reporting requirements of the SWPPP program.

- **NO CHANGE –** *Egan/Yandukin Intersection Improvements Project*. ADOT has narrowed down design alternatives for the project. The Planning and Environmental Linkage (PEL) Study is also now available on line. Please visit ADOT website for the project at http://dot.alaska.gov/eganyandukin. Also any comments or concerns may be emailed to eganyandukin@alaska.gov. The Airport is registered as one of the stakeholder panelists due to adjacent property and impact to traffic to/from the airport. The Airport (along with comments from the FAA) previously submitted comments to ADOT regarding the complexity and costs of two of the three alternatives that both proposed to use airport property. The third alternative did not impinge on airport property.

- **NO CHANGE–** *Terminal Reconstruction*: Wayfinding and signage for the public during construction continues to change as needed with the project. This includes clear signage/directions for passengers transiting between the main terminal and north annex, and now within the main terminal. A pass-through tunnel was established between the main and annex terminals. Passengers can remain inside the terminal building while transiting between the large and small air carriers.

- **NO CHANGE –** FAA Compliance Land Use/Financial Letter (January 2019). Staff continues to work on the remaining compliance items and will bring items back to the Board for action as necessary. Staff continues toward acquisition of the Loken/Channel Flying property which was noted as a non-compliant through-the-fence operator. While this is a compliance matter, property acquisition is eligible for federal funding. The process has started for procuring a property acquisition specialist including $50,000 of forward-funding approved by the Board.

- **NO CHANGE –** *FAA Disabilities Compliance and Title VI Review*. Staff has completed the plan and self-evaluation programs for the final part of the 2017 FAA compliance audit for Americans with Disabilities Act (ADA) and Title VI review and it has been signed off by the CBJ. The final plan and compliance update were forwarded to the FAA for review, however, some of the outstanding items will not be in compliance until the terminal remodel is complete. FAA still requires periodic updates.

- **NO CHANGE –** *Passenger Facility Charge (PFC) cap increase* JNU continues to discuss the increase of PFC with our DC Lobbyist and Congressional Delegation to keep it in the queue. Many large airports are also backing this increase due to capital projects relying primarily on PFCs, not impacted by COVID. The Airport has brought this up with our Congressional Delegation in the hopes of including PFC increases for non- and small-hub airports.

- **NO CHANGE –** *Runway 26 Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights* (MALSR) approach lighting discussions with FAA. Staff continues to work with our DC Lobbyist (and Congressional Delegation) to look for federal funding or congressional language to complete the system. Sample language was provided to Congressman Young to incorporate into the FAA reauthorization bill that would add MALSR equipment to the list of allowable lighting equipment, and allow the transfer of this to the FAA. This means that Airport Improvement Program (AIP) funding could be used as an additional source for this type of lighting. The Airport will be sending out another letter of request.

- **NO CHANGE –** *Capital Improvement Program (CIP) and Passenger Facility Charge (PFC) 10*. With FFY20 FAA AIP terminal grants covering the entire amount of FAA-eligible terminal construction, the Airport is adjusting projects up on the CIP list. Additionally, PFC (PFC9) collections may be abbreviated due to less match required. Staff is continuing to monitor the amount needed for the terminal project (match and bond interest), as well as other projects listed in the PFC9 application; and look at when the PFC10 application process would need to start.

- **NO CHANGE –***TSA passenger screening checkpoint equipment*. This project has been put on hold due to construction requirements for the larger equipment. A new date for equipment has not yet been determined.

- **NO CHANGE –** *TSA has cancelled janitorial contracts* at airports nationwide. TSA will pay for utilities associated with equipment use, but the contract requires airports to continue with janitorial - without compensation. This issue has been forwarded to our Washington, D.C. Lobbyist for Congressional weigh-in.

- **NO CHANGE –** *CBJ Title 49 (Jordan Creek Greenbelt) allowance* to limb/clean-up adjacent to the creek is still in review. The implementation of the changes has been delayed due to committee meeting cancellations and full agendas.

- **NO CHANGE –** *Maintenance Programs Refinement* (roofs, heat pump equipment, baggage systems, etc.). Staff continues to look at a tracking system for all building component preventative maintenance programs. There are several companies that offer similar cloud based systems. At this time, staff is collecting current basic system, and needs, and will plan to talk to each of the companies to see what they offer and the cost per year or per user for the system. Staff continues to look at maintenance contracts for specialized systems similar to what we do with airfield lighting and controls. Until a complete tracking system is set up, the Airport looks at continuing maintenance contracts with new systems as they come off warranties

8. Airport Project Manager Report (Attachment #4)

VIII. CORRESPONDENCE:

IX. COMMITTEE REPORTS
   A. **Finance Committee**:
   B. **Operations Committee**:

X. ASSEMBLY LIAISON

XI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

XII. BOARD MEMBER COMMENTS

XIII. ANNOUNCEMENTS

XIV. TIME AND PLACE OF NEXT MEETING:
   A. Airport Board, 6:00 p.m., December 9, 2021, via ZOOM

XV. EXECUTIVE SESSION

XVI. ADJOURN

ATTACHMENT #1

From: Mike Wilson <mwilson@coastalhelicopters.com>
Sent: Tuesday, September 28, 2021 8:46 AM
To: Patty Wahto <Patty.Wahto@jnuairport.com>; Scott Rinkenberger <scottr@jnuairport.com>
Subject: SW corner wall

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Hi Patty,

Attached is the report filed in November 2019 and some associated pictures. This report was filed to document the damage to the wall and the intrusion into a work area. We are now to the point that the CBJ hangar has been removed, the common wall is gone and now, as we talked about in Nov 2019, we are repairing the wall and moving forward with making the space usable again. There is some additional work to be done since some of the concrete floor was chipped out to allow for the placement of the new posts.

ACC has begun construction of the wall to replace the wall damaged in 2019. We are expecting full reimbursement of the expenses for the wall.

Mike

Michael Wilson
General Manager
Coastal Helicopters
907-789-5600
907-209-0845 cell
www.coastalhelicopters.com
mwilson@coastalhelicopters.com

ATTACHMENT #1

Report Title: Coastal Safety Reporting Form Lite

Header Information

Event Date/Time 11/06/2019 03:46 GMT **Name (Optional)**

Detailed description of the Hazard / Incident / Event / Concern

Hangar wall damage

A portion of the west wall the boarders the old sand hangar is structurally failing and pushing into the back room of the Coastal hangar.

Date Submitted

11/4/2019

Assigned To	Date Due
Michael Wilson	5/15/2020

ATTACHMENT #1

Investigation/Findings

The wall on the CBJ side has been impacted by something large (Loader most likely), Aral Loken (Channel Flying) and Mike Greene (CBJ) viewed and agreed this damage was done during the opertion to remove from the CBJ hangar. The wall has a lumber structure built into it, not sure when it was done, most likely after 1974 but before 1989, the wood is rotten. There is a large impact area visible on the CBJ hangar wall and portions of the wall have come off. ...mw 11/4/19

Corrective Action

JNU Airfield maintenance will close the holes in the wall to keep further damage from occurring from the CBJ side. Channel Flying (CHI) will use temporary repair methods to keep further damage from occurring through the winter. Spring (March or April) 2020 JNU will begin the process of removing the CBJ hangar, at that time full and proper repair to the wall will be completed....mw 11/4/19

CBJ hangar removed fall/winter/spring 2020/2021, interior walls repaired, still waiting for final repair of room in SW corner of hangar 9/13/2021...mw

Root Cause	Risk Level	Risk Status

Date Closed

ATTACHMENT #1

ATTACHMENT #1

ATTACHMENT #1

ATTACHMENT #1

ATTACHMENT #2

HEADQUARTERS

ALASKA WING, CIVIL AIR PATROL

AUXILIARY OF THE UNITED STATES AIR FORCE

P.O. BOX 6014 • JBER, AK 99506-6014

OFFICE 907.551.3145 • FAX 907.202-8361

November 9, 2021

Patty Wahto
Airport Manager
Juneau International Airport
1873 Shell Simmons Dr, Suite 200
Juneau, AK 99801

Ms. Wahto:

Mr. Coleman, the JNU Business Manager, provided a draft lease extension for the Civil Air Patrol (CAP) airport lease on Lot1, Block 1. The CAP has been a tenant on the Juneau Airport for many years. Our old lease expired and was placed in holdover due top the airport's desire to relocate CAP to a different location. The expired lease had a $1 per year annual rental rate per Ordinance 93-18. We request an application to the Airport Board or Assembly, whichever is appropriate, to seek a waiver to the minimum rental rate.

Historically the CAP received annual operation funding from the State of Alaska. For the past three years, Gov Dunleavey has vetoed this appropriation. This has forced each of the Squadrons in the Alaska Wing to fund their own operational costs for such things as rent, lease fees, heat, electricity, and communications. Our Juneau Squadron would not be able to fund the lease rate in the draft lease. Other airports have asked about other revenue sources, such as the US Air Force to fund CAP operations. The US Congress provides CAP aircraft and training money through the US Air Force, but neither the Congress or the US Air Force can provide operation money.

The CAP is a 501(c)(3) organization, IRS Tax ID 75-6037853. I have included a Federal Register Notice, Docket 48272, titled Policy and Procedures Concerning Use of Airport Revenue. Page 10 discusses use of airport revenue to support charitable and community service organizations. Page 18 specifically addresses the use of nominal and reduced rents to support the work of the CAP. Thus, providing CAP with a reduced rental rate is not a revenue diversion and would not place the airport in jeopardy of non-compliance with your FAA Grant Assurances.

Thank you for considering our request for a reduced rental rate.

Respectfully,

Carl Siebe

Carl Siebe, Major
Real Estate Officer
Alaska Wing
907-240-2392 Cell phone

provision for general promotional expenses.

Except as discussed above, the Final Policy does not limit the amounts of airport revenue that can be spent for all permitted promotional marketing and advertising activities. The FAA expects that expenditure of airport revenues for these purposes would be reasonable in relation to the airport's specific financial situation. Disproportionately high expenditures for these activities may cause a review of the expenditures on an *ad hoc* basis to verify that all expenditures actually qualify as legitimate airport costs. Examples of permissible and prohibited expenditures are included in the Final Policy itself.

b. Reimbursement of Past Contributions

The Proposed Policy permitted airport revenue to be used to reimburse a sponsor for past unreimbursed capital or operating costs of the airport. The Proposed Policy did not include a limit on how far back in time a sponsor could go to claim reimbursement, in accordance with the law in effect at the time. In addition, the Preamble noted that the FAA had not to date permitted a sponsor to claim reimbursement for more than the principal amount actually contributed to the airport. The FAA requested comment on whether the FAA should permit recoupment of interest or an inflationary adjustment or whether, in the case of contributed land, recoupment should be based on current land values.

Airport operators: ACI–NA/AAAE and a number of individual airport operators supported recoupment of interest or inflation adjustment on previous contributions or subsidies to the airport.

Air carriers: The ATA objected to the Proposed Policy and commented that recoupment should be subject to a number of requirements to prevent abuses.

The Final Policy: After the proposed policy was issued, Congress enacted legislation to limit the use of airport revenue for reimbursement of past contributions, and to limit claims for interest on past contributions. 49 U.S.C. §§ 47107(l)(5), 47107(p). The Final Policy incorporates these statutory provisions. Based on Congressional intent evidenced by the legislative history of these provisions, airport revenue may be used to reimburse a sponsor only for contributions or expenditures for a claim made after October 1, 1996, when the claim is made within six years of the contribution or expenditure. In addition, a sponsor may claim interest only from the date the FAA determines that the sponsor is entitled to reimbursement, pursuant to section 47107(p). The FAA interprets these statutory provisions to apply to contributions or expenditures made before October 1, 1996, so long as the claim is made after that date.

If an airport is unable to generate sufficient funds to repay the airport owner or operator within six years, the Final Policy permits repayment over a longer period, with interest, if the contribution is structured and documented as an interest bearing loan to the airport when it is made. The interest rate charged to the airport should not exceed a rate that the sponsor received for other investments at the time of the contribution.

c. Donations of Airport Revenue to Charitable/Community Service Organizations

The Supplemental Proposed Policy addressed the use of airport property for public recreational purposes, and addressed the use of airport funds to support community activities and for participation in community events. The FAA proposed that the use of airport revenue for such donations would not be considered a cost of operating the airport, unless the expenditure is directly related to the operation of the airport. For example, expenditures to support participation in the airport's federally approved disadvantaged business enterprise program would be considered permissible as supporting a use directly related to the operation of the airport. In contrast, expenditures to support a sponsor's participation in a community parade would not be considered to be directly related to the operation of the airport.

Airport operators: ACI–NA/AAAE contended that the expenditure of airport revenue for community or charitable purposes is appropriate and should be recognized as legitimate. Airports, regardless of their size, type, and certification or lack thereof, are important members of their local communities and, therefore, must be able to maintain their prominent, highly visible roles in their respective communities. Airports are regarded by their communities as local business enterprises and, consequently, are expected to contribute to local non-profit charitable concerns in the same manner as other local business enterprises.

Individual airport operators generally supported the position of ACI–NA/AAAE, although some individual operators acknowledged that some limitation on the expenditures may be appropriate. One suggested a *de minimis* standard; another proposed a ‘‘safe harbor’’ based on a percentage of the airport's total budget. Another urged that airport owners/operators be allowed leeway to make contributions of airport funds, in reasonable amounts and consistent with the local circumstances, and to use airport property for charitable purposes on the same basis.

Other airport operators commented that the Final Policy should give comparable treatment to the use of airport funds and airport property for community goodwill by recognizing the limited use of airport revenue to support charitable and community organizations as a legitimate operating cost of the airport.

Air carriers: Air carriers did not comment specifically on charitable contributions, although they commented extensively on the use of airport property for community or charitable purposes. Generally the air carriers suggested that use of airport property should be subject to strict conditions to avoid abuse.

Other commenters: An advocacy group in support of a particular airport commented that, in order for an airport to be as self-sustaining as possible, the use of each income dollar is critical, and that federally assisted airports must be fully responsive to the citizens of the community by providing information on the use of airport funds.

Final Policy: The Final Policy generally follows the approach of the Supplemental Notice. Airport funds may be used to support community activities, or community organizations, if the expenditures are directly and substantially related to the operation of the airport. In addition, the policy provides explicitly that where the amount of the contribution is minimal, the airport operator may consider the ‘‘directly and substantially related to air transportation’’ standard to be met if the contribution has the intangible benefit of enhancing the airport's acceptance in local communities impacted by the airport.

Expenditures that are directly and substantially related to the operation of the airport qualify inherently as operating costs of the airport. The FAA recognizes that contributions for community or charitable purposes can provide a direct benefit to the airport through enhanced community acceptance, but that benefit is intangible and not quantifiable. Where the amount of the contribution is minimal, the value of the benefit will not be questioned as long as there is a reasonable connection between the recipient organization and the benefit of community acceptance for the airport.

However, if there is no clear relationship between the charitable or community expenditure and airport operations, the use of airport revenue may be an expenditure for the benefit of the community, rather than an operating cost of the airport. The different treatment of the use of airport funds (direct payments to charitable and community organizations) and the use of airport property (less than FMV leases for charitable or community purposes) is grounded in the applicable laws: the revenue-use requirement (section 47107(b)), which governs the use of airport funds, provides far less flexibility than the requirement for a self-sustaining rate structure (section 47107(a)(13)), which applies to the use of airport property.

Examples of permitted and prohibited expenditures are included in the Final Policy.

d. Use of Airport Revenue to Fund Mass Transit Airport Access Projects

The Supplemental Proposed Policy addressed in Part VII.C., the circumstances in which an airport sponsor could provide airport property at less than fair market value to a transit operator. The Supplemental Proposed Policy did not address the use of airport revenue to finance the construction of transit facilities. That issue, however, was raised in the comments.

Airport Operators: Two airport operators supported the use of airport revenue for the construction of transit facilities. One commenter stated that an airport should be permitted to use airport revenues and assets to provide mass transit service to on-airport commercial uses. Another commenter referred to the AIP Handbook, FAA Order 5100.38A § 555, which provides AIP project eligibility for rapid transit facilities.

Air carriers: Air carriers did not specifically discuss the use of airport revenue to finance transit facilities. However, as discussed below, they objected to providing airport property for transit facilities at nominal lease rates.

Other Commenters: Two commenters representing transit operator interests supported the expenditure of airport revenues to finance transit facilities. A transit operator stated that in order to create a better balance between transit and highway interests, transit facilities should be totally eligible expenses, paid for in the same manner as other road and parking enhancements. A transit trade association urged the FAA to take appropriate actions to ensure that passenger fees and other airport revenues are widely eligible to fund a range of airport surface transportation modes, including public transportation.

The FAA also received extensive comments on providing airport property for use by transit providers at less than FMV rents. These comments are addressed separately below.

Final Policy: The Final Policy has been modified to provide guidance on the use of airport revenues to finance airport ground access projects. The Final Policy states that airport revenue may be used for the capital or operating costs of such a project if it can be considered an airport capital project, or is part of a facility owned or operated by the airport sponsor and directly and substantially related to air transportation of passengers or property, relying directly on the statutory language of § 47107(b).

As an example, the Final Policy summarizes the FAA's decision on the use of airport revenue to finance construction of the rail link between San Francisco International Airport and the Bay Area Rapid Transit (BART) rail system extension running past the airport. In that decision, the FAA approved the use of airport revenues to pay for the actual costs incurred for structures and equipment associated with an airport terminal building station and a connector between the airport station and the BART line. The structures and equipment were located entirely on airport property, and were designed and intended exclusively for use of airport passengers. The BART extension was intended for the exclusive use of people travelling to or from the airport and included design features to discourage use by through passengers. Based on these considerations, the FAA determined that the possibility of incidental use by nonairport passengers did not preclude airport revenues from being used to finance 100 percent of the otherwise eligible cost items. For purposes of this analysis, the FAA considered ''airport passengers'' to include airport visitors and employees working at the airport.

4. Accounting Issues

a. Principles for Allocation of Indirect Costs

Based on the comments to the Proposed Policy, the FAA addressed the principles of indirect cost allocation in its Supplemental Notice. The Supplemental Notice made clear that the allocation of indirect costs is allowable under 49 USC § 47107(b), and that no particular method of cost allocation will be required, including OMB Circular A–87. To ensure, however, that indirect costs are limited to allowable capital and operating costs, the FAA proposed to apply certain general principles and prohibitions to the allocation of costs. The Supplemental Notice did not limit significantly the development of local cost allocation methodologies, or interfere with the application of Generally Accepted Accounting Principles (GAAP) and other accounting industry recognized standards.

In the Supplemental Notice, the FAA stated that it would expect that a Federally approved cost allocation plan that complied with OMB Circular A–87 or other Federal guidance and was consistent with GAAP would be reasonable and transparent, and would generally meet the requirements of section 47107(b). However, the use of a Federally approved cost allocation plan does not rule out the possibility that a particular cost item allowable under that guidance would be in violation of the airport revenue retention requirement if allocated to the airport.

The Supplemental Notice also required specifically that indirect cost allocations be applied consistently across departments to the sponsoring government agency, and not unfairly burden the airport account. The general sponsor cost allocation plan could not result in an over-allocation to an enterprise fund. In addition, the sponsor would have to charge comparable users, such as enterprise accounts, for indirect costs on a comparable basis.

Lastly, the Supplemental Notice proposed to prohibit the allocation of general costs of the sponsoring government to the airport. However, this prohibition would not affect direct or indirect billing for actual services provided to the airport by local government.

Airport Operators: Generally, airport operators agreed with the proposal to acknowledge that the allocation of indirect costs as allowable under 49 USC § 47107(b), and to provide that no particular allocation methodology, including OMB Circular A–87, be required.

One airport operator requested the FAA to further clarify that it is not imposing on airport sponsors all of the specific elements of OMB CircularA–87. The operator was concerned that the statement in the Supplemental Notice that the FAA ''believe[s] the specific principles identified by the OIG are an appropriate construction of the revenue retention requirement'' may lead to confusion over whether adherence to OMB Circular A–87 is mandatory for

The Final Policy permits but does not require below-market rental rates, including nominal rates. The airport operator is free to treat a qualified not-for-profit aeronautical education program as it would any other aeronautical activity in setting rental rates and other fees to be paid by the education program.

d. Civil Air Patrol Leases

Reduced-rental leases, including nominal leases, to the Civil Air Patrol/United States Air Force Auxiliary (CAP) at a number of airports have also been criticized in OIG audits. As a result of this criticism, some airport operators have been seeking higher rents from the CAP when leases have come up for renewal.

In its comments, the CAP contends that the current standard airport industry practice of permitting CAP use of airport property for a nominal rent confers substantial benefits to the airport and, in general, to the aviation community. The CAP, therefore, requests that a policy be adopted which would formally permit CAP units to continue to occupy facilities on federally obligated airports at a nominal rent, whether under formal lease arrangements, or otherwise, at the discretion of the airport owner/operator.

The Final Policy: The Final Policy permits reduced rental rates and fees to CAP units operating at the airport, in recognition of the benefits to the airport and benefits to aviation similar to those provided by not-for-profit aviation museums and aeronautical secondary education programs. As with other not-for profit-aviation entities, the reduction must be reasonably justified by benefits to the airport or to civil aviation. In-kind services to the airport and airport users may be considered in determining the benefits that the CAP unit provides. In addition, this treatment of the CAP, which has been conferred with the status of an auxiliary to the United States Air Force, is not identical to the treatment provided to military units in the Final Policy, as discussed below, but is consistent with that treatment.

The reduced rental rates and fees are available only to those CAP units operating aircraft at the airport. For CAP units without aircraft, a presence at the airport is not critical. The airport operator can accommodate those CAP units with property that is not subject to Federal requirements on maintaining a self-sustaining rate structure, without compromising the effectiveness of the CAP units. Of course, if such units provide in-kind services that benefit the airport, the value of those services may be recognized as an offset to FMV rates.

The Final Policy permits but does not require nominal rental rates. The airport operator is free to treat a qualified not-for-profit aeronautical CAP lease as it would any other aeronautical activity in setting rental rates and other fees to be paid by the education program.

e. Police/Firefighting Units Operating Aircraft at the Airport

Many airports host police or fire-fighting units operating aircraft (often helicopters). The OIG has frequently criticized reduced rate or no-cost leases to these units of government as inconsistent with the self-sustaining and revenue-use requirements.

The Final Policy requires the airport operator to charge reasonable rental rates and fees to these units of government. In effect, these units of government must be treated the same as other aeronautical tenants of the airport. This treatment is consistent with the policy's general approach toward dealings between units of government—fees should be set at the level that would be produced by arm's-length bargaining. The treatment is also justified because police and fire-fighting aircraft units provide benefits to the community as a whole, and not necessarily to the airport. However, as with other police and fire-fighting units located at an airport, the policy does allow rental payments to be offset to reflect the value of services actually provided to the airport by the police and fire-fighting aircraft units.

f. Use of Property by Military Units

The US Air Force Reserve and the Air National Guard both have numerous flying units located on federally obligated, public-use airports. The majority of these aircraft-operating units are located on leased property at civilian airports established on former military airport land transferred by the US Government to the airport owner/operator under the Surplus Property Act of 1944, as amended, or under other statutes authorizing the conveyance of surplus Federal property for use as a public airport. Frequently, the favorable lease terms were contemplated in connection with the transfer of the former military property and may have been incorporated in property conveyance documents as obligations of the civilian airport sponsor. As with other reduced-rate leases, these arrangements have been criticized in individual OIG audits.

The Final Policy: The Final Policy provides that leasing of airport property at nominal lease rates to military units with aeronautical missions is not inconsistent with the requirement for a self-sustaining rate structure. The Department of Defense (DOD) has a substantial investment in facilities and infrastructure at these locations, and its operating budgets are based on the existence of these leases. Moving those facilities upon expiration of a lease or the payment of FMV rent for facilities to support military aeronautical activities required for national defense and public safety would be beyond the capability of the DOD without additional legislation and enlargement of the DOD operating budget. In all of the enactments on the self-sustaining rate structure requirement and use of airport revenue and the accompanying legislative history, the FAA can find no indication that Congress intended the airport revenue requirements to be applied in a way to disrupt the United States' defense capabilities or add significantly to the cost of maintaining those capabilities. Moreover, Congress specifically charged the FAA, in 49 U.S.C. § 47103, with developing a national plan of integrated airport systems (NPIAS) to meet, among other things, the country's national defense needs. Inclusion in the NPIAS is a prerequisite for eligibility for AIP funding. Thus, Congress clearly contemplated a military presence at civil airports. Therefore, the FAA will not construe the requirement for a self-sustaining airport rate structure to prohibit nominal leases to military units operating aircraft at an airport.

The Final Policy permits but does not require nominal rental rates. The airport operator is free to treat a qualified military unit as it would any other aeronautical activity in setting rental rates and other fees to be paid by the military unit.

7. Lease of Airport Property at Less Than FMV for Mass Transit Access to Airports

The Supplemental Notice proposed that airport property could be made available at less than fair rental value for public transit terminals, rights-of-way, and related facilities, without being considered in violation of the requirements governing airport finances, under certain conditions. The transit system would have to be publicly owned and operated (or privately operated by contract on behalf of the public owner) and the transit facilities directly related to the transportation of air passengers and airport visitors and employees to and from the airport. Twenty-one responses addressed this issue.

Airport commenters: The airport operators concur with the principle of making airport land available for mass

ATTACHMENT #3

Date	CIP Revolving Balance*	Reimbursed Amount (+)	Forward Fund Amount (-) anticipate reimbursement	Encumbered Amount (-) permanent/**no** reimbursement	Description
	$819,246	-	-	-	**BUDGET**
Aug-18		$23,438	($23,438)		PFC9 reimburse Master Plan match (portion)
Feb-16		$3,000	($3,000)		SREF Geothermal remaining encumbrance
Jan-14		$39,063	($39,063)		RWY Rehab match (portion) anticipate 2019 reimbur
Apr-15		$32,849	($32,849)		RWY Rehab match (portion) anticipate 2019 reimbur
Jul-18		$310,000	($310,000)		Sand/Chem/Fuel Design.
Nov-18		$21,988	($21,988)		Sand/Chem/Fuel Construct match antic 2019 reimb (org $106,250)
Apr-19			($477,000)	**	*NO LONGER REQ.Termnl Recon -less Float Pond Design ($40k and $108K) / Property Acq ($50k)*
Jan-21			*($50,000)*		Property Acquisition Frwd Fund Specialist
Jan-21			*($40,000)*		Float Pond Frwd Fund Design
May-21			($108,000)		Float Pond Frwd Fund Design
	$144,246				**AVAILABLE BUDGET**

*Represents all three Capital Accounts: Airport Revolving Captial Reservce Acct (ARCRA), Airport Construction Contingency Reserve, Project Design

***Terminal bonds have been sold; all funding is in place; temp forward funded $675K to be credited once Controller's completes transfer back to acct*

Available Fund Balance Summary
Airport Fund
Last Update: 11/8/21

OPERATING

	FY20 Actuals	FY21 Actuals	FY22 Budget	
Revenues:	6,602,372	4,591,010	4,824,900	
CARES Reimb (operations):	724,664	3,427,111	3,382,910	
Expenditures:	(7,466,591)	(8,015,383)	(7,941,600)	
Transfers (to)/from Capital Projects:	(800,000)			
*Other Financing Sources (Uses):	151,133	(268,948)	-	
Increase (decrease) in Fund Bal (FB):	**(788,422)**	**(266,210)**	**266,210**	**
Beginning Available FB	4,488,200	3,699,778	3,433,568	
Ending Avail FB, including Reserve:	**3,699,778**	**3,433,568**	**3,699,778**	
Less 3 Mo. Operating Reserve	(1,866,600)	(2,003,800)	(1,985,400)	
Ending Available Fund Balance	**1,833,178**	**1,429,768**	**1,714,378**	

*Other Financing sources (uses) include: capital expenditures, transfer of Sales tax to Airport fund, and transfers between Airport operations and CIP projects, other changes in restrictions of fund balance.

**FY21 deficit was determined too late to post prior to FY21 closeout; will be collected in FY22

ATTACHMENT #4

MEMORANDUM

TO: Patty Wahto, Airport Manager DATE: November 9, 2021

FROM: Mike Greene, JNU Airport Project Manager

RE: Projects Office Monthly Report

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

Terminal Reconstruction – Phase 1&2. In October, Dawson Construction continued demolition work within the Phase 2 work areas, and removed the old elevator, the old terminal boilers and completed the abatement work associated with the demolition of the old north annex. Work continued on the removal of the old concrete elevator shaft, which has proved to be surprisingly difficult to bring down. Dawson Construction started work on the structural steel modifications within the Phase 2 work area, and has erected a temporary roof assembly to facilitate lowering the new steel members down through the roof into the work area. Dawson Construction also continued to work on some of the outstanding issues from the initial construction phase.

The existing main entry to the terminal remains closed, and will remain closed until late December 2021 or early January 2022. Dawson Construction is currently looking into the possibility of opening up this entry and removing the Phase 2 work area partitioning earlier as this would benefit the work to match-up the new interior finishes to the old interior finishes. First floor access between the old portion of the terminal and the new portion of the terminal continues to be facilitated by the use of the temporary "tunnel" which routes foot traffic behind the Phase 2 work area. One of the two new elevators continues to be used to provide accessible access to the second floor of the terminal.

> **Look Ahead to Upcoming Activity.** The Contractor's schedule for November calls for the continuation of the effort to remove the old elevator tower and the start of the work to install the new structural steel within the central Phase 2 work area. The crane that is to be used to lower the new steel into the building will be staged in front of the main terminal entry on Tuesday, November 9, and the work to install the new steel and new roof pan decking will begin on November 10. This work is scheduled to be complete on November 19, at which time the crane will be removed from the site.
>
> The demolition of the old north annex is scheduled to be completed on November 12. This schedule may slip a bit in order to deal with some very deep pier footings and what appears to be an old tower footing that had been found within the footprint of the annex. When complete, the annex site will be graded, capped with D-1, and the old entry canopy will remain in place for use by Alaska Seaplanes as part of their new terminal project.
>
> Dawson Construction will also continue working within the Phase 1B work area to address the punch list items and to finalize the outstanding Change Order work.

Terminal Fire Alarm Upgrade: The project Contractor, Johnson Controls, continues to work on the preparation and submission of the administrative and materials submittals and system shop drawings. JNU, in conjunction with Johnson Controls, has developed an updated project schedule in which work will begin on-site on November 12, 2021, and will be substantially complete on April 1, 2023.

ATTACHMENT #4

Haight & Associates (Electrical Engineer & Designer of Record) remains under contract and will provide construction administration services for this project.

Snow Removal Equipment Building (SREB): JNU continues to work with PDC Engineers on the development of the 100% documents that will be used to obtain competitive bids for the replacement of the primary circulation pumps P-1A and P-1B in the SREB. These pumps were designed to be operated in a redundant-pair system to circulate glycol fluid between the SREB, the Sand-Chem Building and the 144 borehole ground source field located below the tarmac on the south side of the SREB. Each pump was originally designed to take the full load of the two heat pumps in the SREB and the one heat pump in the Sand-Chem Building. Following the completion of the Sand-Chem Building, it was determined that the head loss associated with the overall system (SREB plus Sand-Chem) was much higher than originally anticipated, and pumps P-1A and P-1B cannot meet the needed design flow rate. To correct this, the existing 15 horsepower pumps are to be replaced with 25 horsepower pumps. The existing variable frequency drives and power feeds to the new pumps are also to be replaced. PDC Engineers estimates the two pumps and drives installed would be $87,000, but not inclusive of contract administration, temporary heating during installation and administrative costs. Total project cost is estimated to not exceed $115,000.

PDC Engineers submitted a 95% set of design documents to JNU on October 15, 2021, and JNU completed an in-house review and provided review comments back to PDC on October 21, 2021. PDC will deliver the completed 100% set of documents on the week of November 8-12. Since this is an upgrade to the system, the Airport will be responsible for the cost of the system upgrades. This is presented for Board approval in the agenda.

Sand/Chemical Building: Ground Source Heat Pump (GSHP) -1 is currently operational, but it is not clear for how long. With cold weather now here, there is a very real concern that the flow rate of the glycol circulation system (driven by pumps P-1A and P-1B in the SREB) will be inadequate, which will cause GSHP-1 to shut-down. JNU continues to work with PDC Engineers on the post-construction commissioning of the SREB and Sand-Chem buildings, as well as with Daikin and Meridian Controls. At this time, and until SREB pumps P-1A and P-1B have been replaced, it will not be known whether the past failures of GSHP-1 were caused by inadequate flow in the circulation system, or an inherent flaw in the design of GSHP-1.

The continued problems with GSHP-1 lends credibility to the idea of introducing an 80KW electric back-up boiler to the Sand-Chem Building. ROM cost estimate, including design, electrical work, contract administration and administration costs would be $175,000. This system is presented to the Board for approval in the agenda.

Sand/Chemical Building – Fueling Station: JNU has requested a proposal from Haight & Asoociates (electrical engineering) to provide the necessary design documents to expand the diesel-gasoline fuel dispenser system at the NWDA Fuel Station to include access control and fuel usage tracking features. Haight & Associates has been asked to review the site controllers offered by Gas Boy, which is the manufacturer of the Fuel Station fuel pumps. Haight & Associates has submitted a fee proposal in the amount of $4,730 to complete the design for this project. JNU has not yet followed up on this proposal with a letter of agreement, and no design work has been started/completed.

Sand Shed Demolition: Southeast Earthmovers (SEEMS) has completed all of the items listed within the substantial completion inspection which was conducted on August 25, 2021. JNU has notified Southeast Earthmovers, as well as Craig Loken, that the project was determined to be Substantially Complete on September 19, 2021. JNU has begun work on closing out this project.

Float Pond Improvements – Phase 2: JNU has not completed a full review of PND Engineers 95% set of design/bid documents for the second phase of this project. The scope of work for the project will include raising a portion of the existing roadbed, the introduction of a drainage ditch, armoring a portion of the southern pond bank with rock and reconstructing/re-positioning 14 of the existing concrete float plane dock headwalls. CBJ Engineering Department has amended the current contract with PND for the second phase of design work and

JNU had been coordinating with PND to have bid-ready documents completed for a schedule that would bid as early as this winter. The work was originally scheduled for this fall and the schedule has slipped. The order of the work is critical with the pond embankment needing to be done prior to the road work. Staff and PND are working on this schedule since the pond will need to be drained for this work during the winter months, while also coordinating the timing of the grant. The Federal Aviation Administration (FAA) grant money for this project was rolled over to FFY 22 (AIP entitlements) to facilitate this bid schedule.

Runway Safety Area (RSA) Expansion Phase IIC: No change since last report. The project has been determined to be Substantially Complete, and both JNU and DOWL continue to work with the Contractor (SECON) on finalizing the project close-out documentation. Final payment has not yet been made to SECON. DOWL continues to finalize the project as-built record documents and the final engineer's report based on JNU review comments.

Taxiway (TWY) A Rehabilitation, Taxiway D-1 Relocation and Taxiway E Realignment: The project Contractor, SECON, asked for a Substantial Completion inspection of the new Airfield Lighting Regulator Vault (ALRV) addition to SREB on November 3, 2021. An inspection was conducted on November 4, 2021, and consisted of Architectural (Mike Greene, JNU Project Manager) and Mechanical (Stephen Bishop, PDC Engineers). From this inspection, it was determined that the ALRV was not yet Substantially Complete because the fire suppression system was not yet complete or tested, and the fire alarm interconnection to the fire suppression system was not yet complete or tested. JNU advised DOWL of this determination, who in turn, advised SECON.

SECON and their electrical subcontractor (Ever Electric) continue to work on the completion of the electrical distribution system within the ALRV, and on the installation of the new back-up generator within the SREB. Work continues on the installation of the generator controls. The start-up, testing and commissioning of the new generator has not yet taken place.

Construction Administration & Inspection (CA&I) services continue to be provided by DOWL who is serving as the Project Engineer.

As the Engineers of Record, PDC Engineers continues to provide Limited Construction Administration services, coordinating with JNU and with DOWL to insure that all work completed by the construction Contractor complies with the requirements outlined within the project construction documents. PDC Engineers continue to coordinate with JNU, DOWL, and SECON on responding to questions raised by the Contractor and to review materials submittals for items that had previously been scheduled to be installed in Phase 2 (Summer 2021).

Lavatory Waste Dump Site: No change since last report. JNU has updated the project construction cost estimate ($94K), and the overall project budget ($128K) based on a budgetary fee estimate ($19K) provided by PDC Engineers to complete the design work and the associated bidding and construction documents. This project remains on hold pending the identification of a funding source for the design component.

Parking Lot Repairs: DOWL has submitted a fee proposal, in the amount of $128,000, for an initial Site Investigation and Concept Development phase for this project. This initial phase will complete the subsurface soils investigative work, develop a comprehensive site survey, complete a base map which combines existing ground features with topographic survey, review existing lighting and electrical infrastructure, review existing surface and sub-surface drainage and review existing snow removal procedures. The deliverables from this initial phase will include a 15% concept level design for the parking lots and a 15% cost estimate.

Per the DOWL proposal, they have identified the following work to be addressed in future contract amendments:

- Preliminary Design to 65% level.
- Final Design to 95% level.
- Development of Bid-Ready (100% Level) Construction Documents.

- Assistance during CBJ Bidding Process.
- Design Services during Construction.
- Construction Administration and Inspection Services.
- FAA Grant Assistance, Project Close-Out Assistance.

Per the DOWL proposal, the work associated with the initial Site Investigation and Concept Development project phase was to be complete on or before April 1, 2021. This schedule was dependent on approval of the DOWL proposal by November 12, 2021. Acceptance of this proposal, and Notice-to-Proceed is on hold pending approval by the Assembly.

Ramp Lighting Upgrades: **No change since last report.** JNU has issued a Request for Proposals as part of the Terminal Reconstruction project to introduce lighting mounting brackets on the west (airside) roof parapets of the new north wing. These mounting brackets, and the associated conduit feeds, will be installed by the Terminal Reconstruction contractor because the completion of this work by another contractor would adversely impact the warranty associated with the new terminal roof installation.

Haight & Associates is currently working on revising the construction documents to expand the project scope of work to introduce additional building mounted high-efficiency LED light fixtures on the west side of the new north terminal and to identify the lighting mounting brackets and conduit feeds as existing. As reported earlier, these revision area necessary because of the elimination of the free-standing light poles that were to have been installed within the 135 apron as part of the Terminal Reconstruction project. JNU continues to work with Haight & Associates on completing a final review before submitting this project to CBJ Engineering for release for competitive bid. This project is currently scheduled to be bid later this summer.

Haight & Associates provided confirmation from the manufacturer that the proposed high efficiency LED flood light fixtures meet the FAA's Buy American requirements.

The costs associated with this work have been determined by the FAA to be Airport Improvement Program (AIP) eligible and allowable for AIP participation. The grant has already been received and appropriated (including Airport match funds). However, in trying to abide by the Buy American clause, and other design delays, this grant will sunset on September 30, 2021. Any funds not expended will need to be returned to the FAA (no extension). Staff is working to see if these ramp lights could be incorporated into the terminal project.