

MINUTES of
AIRPORT BOARD MEETING
August 13, 2019
Glacier Fire Department Training Room, 6:00 p.m.

- I. **CALL TO ORDER:** Acting Chair Angela Rodell called the meeting to order at 6:00 p.m.
- II. **ROLL CALL:**
Members Present:
Dennis Bedford Jodi Garza Chris Peloso
Al Clough Dennis Harris Angela Rodell
- Member Absent:
Jerry Godkin
- Staff/CBJ Present:
Patty Wahto, Airport Mgr. Rob Edwardson, CBJ Assembly
Marc Cheatham, Deputy Airport Mgr.
- Public Present:
David Epstein, Past Board Member Charles Murphy, KINY
Amy Lyman, Alaska Airlines
- III. **APPROVAL OF MINUTES:** *Al Clough moved approval of the minutes of the July 9, 2019, Board meeting. The motion passed by unanimous consent.*
- IV. **APPROVAL OF AGENDA:** *Dennis Harris moved approval of the agenda and asked unanimous consent. The motion passed by unanimous consent.*
- V. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** Amy Fuller Lyman, Alaska Airlines, has taken over the position formerly occupied by Kathy Smith. She does rates and charges, checks in to see how things are going. Chair Rodell said the Board looks forward to working with her.
- VI. **BOARD APPOINTMENTS:** Chair Rodell gave a warm welcome to Jodi Garza and thanked her for volunteering to be on the Board. She noted that both Jerry and Chris were reappointed. The Board is excited to have both Chris and Jerry remain on the Board. She recognized that the former Chair David Epstein is sitting in the audience. He will definitely be missed. Board Member Dennis Harris said that on behalf of the Board, they wanted to thank Mr. Epstein for his nine years of service. They asked Mr. Epstein to go to SALT on the second Tuesday of next month and spend the card. They felt he deserved it. After nine years, he should take his wife out and have a nice dinner. David Epstein was pleased to have Jodi appointed to the Board as she brings a skill set that is very important for the next couple of years. He was also glad to see that Jerry got reappointed and glad to

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see Chris back, too. He wished the Board well and thanked Mr. Edwardson for being the Board's Liaison.

VII. **ELECTION OF OFFICERS:** Chair Rodell said the election of officers will take place in September when Mr. Godkin will be back.

VIII. **UNFINISHED BUSINESS:** None.

IX. **NEW BUSINESS:**

A. **Capital Improvement Project (CIP) Transfer Snow Removal Equipment Building (SREB) Sand/Chemical Project.** Staff has identified a couple of ineligible items within the fuel station. Some have come about because of some requirements that have come through. One is with the new equipment and the need for a dispensing unit for Diesel Exhaust Fluid (DEF) kit for emissions. This was not included in the original design. The FAA (Federal Aviation Administration) does not allow this cost as part of the project. This project got one of the first awards as part of the omnibus funding last year. The difference in awarding it has helped the CIP and, since then, fueling stations are no longer included but the Airport was able to get in under that. If this project had not started last year, the fueling station would not have been funded. The DEF station can be purchased through local funds. There is Sales Tax from the unexpended portion of the Gate 2 Boarding Bridge (\$60,000) can be transferred into this project; as well as the Sand/Chemical Design (\$140,000 in Sales Tax) that was not used during design. It can normally be transferred within the project, but because it includes the component of Gate 2, the Controller's Office would like to make sure it is clear and on the books that the Sales Tax is going from one project to another project. It is expected the DEF system will cost about \$160,000, plus some other items that are not eligible for an amount that will not go above the \$200,000. *Al Clough moved the approval if the transfer of \$60,221.47 Sales Tax from the Gate 2 Passenger Boarding Bridge project, and \$140,000 Sales Tax from the SREB Building to the Sand/Chemical Construction Project for non-FAA grant-eligible expenses. The motion passed by unanimous consent.*

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

1. **Runway (RWY) 26 Approach Trees:** The USDA Wildlife Biologist Tyler Adams met with Alaska Airlines and Alaska Department of Fish & Game to discuss the trees under the Airport's permit that can be cut down for the approach. At the July meeting, the Board approved up to \$10,000 for the removal of the trees that were over 20 feet. This was done, but because of the cost the Airport had to go out to bid to meet the City's procurement rules. The low bid was Last Frontier Forestry & Tree Service at a cost of \$8,900. This has been done. Staff will be meeting with Fish & Game to look at the site and make sure that their requirements have been met. There have been a couple of comments – such as taking the logs and it was learned after the fact for some of the cultural aspects of gathering spruce roots. Fish & Game is talking with these people.

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2. Airport Fund Balance (AFB) and Airport Capital Revolving (CIP) Account Balance (Attachment #1). The only change that was made from last month was the \$800,000 from the Airport Fund Balance. The Assembly fully appropriate the \$800,000, as well as the \$300,000 from Sales Tax. This is now final.

3. Union Negotiations: The Marine Engineers' Beneficial Association (MEBA) covers the Airfield crew. The same negotiations affect all staff. The negotiations were ratified by the union on August 6, 2019. On July 22, the Assembly ratified the tentative agreement contingent upon union ratification. The agreement is now in place and is public. It gives a 2% general pay increase for FY20 (which started July 1st) and then 1% increases for the next two years – FY21 and FY22. There will not be any economic reopeners. The other thing the negotiation does is a lump sum payment of \$500 for full-time employees (and adjusted down for part-time employees) because of the delay in appropriating these. It also included a 5% increase for the health benefit costs for FY20 and FY21 and up to 5% in the third year of the agreement. Based on Airport personnel, the increase will cost approximately \$62,500 for FY20.

The Airport is affected by all three agreements within the City. The Public Safety Employees Association (PSEA) ratified their contract on July 22. Their increases are a staggered amount of 6% for sworn officers, 3% for dispatchers, and 2% for all non-sworn PSEA officers. The retention of officers has been a problem. The State has given 20% to 30% increases to keep officers. Therefore, the rate was higher. This affects the Airport because of the Police Officers at the Airport. Subsequent years will be increases of 1% in FY21 and FY22 and they also see the up to 5% increase for health benefits. Staff is still getting estimates as it is a little more complicated that applying it to staffing schedules. Two officers are assigned to the Airport, with a revolving door for other officers depending on what shifts they can fill that may be on overtime. There will be a better estimate of this cost by the next Board meeting.

The third union group is International Association of Fire Fighters, Local 4303, and they are still in negotiations. This impact will be brought to the Board when this contract is ratified.

4. Hot Topics:

- The drill was held on July 20, 2019. There were over 120 public volunteers from many agencies and departments. There are always lessons learned. The drill's debrief was held on August 6. Ms. Wahto thanked all of the volunteers as it was a rainy drizzly day and there were a lot of people that showed up. She said a lot of people didn't realize what goes on behind the scenes.
- Alaska Occupational Safety & Health (AKOSH) has approved changing the FOD Boss to emergency stair evacuation chairs. This would be used in case of any emergency. Hopefully this will close out this item.

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- No inquiries have been received regarding the Honsinger Pond/Access construction.
- Terminal Reconstruction
 - o The \$800,000 and the \$300,000 that were the missing amounts for the terminal were approved by the Assembly on July 22. Staff is moving forward. The timing is still being worked on, with the bonds being sold in late October. This will need to be done to coincide with the bids. Bids will be out in November, due in December and construction will begin in January 2020. A wall will be constructed close to Island Air/Harris Air area. The tenants in this area will be Harris/Island, Alaska Seaplanes and Customs. They will operate out of the area and everything south of the wall – the Administrative office, Air Traffic Control office, etc. will be demolished. The wall represents where the end of the terminal will be located.

There will be a two-story building built in the demolished area. The next phase will be moving the tenants into the new section and then their old area will be demolished, which will allow Alaska Seaplanes to put up their freight forwarding area. Phase II will demolish the current elevator, up escalator and stairwell tear down, because the new stairs and elevator will be built in Phase I. People will have to go outside to get from the old section to the Alaska Airlines side. The sidewalk will be preserved. It was suggested that drawings and diagrams be visible for people to see. Ms. Wahto said it will be put on the website and posted in both ends of the airport.

- o The One Percent for Art went through the Assembly Public Works & Facilities Committee on July 1, and approved by the Assembly on July 22, 2019. Staff is working with the design team to work with the artists.

- o The Terminal Design Development is complete and the estimates are being fine-tuned.

- o A letter has been sent to Kristi and Tom with the Gift Shop, which asked them to sign the amendment or reply by August 30. No commitment has been received. Part of the driver for this is that this needs to be known by September 1 if the temporary space is to be built. If they do not commit to the temporary space during construction, it will not be built. The amendment will be for the new space and decreases their minimum guarantee for each month. There is not a lot of cost to them, but reflects loss of space and loss of business. Staff is trying to schedule a meeting next week to make it a smooth transition. They have been a very valuable concessionaire and tenant to the airport.

- The terminal clocks have been fixed finally. It ended up being a small black box that regulates the clocks to real time.
- The Runway 26 Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) is upgraded equipment. This falls into a gray area. AIP dollars cannot be used due to ownership. It is trying to get the

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FAA to acknowledge that it is part of their Facilities & Equipment (F&E) field so that they can purchase it. Out of all of the things they purchase, \$3.75M is pretty small potatoes in the line of FAA equipment and for what it does. Staff, Delta and Alaska have all gone on record. The Congressional delegation has been pushing it and haven't been able to get over the hump yet. The Corps permits have been renewed so that they do not lapse.

5. Airport Engineering Projects Report (Attachment #2): Ms. Wahto reported that the Runway Safety Area is substantially complete with a small punch list of items. They are pretty minor. It is expected to close out this project within the next few months.

The Float Pond Improvements are substantially complete. The actuator valve was delayed in shipping. It should be in town this week or next. It will be installed, tested and the remote system will be tested. The insulation of the force main sewer line will be done. It is expected this project will be closed out shortly.

The Taxiway Project (Taxiway Alpha, Echo Realignment and Delta-1 Relocation) is out for bid, with bids due August 22, 2019. As of July 31, there were three prime contractors and a subcontractor on the plan-holders list. A pre-bid meeting was held on August 8, with a lot of interested parties. It is hoped to have a notice to proceed by late September or early October. It is expected this project will take place over two construction seasons (Spring/Summer of 2020 and 2021), but some pre-work may be done this fall. This will be getting submittals in and a lot of the material needed for the project. They can start on the Airfield Lighting Regulator Vault (ALRV). This will be moved from the east end and relocated next to the Snow Removal Equipment Building. By roughly April 30, 2020 through the fall of 2020, the preparation work will be done for Taxiway Hotel, similar to what was done with the Runway Rehabilitation. This will allow 737's to go down to the new Northeast development. Parts of it will be repaved and planes in the infield area will be relocated. It will have a wider area and extended much further to the east. Another thing that will be a part of the phase is to relocate Delta-1. They will not be doing all of this at once.

A lot of these phases have subphases, but the bulk is based on construction season. Phase 2 will start in the spring of 2021 and should be substantially complete by October of 2021. This will realign Taxiway Echo, the last segment of the Jordan Creek culvert will be replaced (under Alpha Taxiway – and this is the last piece of the Record of Decision that was mandated), and then Taxiway Alpha will be milled and paved full length, and some lighting control and switches will be done to hook it up to the new lighting vault. This is a big project that will take place over a lot of construction seasons and entail a lot of coordination.

Chair Rodell reiterated the need for public communication during this project and the terminal project. She said she didn't know if this will be disruptive to flight schedules,

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etc., in that she was feeling the pain of Seattle. She said that at our airport, it is expected to get in and out very quickly. Ms. Wahto said this was a very good point. That is why there are so many subphases so that while Alpha is closed down; it will be reopened in phases to get people in and out. There will be a lot of back taxiing on the runway and a lot of coordination. There is an FAA division called Airport Construction Advisory Council and they go from airport to airport to help look at the scene to help coordinate what the Notice to Airmen (NOTAM) would look like, getting out visual picture NOTAMs that you can put out through your FAA what is called the FFAST (FAA Safety Team) Blast to all users of the airport, or just in general. This group was great to work with during the Runway rehabilitation. They help see it through a different set of eyes and help with the coordination. The Airport will rely heavily on them, too.

There are two parts to the contract administration and inspection (CA&I): PDC, who is the current design team, will have a small contract to remain in the loop in case there are questions on the design or design changes that need to be done. The actual CA&I will be done by a consultant who assists with the on-scene inspections and oversight of the contract. It may be the same company, but there are any number of people who can bid on the contract. They work hand-in-hand with the contractor and the design team to make sure it is very fluid. That Request for Proposals (RFP) is currently out and are due August 27. Then there will be a team that evaluates the proposals.

The Air Traffic Organization will be holding a Safety Risk Management Panel on August 28 and 29 to go over how this project can be done safely. Discussions will be on things that can possibly impact the safety or movement areas or operations on the airport. How can it be done safely? How will high risk items be mitigated? This is handled by the Air Traffic Organization. She will let everyone know where this will be held. The decision making is done on the Air Traffic panel.

There will be a lot of meetings, NOTAMs and pictures for pilots. It will be disseminated to the known users.

The PFAS Assessment is regarding the possibility of any airport having polyfluoroalkyl substances (PFAS) from the airfield firefighting foam that was used. This is the old stuff that was used years ago. Staff does not know if there is any contamination. Cox Environmental has been asked to write a plan, it was reviewed and sent to the Department of Environmental Conservation (DEC) for them to accept the proposed plan. It is similar to the one the City has done with the Hagevig Fire Training Center. This will be tested in concert with one another. There are six new wells for testing the groundwater. There are existing wells that were part of a geotech sampling and are open to go into or are prior ground contamination with either fuel or something else that can be used as a clean area. Board Member Dennis Harris was concerned that the State has backed off of the State's stricter standards and has gone back to the Trump Administration's water-downed standards. He was concerned that if the testing is done it should be for all substances, not

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just the ones that are on the State list. Ms. Wahto said this had been discussed with Cox Environmental and she believed the Airport is testing for all. She will double-check on that. Some of the drill work will be done in late-August.

Mike Greene met with Republic Parking Regional Director Martin Klein to go over their old booths. These need to be upgraded as they are very old and falling apart. They want to upgrade for accessibility and restrooms in the booths, which may mean shifting how the exit lanes are. They will develop a plan and bring it back to the airport, in case that plan affects the exit for the employee lot. There is a possibility that the exit lane may have to be moved over. Republic Parking understands the Airport does not have money for this project, but feels that they can invest in this project. She appreciated Republic Parking for coming forward and taking care of the ticket booths. While this is on the long-term to-do list for capital projects, it is not FAA eligible. Cold patches are being done as needed.

6. Airport Architect Report (Attachment #3): Ms. Wahto reported that substantial completion for the Sand/Chemical Building and Fueling Station is expected by mid-September for the Sand/Chemical Building. The ineligible pieces of the Airport Fueling Station (the DEF system) will delay substantial completion in October. The Fueling Station is for City vehicles only. The siding is currently going up. The roof is ready for inspection. All of the equipment (cranes and tank) are on site. This project went fast. Once they started, they have done an excellent job.

About every two weeks, pipes are breaking in the old section of the terminal. This is a reminder that things are not ok. It always happens on a weekend. The focus for the terminal is on the cost estimates and aligning them with the current design documents. There are some items that have been reduced to stay within the estimates based on the design. Some items that are being discussed are a different manufacturer for the carpet or terrazzo tile or leaving some of the wall coverings off. People wouldn't necessarily think it is unfinished, but back-scaling it to stay within budget. The construction estimate is at \$16.9M, with pre-electrical work at just under \$1M to bring in electrical service and tie in with the AEL&P (Alaska Electric Light & Power) work. The remaining cost on the project will be the bond interest and fees and CA&I.

Project management best practices looks at managing your budget risk. With this project having a tight budget without a high contingency, staff is striving to estimate the construction and it aims for the mid-range cost. When something comes in low, there are a couple of additive alternates. This will allow the project to continue to move forward. If the bids are low, the projects can be added back in. Two additive alternates were added to this project. The project calls for two elevators: one would function and one would be a shaft with an additive alternate (a priority item); and the ceiling finishes at a cost of \$120,000. A basic ceiling would be installed instead of a finished, fancier ceiling.

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The electrical service was awarded at \$944,240. The estimate was \$1.3M, which gave the project more wiggle room.

The FAA design work for the Air Traffic equipment room has been finished. Some of the preliminary work is beginning, with some of their equipment moving at the end of August. She thought it would take at least one month. Some of the temporary space construction is occurring. The Alaska Room will be Airport Administrative offices on one side and FAA Air Traffic Administrative offices on the other side of it. The old dining room will have the Project Office; the TSA (Transportation Security Administration) break room; and Tailwind will have some storage space. There are two different contractors working on site – Dawson and Carver Construction – so that people can start to move into the spaces.

A temporary heating system has been installed in the north end. It is working and will provide temporary heating for the temporary area for the north-end terminal tenants. The restrooms are almost done.

Project closeouts include the Gate 2 Passenger Boarding Bridge. Some updates are being done with the FAA in case there is additional money available. The Project Office is always working and updating things. An item that seems small is the Disadvantage Business Enterprise (DBE) program for a lot of people, but it is very time consuming, especially with all of these large projects – the terminal reconstruction, the taxiway project. There is a huge amount of time put into this project. The Airport is handling its own DBE for the City due to the nuances of the FAA requirements.

X. **CORRESPONDENCE:** None.

XI. **COMMITTEE REPORTS:**

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

B. **Operations Committee:** Committee Chair Al Clough said he would like to have an Operations Committee meeting in September to discuss the Taxiway Project.

XII. **ASSEMBLY LIAISON COMMENTS:** Assembly Liaison Rob Edwardson apologized for missing the July meeting as he was trying to get his daughter married off. He reported mission accomplished. Interviews were held for the Airport Board. He congratulated Jodi for getting appointed and joining the Airport Board. He also congratulated Chris and Jerry for their reappointments. He had wanted to thank David Epstein for holding down the fort. The recruitment was extended because of the low number of applicants. He carried on as is contained in the rules for Boards and Commissions. He appreciated not just David, but the whole Board holding meetings with what was the current roster.

He noted the upcoming Assembly elections on October 1st, and that all signs say that it will not be much of a change. Unless there is a terrific write-in campaign, all of the people with less than nine years will remain. Mary Becker is terming out. Her position will come

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open. There are two openings for District 1 – one for one year and one for three years – and there are two candidates. The person with the most votes will get three years and the least votes will get the one year. Straddling the election, before and after, will be special finance meetings to discuss the Assembly's budgetary process. There are a number of different reasons for that. Several Assembly Members feel that the decisions are kind of rushed and at the end and are not talked about as much as they should be. They are going to try to improve the processes and provide better guidance to the CBJ Manager and his staff and see if they can come up with better and more understandable budgets.

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

XIV. **BOARD MEMBER COMMENTS**: Dennis Harris said he will probably be out of town the latter part of October through mid-December. He will try to call into the meetings.

XV. **ANNOUNCEMENTS**: The Airport Manager successfully took two days off and the place did not fall apart.

XVI. **TIME AND PLACE OF NEXT MEETING**: The next regular Airport Board meeting will be held on Tuesday, September 10, 2019, at 6:00 p.m. in the Glacier Fire Department Training Room.

XVII. **EXECUTIVE SESSION**: None.

XVIII. **ADJOURN**: *Dennis Harris moved to adjourn. The meeting adjourned by unanimous consent at 7:18 p.m.*