

MINUTES of
AIRPORT BOARD MEETING
October 8, 2019
Glacier Fire Station Training Room, 6:00 p.m.

I. **CALL TO ORDER:** Chair Jerry Godkin called the meeting to order at 6:00 p.m.

II. **ROLL CALL:**

Members Present:

Dennis Bedford	Jerry Godkin	Chris Peloso
Al Clough*	Dennis Harris*	Angela Rodell
Jodi Garza*		*via telephone

Staff/CBJ Present:

Patty Wahto, Airport Mgr.	Christopher O'Brien, Airfield Maint.
John Coleman, Airport Business Mgr.	Rob Edwardson, CBJ Assembly
Catherine Fritz, Airport Architect	Teresa Bowen, CBJ Law
Scott Rinkenberger, Airport Sup't	Mark Fuelle, Fire Department

Public Present:

Megan Rinkenberger, BRH/Public	JD McComas, USDA Biologist
Jeremy Milsaps, Hangar Owner	Kathleen Samalon, Hangar Owner

III. **APPROVAL OF MINUTES:** *Angela Rodell moved approval of the minutes of the September 10, 2019, Board meeting. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA:** Chair Godkin added Appointments to the Standing Committees of the Airport Board under New Business before Airport Manager's Report. *Angela Rodell moved the amended agenda. The motion passed by unanimous consent.*

V. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** None.

VI. **UNFINISHED BUSINESS:** None.

VII. **NEW BUSINESS:**

A. **Taxiway A, E and D-1 Contract Administration & Inspection Service Contract Award.** Airport Manager Patty Wahto said a Request for Proposals (RFP) for Contract Administration and Inspection (CA&I) Services went out for the taxiway project and DOWL was selected. The contract is currently being negotiated.

B. **Passenger Facility Charge (PFC) Appropriation.** Ms. Wahto said at the last meeting the funding needed to be made whole for the Taxiway Project, which was \$412,000+ for the local match. Staff was going to do some transfers within the capital revolving account by moving \$350,000 back in from the Terminal and then appropriating \$412,277 into the Taxiway Project from that revolving account. This would only involve

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one transfer because the Airport did not have the PFCs yet. Once the PFCs were amended, this would be appropriated through the PFC amendment in June/July of 2020. After talking with the City Finance Director, the cleanest way to do this is through PFC appropriations now. The money is coming in. It is approved by the FAA (Federal Aviation Administration). The Finance Director said to amend the PFC, but appropriate the PFC now because there is enough money in the account. Staff would like to change it to the Finance Director's recommendations. *Angela Rodell moved that the Board approve the appropriation of PFC9 anticipated collections in the amount of \$1 million for the Taxiway Construction CIP in the amount of \$412,277, and the Terminal Reconstruction CIP in the amount of \$587,723.* Ms. Wahto said the change to the PFC is not enough of a change (has to be 25%) to include the airlines in the amendment. This motion takes out the forward-funding. The appropriation is being done six months early. *The motion passed by unanimous consent.*

C. Appointments to the Standing Committees of the Airport Board: Chair Godkin assigned Angela Rodell as Chair, Jodi Garza, and Chris Peloso to the Finance Committee. He also assigned Al Clough as Chair, Dennis Bedford and Dennis Harris to the Operations Committee.

D. Airport Manager's Report:

1. FAA Annual Certification Inspection. The FAA Airports Inspector Randy Kuehler joined staff this morning and meetings have been held all day. Tonight he will be doing lighting checks and tour the airfield. He will continue tomorrow most of the day with CCF/R (Capital City Fire/Rescue) ARFF (Aircraft Rescue Fire Fighting). He will be here through Friday. The Airport always welcomes his expertise.

2. 2018 Annual Passenger Enplanements. The Airport has officially received the 2018 passenger enplanements, which were high ... the highest yet ... at 440,277, which is a 4% increase over last year. This means additional airport entitlement dollars. The Airport funding was increased this year to \$2.975 million. It is unknown whether the Airport is a non-hub or small hub.

3. Guardian Flight Open House. Guardian Flight will have an open house on October 12 from Noon to 4:00 p.m. The public is welcome. There will be some static displays and a barbeque.

4. Airport Fund Balance (AFB) and Capital Revolving Account (CIP) Balance (Attachment #1). As noted earlier, the CIP shows the placeholder until the PFC dollars are appropriated and amended, which will probably happen simultaneously. The \$412,277 is a placeholder that will probably be removed in November.

5. DC Lobbyist in Juneau. Katie Kachel, our Washington DC Lobbyist, was in town for some conferences and the Airport was able to connect with her about some of the items at the airport. They included some of the AIP (Airport Improvement Program)

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funding, some of the current projects, and the wish list for the PFC rate increase, which has been at \$4.50 for 18 to 19 years. She will return in January.

6. Hot Topics. The following is a list of on-going topics that staff is working on in addition to the regular Architect and Engineering Project Reports:

- FAA Compliance Land Use/Financial Letter (January 2019). The Airport sent the update to the FAA. The Airport and Fire Department just finalized their Letter of Agreement (LOA) for services in-lieu of rent. This item will show in compliance. Staff continues to work on the remaining compliance items. The U.S. Fish & Wildlife hangar is in the attorney's hands. This has been billed, but they are complaining about it. Board Member Al Clough noted that the State of Alaska Public Safety planes are the only aircraft in the hangar. He asked how this worked, whether they are paying the USF&W or is there any information on that. Attorney Teresa Bowen said the FAA wants this property to be on a lease that pays rent towards the operation of the Airport. Ms. Wahto said the Airport is not involved in any sublease of this hangar. On newer leases, the Airport is supposed to approve any subleases.

The Full Cost Allocation is another item that the FAA had questions about. This is more about fixing the methodology, which the City Financial Department already has in place and it involves a very strict financial allocation model that the City was heading toward anyway. That will be in compliance as of July 2020.

The last item on the list is the acquisition of the Loken property. A meeting has been held with the Lokens and there are a few things that need to be done before the property can be acquired. Discussions have been held with the FAA, which is a stand-alone item that the FAA looks at for discretionary funding. This is something the Airport can get reimbursed for and or wait for the money to be available.

- State of Alaska Department of Environmental Conservation (ADEC) has responded to JNU'S letter regarding Aqueous Film Forming Foam (AFFF) contamination. The drillers and Cox Environmental are expected in town on October 20 to start this project. Board Member Angela Rodell said she had talked to the ADEC Commissioner and they now are testing for all contaminants.
- Staff has purchased two of the emergency stair evacuation devices that Alaska Occupational Safety & Health (AKOSH) has approved; a third chair will be purchased in another month. The Fire Department has been notified that they are there. They can watch the CD and learn how to use it. It will be a nice evacuation tool. When the last chair is in, the Airport will submit the remaining invoices and close the AKOSH compliance matter out completely.
- Honsinger Pond: Bicknell has submitted a preliminary plat request to the City. They are looking for public comment to the City, which was due Monday, or directly to the Commissioners by October 25, 2019. The public hearing is set for

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7pm on October 29, 2019 in Assembly Chambers. The Airport intends to comment on this. Some of the things that staff wants to make sure is that there are covenants on the properties, that they know this is near the airport's approach end, and that there are rules regarding Land Use Compliance. Even though this was put into the original packet for the Planning Commission for the rezone, staff wants to make sure that they are aware and put it into a covenant if possible.

- Terminal Reconstruction:
 - o Bond sales are up for public hearing at 1 p.m. October 11, 2019, room 224 in City Hall. These have been approved by the public, but now they are going through the sales portion, which requires public hearing. Ms. Wahto will attend this meeting.
- Maintenance programs refinement (roofs, heat pump equipment, etc.). Staff (Terminal, Airfield, and Projects Office) met last week to discuss a tracking system for all building component preventative maintenance programs. Mike Greene did a great job in this presentation and saying that a lot more can be spent if you get behind than being prepared ahead of time. Staff is finding a program that will track all of the systems.

7. Airport Engineering Projects Report (Attachment #2): Ms. Wahto reported that the **Runway Safety Area (RSA) Expansion Phase IIC** is to the point of finalizing the last payment on the RSA to get that bid closed out. Final payment has not been issued yet. The **Float Pond Improvement Project** is waiting for the insulation of the six-inch force main. When that is done, this project can be closed out.

The **Taxiway Rehabilitation Project** bid award and the final appropriation of the grant will take place next Monday at the Assembly. Secon was the only/low bidder. The FAA grant has been received. The \$21.8 million for the Secon bid and the \$25.4 million grant should be up for hearing at the next Assembly meeting.

Phase 0 will begin in October 2019. Secon can begin ordering materials and could start doing some planning. It is possible that work can begin on the lighting vault but it could also be done this spring. It is expected that this project will be complete in October 2021. DOWL was selected for the construction and administration services. PDC, the design consultant, will still be on board under a small contract because if there are changes that need to be made it needs to be done with the design team. The project has been put in front of the ACAC (Airport Construction Advisory Council) made up of Air Traffic Organization who are experts in the Notice to Airmen (NOTAM) system. They are on board to be a second set of eyes for the NOTAMs that will be issued during construction, as well as their expertise in the construction field.

The **Ward Air Hangar Expansion Project** has been working on fencing plans to try to start this fall and get their permits together. It is expected that something may be done if the weather holds.

The **Ramp Lighting Updates Project** is a grant the Airport has had since 2017 and the Airport does not want to lose the grant. A lighting system has been found that meets the Buy American requirements. This is a \$256,000 grant that was appropriated in 2017, as well as the match. This will be coordinated with the Terminal Project.

8. Airport Architect Report (Attachment #3): Airport Architect Catherine Fritz added that there have been minor revisions in the **Ramp Lighting Project** because of the change of scope and the demolishing of the North End building. Once this is done, it will go out to bid and they should be procured this winter.

Exciting news: The Airfield crew unloaded chemical in the new **sand/chemical building**. When Katie Kachel was here, staff took her out to see the building. It is amazing that a \$10 million building is done 13 months from the day the Airport accepted the award of the grant. This is a very proud accomplishment for a lot of people. It is not quite done as the chemical mixing system is not yet operational, but will be done by the end of the month. The sand will begin to be stored in there later this week. This will be a great facility to be used this winter. The total contract amount was \$9,475,000+ and included change orders of about \$220,000, which included the additional requirement for the diesel exhaust fluid (DEF).

The other part of this grant included **demolishing the old sand shed**. Staff is in the process of understanding the building's complexities in terms of how it rests on the ground and how it structurally stands up. The property line is not exactly known. There will be a survey done to determine the structures in the walls. Staff is confident that the two buildings are dependent on one structural column system. The engineer may have a good fix for that by removing the columns on the Airport's side and replacing the columns that were removed some years back on the other side. A sampling of hazardous materials was done last week to understand the extent of what may need to be dealt with. A lot of people are working on this. This will not happen quickly, but as solutions come up, the building will be taken down expediently. The money for this project was part of the grant.

The **Terminal Construction Project** had the final design meeting. There are a lot of details that are being worked on. Preparation for construction continues. Plants that could be moved were moved to the Welcome to Juneau sign area. The underground electrical for the new service on the east end is progressing very well. The last of the slabs were poured today. The generator and the other electrical equipment will be set in the coming weeks.

VIII. **CORRESPONDENCE:** None.

IX. **COMMITTEE REPORTS:**

A. **Finance Committee:** Committee Chair Angela Rodell had no report.

B. **Operations Committee:** Committee Chair Al Clough said the Operations Committee met to discuss non-compliant hangar lease issues, which are all over the map on the field. There were some informal staff reports that he thought were shared at the last Board meeting. The FAA guidance on airfield hangars has changed over the years and the FAA does allow subsidiary use of private hangars so long as the primary use is airfield related, i.e., airplanes parked inside of the hangars. The Committee asked staff to update the lease language and to expeditiously deal with the outrageous things that are going on with one or two properties. Once the lease language has been updated, staff has been asked to bring the whole thing back to the Operations Committee for review. The leases should allow people to have minor non-airplane related things in their hangar, so long as the primary use of the property is aircraft related. The FAA guidance allows that, but they want the outrageous ones dealt with. Staff is already moving forward with that. This is a process that may take several months or longer to figure out the language for the lease amendments. A number of hangar owners were assured that this is not a vendetta against someone parking their skiff under their airplane wing in the winter. It is more of trying to get rid of a few truly non-compliant tenants. Then staff will work cautiously to bring some changes that will make it a better situation for everyone. Dennis Bedford said that one derelict airplane is being dealt with. Chair Godkin asked if any replies have been received from the letters sent to hangar owners with egregious uses. Ms. Wahto said no replies have been received.

X. **ASSEMBLY LIAISON COMMENTS:** Assembly Member Rob Edwardson said an election was held on October 1, with only one seat change. After every election, the Assembly reorganizes committee and liaison assignments. Sometimes some remain the same, sometimes they switch. Because there is a different Assembly, seniority has changed and other items may mean that he may not be at the next meeting, but a new member will be there. If he is not here, he said it has been a pleasure. He asked for this Board and one of the reasons is the product that has come to the Assembly from this Board is organized, understandable and good quality. He said they didn't always go with the recommendations they got, but they always understood what the other side of the story is. Chair Godkin said he talked with the Mayor and noted that he, as a Board Member, had been very pleased with Mr. Edwardson as the Liaison and he told her he would be happy to have Mr. Edwardson back. He thought Mr. Edwardson has been a very attentive, informational liaison. The Board appreciates that.

After the budget cycle the last year, there were a lot of people having to do things differently to set the City up for success. This was taking a snap shot of the fact that the City was using money out of their savings and they were not doing anything to increase the revenue or stop that flow. Each and every member of the Assembly knows math. The difficult part is the human part of the budget process itself. The difficult part of the City's budget process, and the Assembly has been struggling with it since before he got on there,

is that they have solidified different components of the budget before they addressed additional asks or increments. So when they get to that point, their choice is to either go back or redo the whole budget again or to spend out of savings. Mr. Edwardson said this is from his perspective as one of nine Assembly Members.

The thing that he is pushing is to have the asks and increments in the beginning. Then they have to decide through a quorum whether they will increase revenue because they think something is important to the public; whether they cut another service, which is never popular; whether they are not going to spend the money; or whether they are going to spend out of savings and explain to the public why they are doing it. The way it affects the Board is each Board in the two years that he has been on the Assembly has had an additional ask outside of the enterprise budget.

As one of the people who are proposing some of the changes, he would be asking for all of the asks to come before they start addressing the components of the operating budget for the City administration. His perspective on doing this is, first and foremost, so that the public can understand what they are doing. They have to make decisions and live with their decisions. The other thing is for people to know what they are doing and not be blind-sided by it in the rush of the last weeks of the budget process.

Meetings will be held on core services. There will be sixteen meetings on trying to define core services. This is a political hot potato. He is hoping that they come up with a list of core services that says this is the most sacred things that the City has and if they are looking for cost cutting, it needs to be found someplace else. Then hopefully they will be asking for information earlier in the year than they have in the past.

XI. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** None.

XII. **BOARD MEMBER COMMENTS:** Angela Rodell commended Patty and the staff on the facility management program because it is something that when the budget is being prepared and they are thinking about the new systems, that they define what it will take long term: whether it is a skill set in personnel or an ongoing capital reserve fund to continue to maintain some of these facilities. She thought that a lot of time when a new facility is built, people are enamored with the new facility and they forget that they have to take care of it and what it requires to keep it maintained on a long-term basis.

Ms. Rodell also commended the Assembly with what they are doing with their budgetary process. The things that are happening with the State and the difficulties that the State is having with its own budgetary process means that the municipalities have to take the lead on these things and not assume that the State is going to be there in a way that it has been in the past. To the extent that we are proactive as a community, she thought it would benefit everyone in the long run. When the State finally figures out how, when, and where it is going to participate with municipalities, we will be in much better shape to accept

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budget cuts or their funding because we will be taking care of our own destinies. She wanted to encourage the Assembly on that effort.

XIII. **ANNOUNCEMENTS:** None.

XIV. **TIME AND PLACE OF NEXT MEETING:** The next regular Airport Board meeting will be held on November 12, 2019, at 6:00 p.m. in the Glacier Fire Department Training Room.

XV. **EXECUTIVE SESSION:** None.

XVI. **ADJOURN:** *Angela Rodell moved to adjourn. The meeting adjourned by unanimous consent at 6:57 p.m.*