

AIRPORT BOARD
AGENDA
6:00 P.M., TUESDAY, JANUARY 10, 2017
ALASKA ROOM

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF MINUTES: Regular Monthly Meeting of December 13, 2016
- IV. APPROVAL OF AGENDA
- V. PUBLIC COMMENTS
- VI. COMMITTEE APPOINTMENTS
- VII. UNFINISHED BUSINESS
 - A. **Economic Impact Study** (Attachment #1). During the Airport Sustainability Master Plan process, there are economic components that are looked at for planning purposes. A full Economic Impact Study is not included as a part of the Master Plan process, but it was the perfect chance to update our 2000 Economic Impact Study at a reduced cost (\$8,500). In July 2015, the Board gave approval for Sheinberg Associates to proceed with a new Economic Study. Staff reviewed the information and the Economic Impact Study is now complete. A copy of the summary is attached. The in-depth study is available on the web at http://www.juneau.org/airport/projects/documents/JNUEconomicImpact_July_2016.pdf. A flyer is also available at http://www.juneau.org/airport/projects/documents/11_17_FLYER_JNU_Economic_Impact_Final.pdf.
- VIII. NEW BUSINESS
 - A. **CIP Budget Transfer**. At the September 2016 meeting, the Board approved a transfer of \$412,250 from Fund Balance to the Runway Safety Area (RSA) IIB project for the local match (\$111,125), construction contingency (\$190,000), and to temporarily cover the Alaska Department of Transportation (ADOT) match portion (\$111,125). Now that the ADOT match grant has been awarded and appropriated, staff requests approval to transfer \$111,125 back to Fund Balance. As discussed at the meeting, staff will pursue reimbursement of Local Match and contingency funds through Passenger Facility Charge (PFC) #9.

Board Motion: *“Transfer \$111,125 from RSA IIB CIP to Fund Balance.”*
 - B. **Airport Manager’s Report:**
 - 1. FAA Certification Inspection Week. FAA Certification Inspector Matt Stearns will be in Juneau starting January 10, 2017, for our annual certification/inspection. As always, we welcome Mr. Stearns and appreciate the guidance he offers in airport safety.

2. FAA Airport's Division Visit. On December 19, staff from the FAA Airports Division – Alaska Region were in Juneau and met with JNU Airport staff. The FAA complimented JNU Airport on their Airport Capital Improvement Plan (CIP) and being on top of projects and the long-term plan. Of note, all airport projects must undergo some level of environmental review. However, it was brought to our attention that even leased lands for hangars, fencing, aprons, etc. must undergo environmental review with the FAA. This piece of the process will have to be added to leasing/project oversight for all future construction (of any kind).
3. Lot/Block Hangar Designation Signage. As requested at the November 2016 Airport Board meeting (and Operations Committee meeting), staff is still gathering information and costs for hangar identification signage (for emergency purposes). We hope to have this at the February Board meeting with some options for the Board's consideration.
4. Katie Kachel, DC Lobbyist. Katie Kachel will be in town January 18-19 to meet with City Departments and be in Juneau for the Legislative Reception. The Airport is scheduled to meet with Ms. Kachel upon her arrival on January 18. As always, Ms. Kachel is a wealth of knowledge on the federal level.
5. Legislative Reception. The 2017 Annual Legislative Reception will be held on Wednesday, January 18, 2017, from 5:00 – 6:30 p.m. in Centennial Hall. I will draft up a summary sheet of Airport items for Board members to have on hand as talking points, with the main talking point being the State DOT match for Airport Improvement Projects.
6. Scott Rinkenberger and Airfield Crew Kudos. Over the past month and a half (especially over the holidays), Scott and his staff have put in some long hours, seven days/week keeping the runway open. It is not just the snow events that cause havoc. Our worst situations come from a prolonged period of cold temperatures followed by an abrupt rain storm. The surface refreezes from the ground up causing water over ice conditions. The Airfield crew did a tremendous job of keeping on top of these most recent events.
7. Honsinger Pond Update. The Honsinger Pond area is before the Planning Commission on January 24, 2017, for re-zone. The Airport has submitted comments for this item.
8. Airport Engineer Report (Attachment #2)
9. Airport Architect Report (Attachment #3)

IX. CORRESPONDENCE:

- X. COMMITTEE REPORTS
 - A. **Finance Committee:**
 - B. **Operations Committee:**
- XI. ASSEMBLY LIAISON
- XII. PUBLIC COMMENTS
- XIII. BOARD MEMBER COMMENTS
- XIV. ANNOUNCEMENTS
- XV. TIME AND PLACE OF NEXT MEETING:
 - A. Airport Board, 6:00 p.m., February 14, 2017, Alaska Room
- XVI. EXECUTIVE SESSION: Airport Manager Semi-Annual Evaluation – Board Motion:
That the Airport Board enter into executive session to discuss the Airport Manager’s semi-annual evaluation. This is a subject that could tend to prejudice the reputation and character of the Airport Manager.
- XVII. ADJOURN

Economic Impact of the Juneau International Airport



JOBS - 1,082

687 direct + 395 indirect/induced



LABOR INCOME - \$63 Million

\$50M direct + \$13M indirect/induced



BUSINESS ON SITE - 50+

TOTAL ECONOMIC EFFECT - \$174 Million

(income + spending, all)



TRAVELERS - 685,740 (arriving + departing)

Airplane - 620,837

Helicopter - 64,903 (departing)

A look at the role that the Juneau International Airport plays in Juneau's economy is part of the 2016 Juneau Airport Sustainability Master Plan.

The Airport is Vitrally Important to the Juneau Economy



Demand for air transportation goods and services in Juneau in 2014 created:

- 1,082 jobs
 - Over 50 businesses located at the Airport
 - \$63 million in labor income
 - \$174 million in income and spending
- (These totals include direct, indirect, and induced jobs (average annual), income, Capital, and Operations and Maintenance spending.)



If the Airport were an economic sector, its' 2014 direct employment (private, federal, CBJ) and wages would make it the same size as Juneau's Construction sector, twice as big as Juneau's Manufacturing sector, larger than Retail Trade's Food and Beverage sector, and about 80% the size of the Mining sector.

The Airport Plays a Critical Role in Juneau and the Region



Juneau residents, businesses and neighboring Southeast Alaskans depend on the Juneau International Airport to transport people, freight, and mail to and from the region.



In combination with Juneau's ports, the Airport is critical to ensuring security, public health and safety, unimpeded economic trade, and public confidence.

The Airport Provides Time-Sensitive Transport Needed by Many



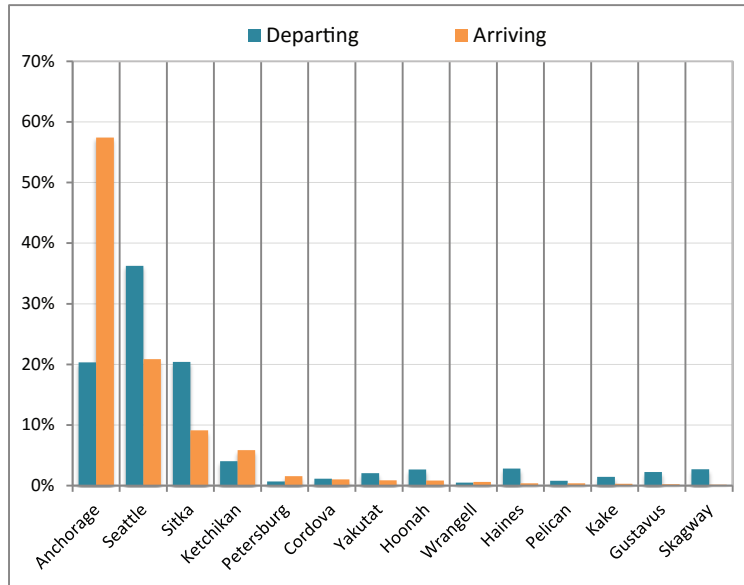
Tourism, Commercial Fisheries and Seafood Processors, the State Legislature, State, Tribal, and Federal Governments, Health Care, and Mining are just some of the industries that depend on the airport for time-sensitive delivery of people and supplies.

The Juneau International Airport ("the Airport" or "JNU," the 3-letter Airport code) is owned by the City and Borough of Juneau (CBJ) and operated by a professional manager and staff, with oversight provided by a 7-member Airport Board of Directors and ultimately by the CBJ Assembly. It is one of only a few airports in Alaska not owned by the State.

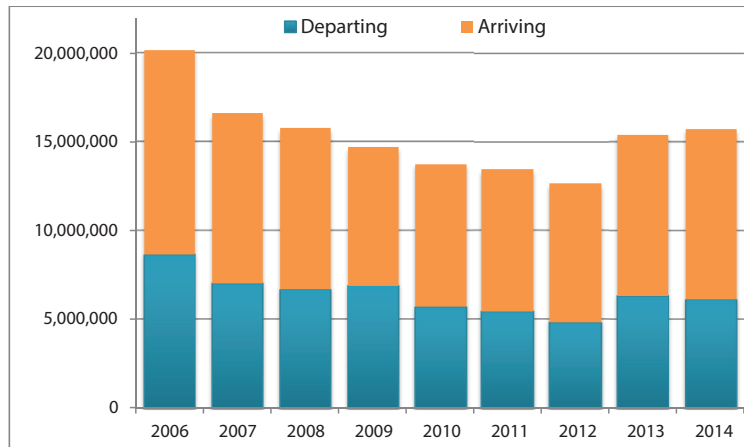
This Economic Assessment uses 2014 data because the survey of businesses at the airport gathered 2014 employment, salary, and spending data. Year 2014 is the most up-to-date, complete set of information available.

Freight & Mail

Arriving and Departing Air Freight in 2014, by Top Juneau - City Pairs



Air Freight-Total Pounds Arriving and Departing in Juneau, by Year



Sources: Top Graph-US BTS T-100 Market Statistics. Bottom Graph-JNU Airport Records.

More Air Freight and Mail Ships to Juneau than Leaves

Depending on the year, up to 27% more air freight arrives in Juneau than is shipped out. Most arriving air freight comes from Anchorage, followed by Seattle then Sitka. While more overall air freight arrives in Juneau than leaves, it is not surprising that this pattern reverses where our Southeast Alaska neighbors are concerned. Juneau typically ships more freight out to these places than it receives. Discussions with the cargo carriers reveal recent growth in air freight linked to online shopping by regional residents.

Air freight departing Juneau is primarily heading to Seattle, followed by Anchorage, then Sitka. Seafood is a primary product shipped from Juneau.

In 2014, Juneau Airport records show that 15.7 million pounds of freight arrived in or departed from JNU on an Alaska Airlines, Delta Airlines, Empire Airlines, or Alaska Central Express jet. Alaska Seaplanes, Wings of Alaska, Air Excursions, and Ward Air together moved an additional 1.1 million pounds or 7% of Juneau's total air freight between Juneau and neighboring communities according to US Bureau of Transportation (BTS) records. Alaska Airlines transported 65% of all freight; in addition to its own freight Alaska Airlines carries UPS and most US mail. Empire Airlines (contractor for FedEx) moved 26% of Juneau's air freight in 2014.

BTS segment data shows that in 2014, an added 15+ million pounds of freight "flowed" through Juneau onboard a plane but not offloaded. This is freight that was already on an aircraft from another city, but not removed in Juneau, because the cargo was bound for another destination along the route. For example, this is seafood loaded on a jet in Anchorage or Yakutat that is bound for Seattle, but the plane stops in Juneau along the way. This means that when a jet lands in Juneau, on average half the cargo hold is full.

Like freight, more mail arrives in Juneau than leaves. Similar to national trends, mail volume is steadily declining in Juneau as more communication happens electronically and online commerce delivery is often via private service (e.g. FedEx, UPS) rather than US mail. In 2014, mail volume was less than half that of freight, at 6.0 million pounds either arriving in or departing from Juneau, by large carrier and another 1.3 million pounds moved between Juneau and neighboring communities by small air carrier. Similar to freight, mail volume was greatest between Juneau and Seattle, followed by Juneau and Anchorage in 2014. After that, most outgoing mail was to Ketchikan and Haines, while incoming mail hailed from Sitka and Ketchikan.



Economic Snapshot Juneau International Airport, 2014

ECONOMIC ENGINE	<i>includes Private, Federal, and CBJ</i>	Direct	Indirect + Induced	Total Output
	Jobs (<i>estm. number</i>)	687	395	1,082
	Labor Income (<i>estm. wages & benefits, \$ millions</i>)	\$50.4	\$13.2	\$63.6
	Operations and Maintenance (<i>\$ millions</i>)	\$51.7	\$40.6	\$109.8
	Capital Improvement Projects (<i>\$ millions</i>)	\$17.5		
	Sales+Property Tax Airport Businesses Paid (<i>\$ millions</i>)	\$0.76	-	\$0.76
	totals	\$120.5	\$53.3	\$173.7
Return on Investment for CBJ CIP Spending				3:1 to 28:1

COMING + GOING	Airplane Passengers (<i>does not include medivacs</i>)	620,837
	Helicopter Passengers (<i>departing</i>)	64,903
	Freight and Mail	21.7 million pounds
	Aircraft Operations (<i>helicopters traveling together are one operation</i>)	99,460
	Air Carriers Serving Juneau (<i>in order of airplane passenger volume</i>)	
	Alaska Airlines, Alaska Seaplanes, Wings of Alaska, Delta Airlines, Air Excursions, Ward Air, Era Aviation, Island Air Express, Avjet Corporations. Freight only carriers are Empire Airlines and Alaska Central Express. Helicopter operators are Temsco Helicopters, Coastal Helicopters, and North Star Trekking.	

BUSINESS	Active Airport Leases (<i>66% on airfield, 27% in terminal, 6% are landside</i>)	176
	Rentals, Leases, User Fees to Airport	\$3.0 million
	Fuel Flowage Fees	\$619,518
	Landing Fees	\$1.7 million
	Active Businesses and Agencies on Airport Property (<i>approx.</i>)	50
	General Aviation (Hangar) Leases	73

Sources and details in 2016 Juneau International Airport Sustainability Master Plan, AECOM

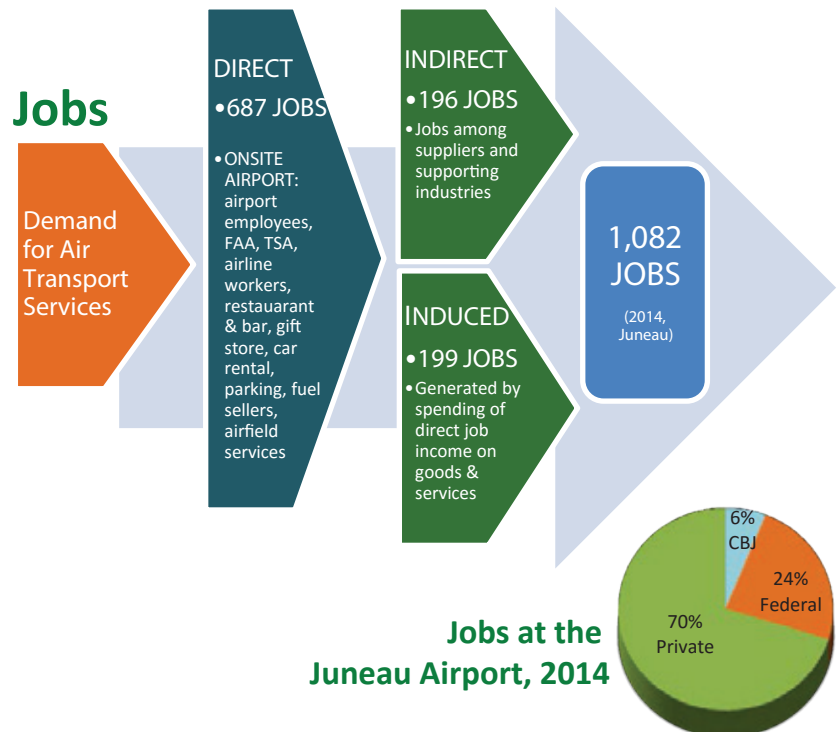


Airport CIPs Create a Significant Return on Investment for CBJ

The return on investment (ROI) for the CBJ on Airport Capital Improvement Projects (CIP) varies from 3:1 to 28:1. This means that every \$1 of CBJ funding brings in from \$3 to \$28 of federal/state funding.

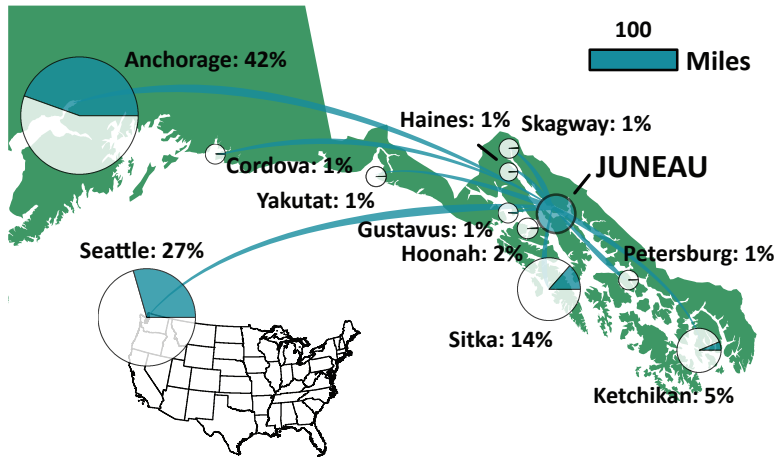
On the last two large JNU Capital Improvement Projects (\$85 million Runway Safety Area construction and \$26 million Runway Rehab Project construction) federal sources funded 93%, with the state and local government each at 3.5%. Each dollar of local funding thus leveraged 28 dollars of federal (primarily) funds. The ROI for the CBJ was 28:1.

The largest near-term planned project is the approximately \$22 million Snow Removal Equipment Facility (SREF); proposed to be paid with \$17 million federal, \$3.5 million state, and \$2 million local funding. (Local funds include repaying close to \$2 million to the FAA.) SREF construction would thus yield a 7:1 ROI for the CBJ; every \$1 of local funding will generate \$7 from federal or state sources.



Passenger Travel

Juneau Passenger Travel by Airport-City Pair, 2014



Airport Passenger Travel by Juneau-City Pair, 2014

AIRCRAFT PASSENGERS (all) *		
City	Total Departing + Arriving	Percent of Total
Seattle	291,190	47%
Anchorage	149,644	24%
Sitka	42,035	7%
Ketchikan	33,623	5%
Petersburg	18,655	3%
Hoonah	16,887	3%
Gustavus	14,692	2%
Haines	14,218	2%
Skagway	11,947	2%
Yakutat	7,546	1%
Wrangell	5,860	1%
Kake	3,754	1%
Other Areas	10,786	2%
Total	620,837	100%
HELICOPTER PASSENGERS		
Departing Juneau:	64,903	
ALL TRAVELERS *		
Grand Total:	685,740	

*does not include medivacs; Sources: BTS T-100 Market Data, Juneau International Airport



Economic Impact of Juneau International Airport by Sheinberg Associates
www.SheinbergAssociates.com
 GIS-based maps by Alaska Map Company www.Akmapco.com
 Digital illustrations and layout by Averyl Veliz www.averylveliz.blogspot.com
 Photographs by Juneau International Airport, Sheinberg Associates, and Alaska Seaplanes

Passenger Travel

In Juneau 620,837 passengers departed or arrived by air in 2014 (not including medivacs), and another 64,903 departed from Juneau by helicopter for work or pleasure. Data for 2015 is still preliminary but seems to verify that the addition of Delta Airlines jet service to and from Juneau is not cutting into Alaska Airlines travel, rather it is bringing new passengers to town and overall traveler numbers for both carriers are increasing.

Almost one-third (29%) of JNU passenger travel was between Juneau and another Southeast Alaskan community.

Nearly half (47%) of all JNU passenger travel is to or from Seattle.

BTS segment data shows that in 2014 there were 155,000 passengers who “flowed” through Juneau onboard a plane but not getting off because they were bound for another destination along the route. For example, these are people who get on in Yakutat but are bound for Seattle though the plane stops in Juneau along the way.

The Juneau International Airport Sustainability Master Plan (AECOM, 2016) forecasts the number of departing (enplaned) passengers from Juneau will increase at an average annual rate of 1.4% through 2035. In 2014, the number of enplaned passengers was 310,945 (does not include helicopter passengers); by 2035 the number is forecast to be 469,780.

The average fare in 2014 for a passenger departing Juneau on a scheduled flight (to all destinations) was \$260, which for the 311,945 departing passengers equals \$81 million in spending just on airfares.



ATTACHMENT #2



MEMORANDUM

TO: Patricia Wahto
JNU Airport Manager

FROM: Ken Nichols, P.E., C.M.
JNU Airport Engineer

RE: Engineer's Report

DATE: December 29, 2016

General

Project specific summaries of project status and activity are presented below. Additionally, I have attached a table of project status information.

Airport Sustainability Master Plan

The draft Airport Layout Plan (ALP) has been posted to the Airport website on the Sustainability Master Plan page. The document has been submitted to Mike Edelmann for initial review and will be uploaded to the Obstruction Evaluation/Airport Airspace Analysis (OE/AAA) site for circulation to other divisions of the Federal Aviation Administration (FAA) as soon as I have received the checklist from the consultant. Airport staff met with the consultants on December 14 to review financial information. The consultants were given the latest financial and enplanement data to develop the financial chapter of the document.

Runway Safety Area (RSA) Expansion Phases I and IIA

I am still awaiting pdf format drawings.

RSA Expansion Phase IIB

Notice to Proceed and a purchase order were issued to Secon today. Construction is expected to begin April 1 and be complete by mid-September 2017. Scope and fee for construction administration services have been negotiated with DOWL. Their current contract will be amended for the additional work.

Runway 8/26 Rehabilitation

Payment for all work has been sent to the contractor. A portion of the mobilization (5%) is withheld as retainage pending receipt of final paperwork and resolution of in-pavement light damage.

Air Cargo Hard Stand

An amendment to the contract with Stantec is in process to complete repackaging the project for re-bid in February 2017. I expect Stantec will receive notice to proceed to begin their work around January 2, 2017.

ATTACHMENT #2

Runway 26 MALSR

This project will be completed by the FAA using Facilities and Equipment budget. This project was discussed with the FAA Airports District Office (ADO) staff from Anchorage when they met with Airport staff on December 19. Although the ADO has no control over the funding for this project, they understand that we are working with our Congressional delegation to move this priority project forward.

Alaska Department of Environmental Conservation (ADEC) Storm Water Multi-Sector General Permit

A facility inspection was completed on December 18 and 19. The annual Storm Water Pollution Prevention Plan (SWPPP) Team meeting was held on December 15. Laboratory results from the December 18 sampling event indicate an exceedance of the permit limit for ammonia. The discharge from Outfall 7 was 19 mg/l. The permit limit is 14.7 mg/l. Applicable notices have been submitted to ADEC.

Float Pond Improvements

The environmental checklist was submitted to the FAA as planned. Concurrence was received from the FAA on December 29, 2016. The next step in this project will be to submit project formulation materials (CIP Datasheet) and develop a design. I met with Matthew Brody of United States Army Corps of Engineers (USACE) regarding permits for this project on December 14, 2016. Based on the discussion, the project will most likely be covered under a nationwide permit with no notice required. However, new nationwide permits will be issued in March 2017. Permit requirements will be re-evaluated when the new permits are available for review.

Taxiway A and F Rehabilitation, and Taxiway C, D, E Runway Incursion Mitigation

Invitations and a working paper were distributed to potential stakeholders today. The next stakeholder meeting will be held January 25, 2017.

FAA NAVAIDs in the north Runway Safety Area and Object Free Area

I expect that any construction work required by the FAA will be combined with the runway re-numbering in 2020. No action was taken on this project in December.

Maplesden Access

Comments prepared by Airport management were considered by the Planning staff for a re-zone application for the adjacent property.

Emergency Vehicle Access Road Extension

I received a draft Environmental Assessment for internal review on December 28, 2016.

Lavatory Waste Dump Station

I have received coordination drawings from PDC and will complete additional design work in January 2017.

Runway 9/27 Conversion

FAA will drive the schedule. I expect this to occur in 2020, which is the next epoch year.

ATTACHMENT #2**AIRPORT ENGINEER'S PROJECT STATUS REPORT**

Kenneth S. Nichols, PE, CM

Project	Status	Schedule	Contractor	Notes
Airport Sustainability Master Plan				
Finalize ALP	DRAFT		AECOM	
Economic Impact Report			AECOM/Sheinberg	Final
Finalize Report		Winter 2016	AECOM	
Runway Safety Area Phase I				
Closeout	In Progress	Construction Complete	AIC	Final Easement to be Recorded 2016
Runway Safety Area Phase IIA				
Closeout	In Progress	Construction Complete	Secon	As-Built Drawings received from FAA
Runway Safety Area Phase IIB				
Design	Complete		DOWL	
Bidding	Complete		DOWL	NW Development Area
Construction	Future	April to September 2017	SECON	
Runway 8/26 Rehabilitation				
Closeout	In Progress	tbd	Secon	Warrantee Period
Air Cargo Hardstand				
Design			Stantec	Additional slab to be added
Bidding	Re-bid	Late Winter 2016-2017	tbd	
Construction	tbd	Early Summer 2017	tbd	
Runway 26 MALSR				
Planning and Permitting	tbd	tbd	staff	Ongoing dialogue with FAA
ADEC Storm Water Multi-Sector General Permit				
Monitoring	In Progress	Monthly	Staff	
Float Pond Improvements				
Planning and Permitting	Permitting	March 2017	staff	
Design	tbd	tbd	tbd	
Construction	tbd	Winter 2017-2018	tbd	
Taxiway A & F Rehab, Taxiway C, D, E RIM				
Formulation, Planning, Permitting	In Progress	Summer 2017	Staff/PDC	

ATTACHMENT #2**AIRPORT ENGINEER'S PROJECT STATUS REPORT**

Kenneth S. Nichols, PE, CM

Design	Future	Fall/Winter 2017	tbd	
Construction	Future	2018-2019	tbd	
FAA NAVAIDS				
Formulation	tbd	tbd	staff	Combine with RWY 9/27 Conversion
Maplesden Access				
Feasibility	tbd	tbd	staff	
EVAR Extension				
Environmental Assessment	Internal Draft	tbd	DOWL/Staff	
Lavatory Waste Dump Station				
Design	50%	Winter 2016-2017	PDC/Staff	
Construction	tbd	Spring 2017	tbd	
Runway 9/27 Conversion				
Planning and Coordination	Future	Expect 2020	staff	FAA will set schedule
Construction	Future	tbd	tbd	

ATTACHMENT #3



MEMORANDUM

TO: Patty Wahto,
JNU Airport Manager

DATE: January 4, 2017

FROM: Catherine Fritz, AIA
JNU Airport Architect

RE: Architect's Report of December 2016 Activity

During December, Dawson completed the structural framing of the Aircraft Rescue and Fire Fighting (ARFF) apparatus bay. Carpentry was the only trade that worked during the month, but enclosing the apparatus bay in January will allow other trades to begin. Inclement weather was not a significant factor during the month, and the project remains on schedule. Overall the work is approximately 28% complete. Progress meetings are occurring every other week and construction administration services are proceeding well. Monthly construction reports are being provided to the Federal Aviation Administration (FAA).

F&W Construction continued mobilization in early December for the Snow Removal Equipment Building (SREB). However, cold weather prevented excavation work, so the Contractor chose to shut down operations on December 7, 2016 and revised the schedule to resume activity on January 9, 2017. Product submittals and shop drawings continued through December, and periodic Storm Water Pollution Prevention Plan (SWPPP) inspections were conducted in accordance with permit requirements. Monthly construction reports are being provided to the Federal Aviation Administration (FAA).

The SREB's Dispute Resolution Board (DRB) was formed with the following members selected to serve:

Ed Sessions, Engineer and Contractor
Chris Roust, Architect
Chuck Correa, Engineer

The DRB will meet in January for project orientation. They will provide opinions and recommendations on matters of dispute through the construction period. A DRB was formed for the Terminal Renovation project in 2009, but no disputes were raised, so DRB services were not used.

Project formulation documents for a new Passenger Boarding Bridge (PBB) at Gate 2 were submitted to the FAA in December. This project will improve safety, security, accessibility, and operational efficiencies between the terminal and aircraft. The need for a PBB has become more acute since Alaska Airlines' announcement to discontinue use of combi-aircraft by the end of 2017. The total cost is estimated at approximately \$2M and is eligible for an Airport Improvement Program (AIP) grant. The grant request is scheduled for FY17, so once FAA has reviewed the pre-application, the procurement process for the new PBB will begin.

Design documents to replace several of the terminal's large electrical panels are approximately 90% complete. Drawings will be submitted for final review in early January 2017, then forwarded to the CBJ Engineering Dept for bidding as soon as possible to allow the construction work to be completed by early May 2017. This project scope has been included in the AIP pre-application for Gate 2 PBB.

Projects staff has continued to develop options for a sign, "Juneau International Airport" to be installed at the main entrance of the terminal. Two concepts are currently being considered: one that is mounted directly to the metal panels over the entry doors, and the other hangs from the front entry canopy at the curb. Cost estimates and mock-ups are being developed for each of these concepts.

ATTACHMENT #3

Maintenance projects during November included:

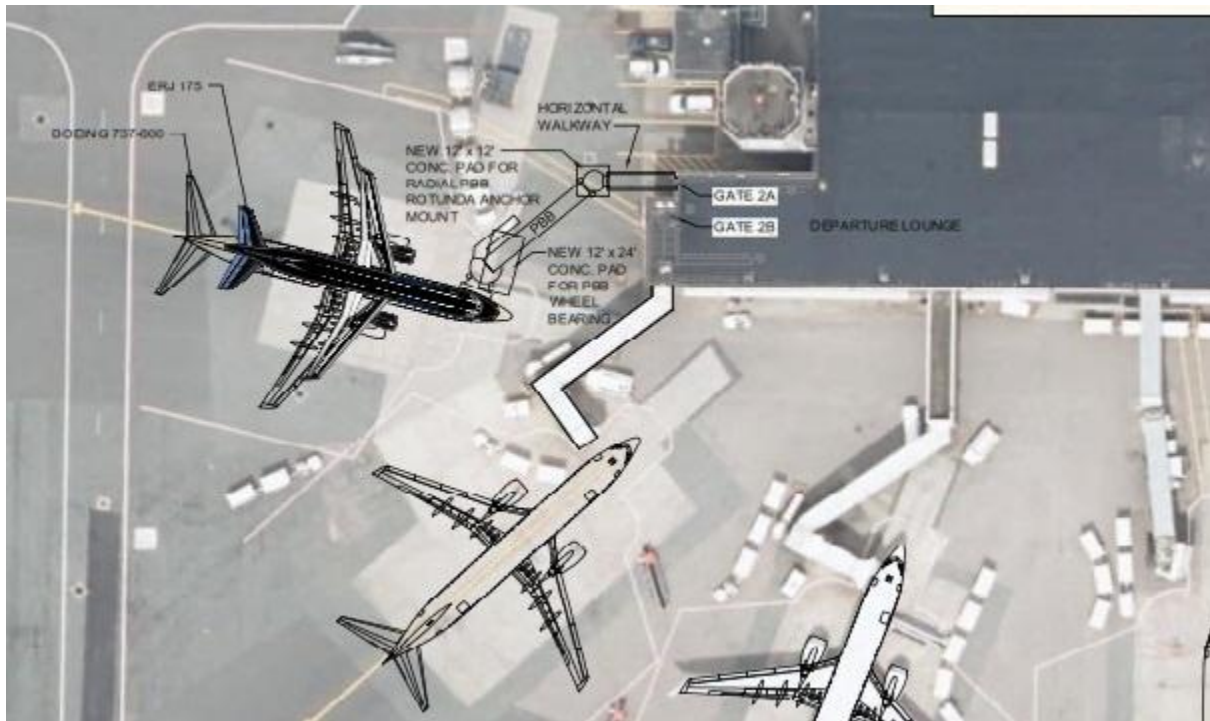
- The old walk-in cooler failed on Dec 24.th An estimate for repair is nearly equal to the cost of a new (although smaller) refrigeration unit. Staff is working with the concessionaire to determine options for replacement.
- Construction documents began to remove the double sliding doors on the east wall of the terminal near Baggage Claim. This work will be constructed through a CBJ term contract in the Spring/Summer.



Roof joists being raised at ARFF station.



ARFF station, West elevation.



Scoping concept for new Passenger Boarding Bridge at Gate 2.