

MINUTES of
AIRPORT BOARD MEETING
November 10, 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 Mal Menzies Angela Rodell
Joe Heueisen Martin Myers
- Member Absent:
Dennis Harris
- Staff/CBJ Present:
Patty deLaBruere, Airport Manager Catherine Fritz, Airport Architect
Marc Cheatham, Deputy Airport Mgr. Keith Walker, Fire Department
Ken Nichols, Airport Engineer
- Public Present:
Nicole Gorle, Rep. Cathy Munoz Staff Eric Main, TEMSCO Helicopters*
Jeannie Johnson, Tenant* Thom Buzärd, Citizen
*By telephone
- III. **APPROVAL OF MINUTES:** *David Epstein moved, Angela Rodell seconded, approval of the October 13, 2015, minutes as presented. The motion passed by unanimous consent.*
- IV. **ELECTION OF OFFICER:** SECRETARY: Chair Heueisen said Mr. Mackey resigned effective the November 1 after he was elected to the School Board. He held the seat of Board Secretary, which is a seat that has to be filled because of the ordinance. *David Epstein nominated, Mal Menzies seconded, Angela Rodell for the position of Airport Board Secretary. There were no objections and Ms. Rodell was appointed as the Secretary.*
- V. **APPROVAL OF AGENDA:** *David Epstein moved, Marty Myers seconded, to approve the agenda as presented. The motion passed by unanimous consent.*
- VI. **PUBLIC COMMENTS:** None.
- VII. **UNFINISHED BUSINESS:**
A. **City Land Management Plan – Future Airport Property Acquisition Priorities (Clarification):** Airport Manager Patty deLaBruere said the Board had approved the five parcels of property that the Airport is putting on its list as possible acquisitions in the future. A few questions have been received from tenants and through

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the City thinking this was a “hit list” that the Airport was going after. This is not the case. After speaking with the Lands and Resources Manager Greg Chaney, they conferred that they would make sure that people knew that this was a wish list and it would be put in the plan. This was a wish list for the Airport and wish list for the City. These properties will not be actively pursued.

VIII. NEW BUSINESS:

A. **TEMSCO Request to Allow Helicopter Hull Storage in General Aviation Hangar:**

Ms. deLaBruere said TEMSCO Helicopters contacted the Airport about the purchase of Jeannie Johnson’s hangar. It has been for sale for a while and no offers have been made. TEMSCO waited to see if there would be private hangar owners that wanted to purchase it. This came before the Operations Committee in the October meeting. The Committee approved the purchase and the use, which has to do with a private hangar and they approved TEMSCO using it for storage of their helicopters. The majority of the storage is during winter time, when they are swapping around and doing maintenance only. As this is outside of what the Manager can do, it is up to the Board to approve the commercial use of the hangar. *Marty Myers moved, David Epstein seconded, to approve the sale of Block N, Lot 9 hangar to TEMSCO Helicopters for the purpose of commercial helicopter storage, as approved by the Airport Operations Committee. The motion was suspended to hear public testimony.* Thom Buzärd, citizen of Juneau, said he has a private aircraft and has a hangar in the area that TEMSCO wishes to rent from. He said there are people in the private sector that are looking for a place to store aircraft and the area has been set aside for private aircraft. He said he is against the sale. TEMSCO is a great company in town. They employ people and have done great things for Juneau, but he thought they needed to expand or find an opportunity in areas that are set aside for commercial use and not encroach on those in the private area.

Jeannie Johnson said the hangar has been for sale for two years. She would love to sell it to someone that has a general aviation aircraft, but there just aren’t the buyers out there that have the money to do that. She said she knew that the Board had approved past things that are not in the master plan, so she hoped that the Board would give it careful consideration. Ms. deLaBruere said there are other variances from the Master Plan and they have all been brought before the Board for approval. TEMSCO had looked at this hangar earlier, but held back as they knew it was general aviation and waited for quite a long period of time. Mr. Buzärd said he understood the pain of owning something and trying to sell it on the free market. He said he wouldn’t allow himself to be painted into a corner to believe that the commercial interest of a company should override those interests of an area set aside for the private sector. He felt the Johnsons’ pain and understood they wanted to sell it. But there are other factors that might be considered. Perhaps the price of the property is too high. Perhaps the condition of the hangar is not such that the people in the private sector are interested in. It is difficult enough for people in the private sector to actually get a piece of real estate for their airplanes. It has been in the past. He said TEMSCO has deep enough pockets that they can probably afford to build a hangar in another area of the airport that is designated for commercial use. The Johnsons would just have to deal with getting the hangar sold into private hands. He suggested they take a look at their asking price as it has been extremely outside the range of what the building is probably really worth.

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At the very least, Mr. Buzärd asked the Board to table the issue and to look a little deeper into it before allowing the variance from the plan. The plan has been put together, put in place and he suggested the plan be exercised and stick with it, instead of making changes to it every time someone comes along and asks for something outside the plan. The purpose for the plan was to give the Board guidance on how to handle things and not to change it every time it doesn't fit someone else's idea. Board Member Marty Myers asked Jeannie Johnson what her market for rentals has been while it was up for sale. Ms. Johnson replied it had been pretty slim. She had someone in there last winter for a little while. She didn't know that there was a huge demand for rental space. She had not heard from the person that just testified as far as whether he needed any space or would be interested in buying the hangar.

Eric Main, TEMSCO Helicopters, said that in the time they have been interested in this hangar, there have also been two others that approached them to let them know their hangars were for sale. There are other options on the market out there if they are looking. The condition of the hangar, what it is worth and the asking price is right in line with anything else they have seen for comparable spaces.

Board Member Mal Menzies said this item came before the Operations Committee and no one came forward. He knew the hangar had been for sale for several years. TEMSCO made a reasonable offer, went through the correct channels as if the Board was a Planning Commission, and received approval of the subcommittee of the Board. He thought this action should go forward. Mr. Myers asked what the waiting list for new hangars is currently. Ms. deLaBruere said she did not have the exact number, but a few people on the list want specific areas or smaller hangars. The list dwindled when people had to put their pilot's license or state what kind of aircraft they had. People were trying to use the hangars for other purposes. This would stick with the aviation requirement and would be close to TEMSCO. The motion was brought forward. *The motion passed by unanimous consent.*

B. Cat 980G Loader Repair. Ms. deLaBruere said the Airport bought the Cat 980G loader about 11 years ago and did not put in a specific suspension kit. This piece of equipment is now showing signs of age and fatigue with regard to the boom and hydraulic system. NC Machinery's repair to the suspension would be \$17,032.74. This would have to go through the Airport Reserve Account since it was not budgeted. Staff is looking to get this fixed as soon as possible so that it is usable this snow season. Board Member Angela Rodell asked what the balance in the Airport Reserve Fund. Ms. deLaBruere said it was around \$3 million, but funds have been borrowed from it. As this request is a small amount, staff is sure the fund will still be within the three-month reserve to be kept as a part of the M&O budget and approved by the budget committee and the airlines. She thought it was at least \$.5 million away from the threshold. Ms. Rodell asked that an information item for the next meeting would be a six-month update as to where the Airport is at in the fiscal year, especially as the Board looks forward to some of these other items and some of the information items to give them a sense of where they are.

Board Member David Epstein asked the life expectancy of this loader before another issue like this pops up. Ms. deLaBruere said she could not answer this question. She

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knows that it will preserve the boom and other structures. She said a lot of the equipment has been babied as the Airport has been so far away from getting a new SREF, which would then enable the Airport to get new equipment. This new equipment is scheduled for two years after the SREF is built. While the equipment is being babied, there will always be repairs. She thought the Maintenance staff has thought outside of the box on how to repair things. The Airport has some terrific mechanics that instead of going forward and doing a \$50,000 repair, they've rebuilt components and saved \$40,000. They are very good at what they do and have tried to keep the larger expenses down.

A suspension kit was never included in the piece of equipment. There is always the possibility of other things breaking. The FAA has alluded to not purchasing any new equipment before a new SREF is built. The FAA has recently requested a list of the needed equipment. Mr. Menzies said he thought staff was doing a good job of maintaining the equipment, but you never know when something is going to blow up. *David Epstein moved, Angela Rodell seconded, that the Board approve the repairs to the 2004 Cat 980G loader hydraulic boom/lift and suspension system in the amount of \$17,032.74 through the use of Airport Reserve funds. The motion passed by unanimous consent.*

C. Airport Manager's Report:

1. Airport Engineer Report (Attachment #2): Airport Engineer Ken Nichols reported good news was received through the public information meeting and presentation for the Master Plan Project. Other projects are wrapping up. A couple things to note about the Runway Rehabilitation Project is the owner of one of the subcontractors is out of the country until late December, so the small amount of work that needs to be done will wait. He reviewed the as-built survey work for the north side of the runway safety area that was of concern by the contractor. There are a few areas that popped out.

The Airport is now at a point where the Runway Conversion to 9/27 can be done. Staff is moving forward with a planned spring of 2017 as this takes a lot of coordination with the airlines and the FAA. The best time to repaint the numbers on the runway is in the early spring, so staff is shooting for late April/May of 2017.

Staff wants to move forward with a little work on the 26 MALSR project. The Airport has a State grant that will allow the Airport to move forward with some of the permit work. The permits for construction in the wetlands went through the Environmental Impact Statement process and were included in the Record of Decision, but the actual permits for the work through the Corps were excluded from the current permit that the Airport has available, so it will need to move forward with the permit work.

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Some tree removal at the east end of the heart shaped island will be done by Clearcut Tree Service. This is needed for Delta Air Lines as their RNP approach is a little different than Alaska Airlines RNP approach. The first set of benchmark sampling was done earlier in the day and taken to the lab. Staff will know in another week or so whether it is meeting benchmark requirements. He thought the Airport will be as there has not been a lot of deicing on the pavement.

The Airport Lighting Control System has three nodes of control – a control node down in the regulator vault, one in the Tower and one at Flight Service Station. The staff does not have the ability to change anything from the maintenance vehicle that they run up and down the runway and change lights. The project includes purchasing a lap top that will provide a fourth node so they can turn off circuits to change light bulbs while they are on the runway.

Ms. deLaBruere said there will be another Runway Rehabilitation Project grant amendment expected in either December or January that will get the final trailings that are out there. There is currently \$500,000 being supported through the Reserve Account to carry the project forward. This will help clean it up once the amendment is received.

Ms. deLaBruere said that Delta Air Lines is working on their RNP approach. They have been putting in a lot of man hours toward it. The last she knew they were meeting with the FAA last week. They still need to do a flight check. She did not expect it in place by December 1 nor did she know how many months it would take.

2. Airport Architect Report (Attachment #3): Airport Architect Catherine Fritz reported staff had spent a lot of time in October interfacing with the FAA on the SREF. In the end, the FAA asked staff to put together a full pre-application packet so that they would be able to look at the project as a new project. Staff has sent this off to the FAA and they are reviewing it and getting the funding request into the priorities for the Airport Capital Improvement Projects. Staff has not heard back from the FAA on the scoping changes, which is why the committee has not been called back together.

The Airport Rescue and Fire Fighting (ARFF) Building Modification Project is underway. The architects (Jensen Yorba Lott) and engineers are under contract. The pre-design meeting will be held tomorrow. Staff will start the conversation of how the ARFF apparatus bay might change to accommodate the new truck and the other needs of ARFF.

A preconstruction conference was held on the ARFF Truck a couple of weeks ago. Keith Walker, the Fire Chief, Mechanic Scott Reid and Marty Huffman from Rosenbauer held a very good meeting to discuss the details, specifications and the

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contract documents. There are a few items that are being followed up on. It is expected that the truck will be a few months before it goes into production. All of the detailed specifications are incorporated into their information. They will send a set of drawings of exactly what the truck will get and then everyone will sign off on it and it is ordered. Ms. deLaBruere said she took a look at a like model at DOT. She said it is a very nice truck, but quite large. She said she talked with their maintenance people who pointed out things like there wasn't a whole lot of room for tools. The first thing she thought of is the truck is higher and if it was used to smash through the gate at the tire, she felt it would take the gate out like a front grill. Additional tires may need to be added to crash gates.

Ms. Fritz said the new office space for the concessionaire (Jacobsen Daniels Associates) has been turned over. They have been doing other improvements on their menu. Now that the summer rush is done, they have time to try some of the equipment. It is hoped that the revenues will increase since the renovation.

The terminal continues to be freshened up. The stairway project is underway to put new flooring on the stairway and some new lighting in there. An electrical engineer was hired to specify some lighting. The north end has been worked on. This continues to be done knowing that the next phase of the terminal renovation is a ways off. Staff does not want to totally ignore the space, nor does it want to spend a lot of money on things that will be torn down.

The final documents are being reviewed for the Airfield Shop Roof Replacement. This is expected to be out to bid by the first week of December. The project will be bid to enable it to be one of the first ones out of the box in the spring. This project will start as soon as possible after snow removal operations are complete, tentatively April 1. The interim fix is to have the leaks run into buckets that are checked and/or dumped daily. The light bay has been moved into a construction trailer in the interim.

The report noted the Operations Committee's request for signage in the airport. Mr. Myers said he had an opportunity after the meeting to walk down and looked at signage, and he said it looked like it would be at any other airport. He went outside and he could see where to go for taxis and where not to park and people still park there and wait. The only thing he noticed was the "no smoking" sign on the building was white letters with white background, so it is not very visible. He said the reality was that some of the issues that were brought up were by a few individuals and not the general public. He thought most people could figure their way out of the airport without any difficulty. He did not really want to see the airport spend a lot of money in adding any more signage than is really necessary, because there is quite a bit.

Mr. Epstein asked if the two grants for the SREF and ARFF were going to be subject to the 5% issue with the State match withdrawal (Attachment #3). Ms. deLaBruere

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said the letter went into effect October 1st so the SREF, geothermal, etc., will be impacted by that letter. She said staff was working on rearranging the figures so it is known what direction to take and how to specifically tackle this as it needs to be tackled now in order to get the projects to fruition when they go to bid. The funds have to be in place. When the projects in 2017 are reviewed it can be decided whether it will be on the PFC list or something further, but those items were impacted.

Ms. Rodell said she noticed the DOT letter was starting on the beginning of the federal fiscal year to prevent from moving forward with new FAA grants. The State's fiscal year and how they anticipate appropriating their match money is usually done on the State's fiscal year. She was curious if the State was stopping an appropriation that is already in place? Are they refusing to spend money or are they just saying we're not going to ask for State fiscal year '17. The timing is off here for them. Ms. deLaBruere said when the State said October 1st and they alluded to the AIP grant, they referred to anything for the Federal fiscal year. Grants have already been received from the State that had to do with grants in place for 2015 – the ARFF truck, design of the building, and the FAA grants the Airport already has. The Airport fully expects the State to participate in another grant amendment for the Runway Rehabilitation because it was a grant that was prior to October 1st. She believed it was tied to AIP dollars and the Federal fiscal year.

Ms. Rodell said that if the Legislature passed and the Governor signed bills enacting a budget in April and May for fiscal year '16 that included FAA grant money matches for the Airport, recognizing local sponsors, the letter reads as if they are withdrawing that appropriation. Ms. deLaBruere said she had not received verification from Mr. Binder on that. The Airport is proceeding with the planning to make sure it is covered because she did not want to find out that next spring when the grants go forward that the Airport suddenly does not have them. There are a few things to be cleared up from the letter. The Airport was still getting the grants, even after the October 1st date, but that was for the prior fiscal year. Ms. Rodell asked if the City & Borough was made aware of the letter. Ms. deLaBruere said the news has been spread.

- IX. **CORRESPONDENCE:** Letter from State of Alaska Department of Transportation regarding no matching AIP grant funds (Attachment #3). Ms. deLaBruere said she was disappointed receiving the letter almost one month after it went into effect. The City's lobbyist has been on the hill discussing the cuts to the State budget, especially on specialty projects, legislative grants, etc. At one of the Finance Committee meetings, he felt pretty certain that the AIP match for airports was still there and then the letter was received. She knew the State was making cuts left and right to get money where they can. The Airport will need to tweak the whole CIP. This year may be a little more painful, but clarification is still being sought specifically about the fiscal years. It might be a good time to have an Airport Board Finance Committee meeting to look at the six-month update, reserves and

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combine it with CIP projects. That might be the better time to do it. She felt this would be a good meeting to have as many Board members attend the meeting as possible. The CIP program is such a fluid document. She felt this would be something to be done within the next month or so.

X. **COMMITTEE REPORTS:**

A. **Finance Committee:** None.

B. **Operations Committee:** Another meeting may be held in the future.

XI. **ASSEMBLY LIAISON COMMENTS:** None.

XII. **PUBLIC COMMENTS:** None.

XIII. **BOARD MEMBER COMMENTS:**

A. Angela Rodell noted that she had an Alaska Permanent Fund Board of Trustees meeting that will conflict with the next Board meeting in December. If there is an issue with a quorum, she will try to call in.

B. David Epstein said he will call into the meeting next month.

C. Marty Myers will be out of town on November 16 and return Pearl Harbor day, but he might be able to call into an Operations Committee meeting.

XIV. **ANNOUNCEMENTS:** Ms. deLaBruere said on Monday, December 14, the Assembly will hold their retreat starting around 1:00 p.m. to 5:00 p.m. She will be attending this retreat.

The Assembly Finance Committee will meet on December 16, at 5:30 p.m. The Airport will be presenting the SREF and discussing the CIP. They want a snap shot of why things have changed so much and where the money set aside for the project – a \$3 million special legislative grant and the \$3.1 million in sales tax – will be spent. They also want to know the pay back if the SREF is moved to the northwest side. She would like to have an Operations Committee or SREF Committee meeting to review the plan before it goes down.

XV. **TIME AND PLACE OF NEXT MEETING:** The next regular Airport Board meeting will be held on December 8, 2015, at 6:00 p.m. in the Alaska Room.

XVI. **EXECUTIVE SESSION:** None.

XVII. **ADJOURN:** *David Epstein moved, Angela Rodell seconded, to adjourn. The meeting adjourned by unanimous consent at 6:55 p.m.*