

MINUTES of
AIRPORT BOARD MEETING
December 8, 2015
Alaska Room, 6:00 p.m.

- I. **CALL TO ORDER:** Chair Joe Heueisen called the meeting to order at 6:00 p.m.
- II. **ROLL CALL:**
Members Present:
- | | | |
|----------------|--------------|--------------|
| David Epstein* | Joe Heueisen | Martin Myers |
| Dennis Harris | Mal Menzies | *via phone |
- Member Absent:
Angela Rodell
- Staff/CBJ Present:
- | | |
|---------------------------------------|-------------------------------|
| Patty deLaBruere, Airport Manager | Ken Nichols, Airport Engineer |
| Marc Cheatham, Deputy Airport Mgr. | Debbie White, CBJ Assembly |
| Scott Rinkenberger, Airport M&O Sup't | Keith Walker, Fire Department |
| Catherine Fritz, Airport Architect | |
- Public Present:
- | | |
|---------------------------|----------------------------------|
| Tom Williams, Ward Air | Thom Buzärd, Citizen |
| Richard Cole, Fjord/Wings | Mike Wilson, Coastal Helicopters |
- III. **APPROVAL OF MINUTES:** *Marty Myers moved, Mal Menzies seconded, approval of the minutes of the regular meeting of November 10, 2015. The motion passed by unanimous consent.*
- IV. **APPROVAL OF AGENDA:** *Mal Menzies moved, Marty Myers seconded, to approve the agenda as presented. The motion passed by unanimous consent.*
- V. **PUBLIC COMMENTS:** None.
- VI. **UNFINISHED BUSINESS:**
A. **Snow Removal Equipment Facility (SREF) Design** (Attachment #1). Airport Manager Patty deLaBruere said the Snow Removal Equipment Facility is one of the longest planning projects out there. It has been through many different design phases. The Airport has had several meetings that have led to the Federal Aviation Administration (FAA) programming funds for Federal Fiscal Year 2016. The SREF Committee redesigned the facility to use what funding there was in place, make the most of it, and try to get the FAA funding at 100%, which is where the project is at. This was a coordinated effort with the Committee and the FAA. The most recent meeting was held on November 19. Staff has gone back to the FAA to meet the new requirements: the sizing of bays, what number of bays can be done for the size of the airport and squeezed

it down to just the snow removal equipment. This leaves the maintenance part off for now. The part of the maintenance portion can be covered by the special Legislative grant or Sales Tax dollars. A pre-application for 2016 funds has been submitted and staff has a good idea of how to phase it all together. Attachment #1 will be presented to the Assembly Finance Committee meeting on December 16 and has been sent to the FAA. This sums up where the Airport is at with Phase 1A, 1B and Geothermal Field, maximizing what can be spent using the Legislative grant and the FAA dollars. Until the federal funding is received, a motion is needed to move forward with repayment to the FAA and State for the relocation, which would come out of Sales Tax dollars. *Mal Menzies moved, David Epstein seconded, to approve the reimbursement of \$1,844,457 to the Federal Aviation Administration (FAA) and \$48,661 to the State of Alaska Department of Transportation for the relocation costs of the Snow Removal Equipment Facility (SREF) (to the northwest site) using CBJ Sales Tax dollars appropriated for the SREF project. Funds to be reimbursed when either the 2016 FAA SREF grant application is submitted or within 60 days of the next Airport Layout Plan submission which shows the Snow Removal Equipment Facility site in the northwest location, whichever comes first. The motion passed by unanimous consent.* Ms. deLaBruere said this will be before the Assembly Finance Committee at the December 16 meeting.

B. State Of Alaska Department of Transportation (ADOT) Letter on Airport Improvement Program (AIP) Match. Ms. deLaBruere said staff is continuing to look into this and have requested the State reconsider the match at least for 2016. This is because the Airport has already sent in the pre-application and because the State budget had already passed. John Binder said the Airport made a good case and he will get back to the Airport. There is still a possibility that some match will be received. Ms. deLaBruere said the Assembly is aware of the letter and she is working with the Finance Department. The Legislative delegation has put in some phone calls and are continuing to check into it. There is still a possibility as the budget for the match was passed in the spring.

VII. **NEW BUSINESS:**

A. RED Leasing Request to Allow Aircraft Storage in General Aviation Hangar.

Ms. deLaBruere said this is similar to what happened in November when a lessee came to the Board to request storage of commercial equipment in a general aviation hangar. Ward Air has owned the hangar and the assignment has taken place. This is more of a housekeeping item. It did go before the Operations Committee on November 19 to allow RED Leasing d/b/a Ward Air to use a private hangar located directly across from Ward Air for storage of their equipment. This has been out there for several years. Tom Williams, CFO for Ward Air and representing RED Leasing (its sister company), said there has recently been some change in ownership and as part of the clean-up, they thought it would be prudent to bring it before the Board. Mr. Williams said they would appreciate the Board's approval. *Mal Menzies moved, Marty Myers seconded, that the*

Airport Board approves the use of RED Leasing, Block L, Lot 7 hangar for the purpose of commercial aircraft storage. The motion passed by unanimous consent.

B. Airport Manager's Report:

1. Alaska Municipal League (AML) Alaska Community Award of Excellence. Ms. deLaBruere said the Airport submitted the Runway Rehabilitation project as a candidate for AML Alaska Community Award of Excellence in October. The Airport won the award for Best in Local Government Innovation. This will be awarded at the December 21, 2015, Assembly meeting. Board Member Dennis Harris said he would like the Board to prepare some kind of certificate or acknowledgement for all of the individual employees that helped make the project such a success and present it at the next meeting. He thought it was important to recognize each of the people that put in so much time and effort on the project and acknowledge them in some way ... even if it is just a certificate. Chair Heueisen said the only concern is that there are so many people involved. If it were done on an individual basis, someone may be missed. Ms. deLaBruere said it is important that everyone sees the award.
2. Airport Magazine Article on Juneau International Airport (JNU) Runway Rehabilitation. The Airport Magazine has an article in the October/November issue on the Airport's runway. The link is http://mobileservices.texterity.com/airportmagazine/october_november_2015?folio=23&lm=1447088464000&article_id=692108&linkImageSrc=/airportmagazine/october_november_2015/data/imgpages/mobile_tn2/0025_qtjxfq.png&pg=25#pg25 . Hard copies are available at the Airport Manager's office. This article was dedicated to the issues surrounding safety on the airport during construction.
3. Annual Certification Inspection. Matt Stearns, the FAA Certification Inspector, will be in town the week of January 4 for three days. The inspection will cover everything, including the Fire Department.
4. Hangar Inspection Conclusion. Board Member Marty Myers asked if the inspector's visit would be the culmination of this summer's hangar inspections. Ms. deLaBruere said Inspector Gabriel Mahns is waiting for a letter from the Airport stating they have completed them. This will couple with moving forward with the water/sewer. Mr. Myers asked if this had been finalized. She said all but one hangar has been finished and then they will be summarizing what they found. It will note how many inspections were done, what was found, and any corrections. This will put this in the record as being done.
5. Christmas Lights Flights Fundraiser. The annual Christmas Lights Flight fundraiser will be taking place Friday, December 18 from 4:30 p.m. to 7:30 p.m. (weather permitting) at the north end of the terminal. Mike Wilson, Coastal Helicopters, said over 600 people were flown last year, which equated to about

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\$18,000 donated to the Children's Cancer Foundation and the Lion's Sight Program. Last year the flights started early and finished late and some of the mechanics did not get done until almost midnight last year. The cut off will be 350 people this year. They appreciate all the help from staff and all of the community support.

6. Airport Engineer Report (Attachment #2): Airport Engineer Mr. Nichols reported he had attached reports with additional information and different formats. He was trying to be responsive to the needs of the Board on his report. Mr. Harris said he liked the compact format that Gary Gillette uses. Board Member Mal Menzies asked how the taxiway held up as the runway. Mr. Nichols said it held up really well. Some breakdown in the pavement was seen and a lot of rubber was left on the asphalt surface. Some of the rubber should be taken off with snow removal. He thought the Airport will do well with the scheduled replacement. Some areas took a beating and temporary repairs were done to those areas.

7. Airport Architect Report (Attachment #3): Airport Architect Catherine Fritz reported the majority of her work was SREF related, including getting a new Request for Proposals (RFP) for a design team. The document reflects all of the current FAA requirements. The RFP went on the street earlier in the day. This only gives four months to get documents ready for bidding assuming the FY16 Federal (FFY) funding from FAA will be maintained. The RFP will also allow the Airport to keep the same design team in the future phasing of the facility. The SREF will now be funded 93.75% by the FAA, which will leave some local money to do some additional areas.

Ms. Fritz noted Dawson Construction will be building a pre-manufactured metal building with fabric cover for the Streets Department. She said she did not know if this would work for the Airport. The engineer has done an analysis of how this building type can respond to their needs as compared to other options, which report will be forwarded to Ms. Fritz. The Street's facility is expected to cost approximately \$1 million. The Airport's sand and chemical building is expected to cost \$10 million. This may be something that will be worthwhile to look at.

Mr. Menzies said Ms. Fritz did a fast job on the architectural RFP for the SREF. A review was held by the subcommittee. Ms. Fritz did a good job leading it. Mr. Nichols did a good job with comments, as did the rest of the staff, including the Manager. Ms. Fritz got the additions/deletions out very rapidly and it was very good.

Ms. Fritz said she was in Anchorage last week and had spoken to Matt Freeman, Project Manager for FAA, to discuss both the SREF and ARFF projects. He is feeling very good about where the Airport is at with the process, RFP and plans to be ready for the FFY 16 season.

Staff has a meeting tomorrow to go through the ARFF Building Modifications Project concepts that have been developed to date to analyze the pros and cons of the three options. Staff expects to give an overview of what the project will entail for a scope, schedule and budget at the January meeting.

A lot of work continues with the Terminal Maintenance staff, as well as using Greg Jerue for projects. New flooring, lighting changes and a new closet for the concessionaire will make things as good as possible until another major piece of work on the terminal begins.

The Airfield Shop Roof Replacement Project is just about ready to be bid. It is hoped that these can be forwarded to the Engineering Contracts office for bidding by the end of the week. Ms. Fritz said the work is expected to begin at the start of April or as soon as snow removal operations allow and done by the middle of June at the latest. Water is currently being collected and dumped as needed. Trying to do an alternative system is not worth the hassle that it would create for the Airfield crew.

VIII. **CORRESPONDENCE:** None.

IX. **COMMITTEE REPORTS:**

A. **Finance Committee:** None.

B. **Operations Committee:** Committee Chair Mal Menzies reported the Operations Committee met on November 19. The meeting went well.

X. **ASSEMBLY LIAISON COMMENTS:** Assembly Liaison Debbie White said the Airport received the Public Works Award from the Alaska Municipal League. She said that Juneau got all but one or two awards this year. The Public Works presentation said that there had been a big reconstruction project at one of their municipally owned international airports, which narrowed it down fast, and they said there had been no flight delays despite the fact that there were thousands of takeoffs and landings. There were hundreds of people working on the jobs and dozens of subcontractors, vendors and other companies involved. The project was noticed on a national level for being an amazing project. She said she accepted the award at the AML Conference.

Another category the Juneau Police Department won was the Public Safety award because of the Spot the Chief campaign where the Chief was riding his bike all over town. The Community Spirit award went to the Zach Gordon Youth Center Reconstruction Project because of the amount of volunteer labor and donated materials and how the grants that were involved were actually stretched to the point to where a much better kitchen was built than was designed. She said her Rotary program had donated for a nutrition program for teenagers, which got the Community Spirit award. She said there are over 30,000 municipal employees in the state of Alaska. The award for Municipal Employee of the Year went to Beth McEwen. As the Deputy Clerk, Ms. McEwen oversees over 30 boards

and commissions; she helped the State of Alaska Alcohol Beverage Control Board rewrite their regulations (especially the sections where there were issues that came in contact with City codes and the way it actually worked once it was in practice).

She noted the untimely passing of Mayor Fisk, which has rocked all. Mayor Fisk was a bridge builder and he had a way of sitting down with people to go through the issues. Although they were not on the same side of issues, she said they surprisingly agreed on a lot. This was truly a loss for the community. It will be a hard couple of months while the next steps are figured out.

Chair Heueisen asked about the liaison appointments for boards. Ms. White met with Mayor Becker and she decided that those decisions should be made by the new mayor.

- XI. **PUBLIC COMMENTS:** Richard Cole, new owner of Wings of Alaska and current owner of Fjord Flying Service, said he has had struggles over the last several months that seriously need to be addressed prior to the addition of any space up for public lease is how the lease process is handled. They ran into serious challenges as far as their lease, both for the request of additional space and if a lease space comes available, how it is decided whom it goes to and is there any public knowledge on that decision. He did not know how the need for such space is evaluated – based upon number of departures, number of passengers served. He said they took over what was (until two years ago) the largest 135 operator in northern Southeast and are currently operating in the space that they operated their two aircraft operations from.

After 60 days, it looks like they are expanding their lease space, which will get them three vehicle parking spots, roughly a quarter of their nearest competitor. This is not to cast aspersions at their competition; it is to question the process in which lease space is decided and the communication process in which it has happened. The first conversation with the Leasing Officer was on August 17th, which was the same day he flew down to sign the Memorandum of Understanding for the purchase of Wings. It was an informal conversation that they were in the process of purchasing and he would follow-up to do something more formal. In the interim, it became public knowledge and someone did put in a formal request. If it is as simple as a formal request, he understood. But he has not yet been able to find that this is how this type of decision is made. As someone who is in the competitive market place and in a rather substantial financial disadvantage, having some understanding of the rules would make it a lot more possible for them to make decisions as they expand their operations.

They currently operate in five communities in Southeast Alaska. They do charter service throughout Southeast Alaska and it has been the hardest process in his 17 years of aviation and 12 years of doing aviation in Juneau – to find any kind of clarity and how the process works, or an official timeline. It has had significant financial impact on them. They have had customers comment throughout their area of operation – one that Wings is no longer where they were. Chair Heueisen said a meeting is in order where Mr. Cole needs to get

with some of the staff and one or two of the Board Members if it would make him happy to get the information to him. He asked if Mr. Cole was being held up in any way with his operation due to the Airport. Mr. Cole said he has taken pictures. It has affected their operation. It has not stopped them. They have been able to do business.

Mr. Harris asked what kind of operations/procedure manuals the Airport has for this particular type of procedure for leasing. Ms. deLaBruere said a Leasing Policy was adopted a long time ago and needs to be updated. One of the things with the FAA is that an airport has to accommodate an air carrier. The same thing happened with Delta – you make room. There is a point in time at which the airport starts taking from others if they cannot be accommodated and they are squeezed in. Outside of the FAA rules and the Leasing Policy, there is nothing concrete. The request is to have things in writing. Much like land lease for hangar facilities, a person comes in to sign a form every year. With this, it was not that someone was waiting for space in the terminal until they think they are going to need more space or see that something's empty or their put their name in (sometimes a year in advance) to request more room. For a while, there were some vacant areas in the North end. Mr. Harris said he would like to know more and suggested perhaps an Operations Committee meeting would be in order. She asked for good direction as to what is trying to be accomplished in an Operations Committee meeting. Chair Heuelsen said he would get with the Manager to get the information to her.

- XII. **BOARD MEMBER COMMENTS:** Mr. Harris noted that a memorial for the Mayor will be held on Sunday.
- XIII. **ANNOUNCEMENTS:** The Assembly will hold a retreat on Monday, December 14, from Noon to 6:00 p.m. The Assembly Finance Committee will meet on December 16, 2015.
- XIV. **TIME AND PLACE OF NEXT MEETING:** The next regular Airport Board meeting will be held on January 12, 2016, at 6:00 p.m. in the Alaska Room.
- XV. **EXECUTIVE SESSION:** None.
- XVI. **ADJOURN:** Mal Menzies *moved, duly seconded, to adjourn. The meeting adjourned by unanimous consent at 6:48 p.m.*