

AIRPORT BOARD
AGENDA
6:00 P.M., TUESDAY, JANUARY 8, 2019
ALASKA ROOM

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF MINUTES: Regular Monthly Meeting of December 11, 2018
- IV. APPROVAL OF AGENDA
- V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS
- VI. UNFINISHED BUSINESS
 - A. **Terminal Reconstruction Schematic Overview.** Airport staff will present the current Schematic Site Plan and Floor Plans for the Terminal Reconstruction project for general information and discussion.
- VII. NEW BUSINESS
 - A. **Land Lease Term Approval.** The Airport will be entering into a land lease agreement with Alaska Seaplanes for a new cargo and passenger support services facility, proposed north of the main terminal. This lease will be secured by agreement, but commence upon start of Lessee's leasehold improvements (once the Airport has designed public area and demolished old sections and prepped the land for construction, currently estimated for February 2021). According to the Airport Leasing Policy and City Ordinance, the Airport Manager must receive approval for a lease term over 35 years. Based on proposed cost of investments, the tenant has requested a lease that would exceed the 35-year threshold. The tenant has estimated an investment well in excess of \$575,000 for a new facility and is requesting a 40-year lease.

Juneau International Airport Leasing Policy Term Schedule, September 6, 2016:

Commercial Investment Schedule		
		Current
Years	5	N/A
	10	\$75,000.00
	15	\$150,000.00
	20	\$225,000.00
	25	\$350,000.00
	30	\$450,000.00
	35	\$575,000.00
	35+	Airport Board Approval

Non-Commercial Investment Schedule		
		Current
Years	5	N/A
	10	\$30,000.00
	15	\$60,000.00
	20	\$100,000.00
	25	\$175,000.00
	30	\$250,000.00
	35	\$300,000.00
	35+	Airport Board Approval

*At renewal, if no additional investment is made lease term will be set for 10 years (see ord. 53.20.100)

**Airport Land Lease Requests of greater than 35 years must be approved by the Airport Board (see ord. 05.20.020)

***Investment is defined in section VII.A.

Board Motion: *“Approve a lease term of 40 years for Alaska Seaplane Services cargo and passenger support services facility, for a new lease located north of the main terminal area (approx. 20,000 sq. ft. parcel).”*

B. Airport Manager’s Report:

1. Airport Fund Balance (AFB) and Capital Revolving Account (CIP) Balances (Attachment #1). As requested, these spreadsheets will be monthly Airport Board Agenda attachments as well as be published on the Airport’s website. The latest balances reflect the Board’s approval of \$380,000 for the departure lounge exit lane system funded by the AFB (however, still waiting for final Assembly appropriation).

2. State of Alaska Occupational Safety and Health (AKSOH) Notice of Violation Letter. As mentioned at the December 2018 Airport Board meeting, the Airport received the formal letter of alleged violations stemming from their June 20-21, 2018, inspection. An informal teleconference was held to review the violations on December 17, 2018. There were a total of 16 violations listed of which 11 had associated fines totaling \$34,000. AKOSH has a public sector allowance to purchase safety improvements in-lieu of the fines (mitigation costs for current violations are not allowed). The Airport will be putting together some ideas over the next couple weeks to submit to AKOSH for approval. AKOSH appreciated JNU Airport’s quick response and cooperation, and really appreciated the Airport taking the ‘high road’ to use the money toward safety betterment. They were also pleased that the Airport used the violations (sand/chemical facility) in a positive way to assist in securing the special grant for a new facility. The Airport requested use of the sand/chemical building match to grant as in-lieu of fines, but was denied due to previously being funded. The Airport had to respond and prove compliance by January 2, 2019; that letter was sent on December 31, 2018. Staff requested an extension on the Fall

Protection training until May 31, 2019; all other citations were abated by their deadlines.

3. Transportation Network Companies (TNC) Agreements/Collection. Agreements with Lyft and Uber are now in place. Lyft has been collecting/remitting fees since early October 2018 and the Uber agreement was just finalized this month. Thank you to John Coleman, Airport Business Manager, for working and negotiating these agreements with companies and the Law Department. The Airport receives \$1.50 for each drop-off and pick-up.

4. CBJ Leadership Team Retreat. CBJ held a leadership retreat for managers and department directors on December 18, 2018. A variety of topics including Assembly goals, budget and department summaries were on the agenda.

5. Hot Topics. As requested by the Airport Board, the following is a list of on-going topics that staff is working on in addition to the regular Architect and Engineer Project Reports:

- AKOSH citation mitigation and safety purchases in-lieu of penalties
- Marine Engineers' Beneficial Association (MEBA) union negotiations to begin again in January 2019 (3-year contract)
- Legislative Reception January 16, 2019, Centennial Hall
- FY20 budget updates; Finance meeting TBD
- Exit Lane System funding through AFB pending Assembly appropriation
- Badging Office Assistant replacement recruitment underway
- Badging system upgrades delayed due to technical infrastructure delays with Millennium Corporation, but anticipate end of January/early February 2019.
- Honsinger Pond/Access (work in progress) with State DOT, Bicknell, CBJ
- JNU Class D airspace change scheduled for January 3, 2019.
- Terminal Reconstruction
 - o Design consultants are preparing a fee proposal for LEED services. Also a schedule that evaluates the impact to the project should LEED certification be required.
 - o Working on Art Committee appointments with CBJ
 - o Terminal Schematic Design in progress
 - o FAA equipment relocation
 - o U.S. Customs space requirements
 - o FAA Office space requirements
 - o Temporary relocation and phasing
 - o Review of leases and contracts affected by construction
 - o Reconfiguration of lobby space/check-in kiosks for Alaska Air
- Tenant Insurance reminders are being sent out. Several certificates have lapsed in our records.
- Runway 26 MALSR approach lighting discussions with FAA. Staff submitted permit continuance requests to State and Corps of Engineers to keep current.
- Tailwind Restaurant Concession Theft. Cash was taken from Tailwind's office on December 30-31, 2018. Case is under investigation.

- Airfield Maintenance Equipment repair for grader drive shaft and loader brake accumulator pressure valve combined at a cost of \$10,000. At this time, staff plans to absorb costs in budget.
 - Snow Removal Equipment Acquisition is on-going.
 - Elevator contingency protocol
 - Maintenance programs refinement (roofs, heat pump equipment, etc.)
 - Staff Training Programs (safety and health) for AKOSH
6. Airport Engineer Report (Attachment #2)
7. Airport Architect Report (Attachment #3)

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., February 12, 2019, Alaska Room

XV. EXECUTIVE SESSION

XVI. ADJOURN