

SPECIAL AIRPORT BOARD MEETING
AGENDA
5:00 P.M., MONDAY, JULY 14, 2014
ALASKA ROOM

- I. CALL TO ORDER
- II. ROLL CALL
- III. PUBLIC COMMENT
- IV. UNFINISHED BUSINESS: **Runway Rehabilitation Local Match:** As we discussed/approved at the Wednesday July 9 Airport Board meeting, the Runway Rehabilitation local match would need a transfer from two of our reserve/revolving Capital Improvement Program (CIP) accounts, and to request a line of credit for the \$341,000 portion of the match. The transfers are simple and require a one-time Assembly meeting. However, after consulting with the Finance and Law Departments on Thursday, this line of credit requires an appropriating ordinance (two meetings), plus it would not be effective until 30 days after Assembly approval. While we could introduce this at the July 21 Assembly meeting (with the transfers), the public hearing piece would not be held until August 11 or a special meeting in early August. This means we would be looking at the end of August or early September before we can start the project. (All funds must be appropriated or established in the project grant before it can commence/draw on). We will run into permit issues with the creek by September.

We consulted with the City Finance Department and have determined a better alternative for (temporarily) securing the local match and moving forward with the runway project. The Airport plans to use the Terminal Renovations capital projects sales tax portion of the funding. The sales tax money in this project account is sitting until federal funds, or other means, makes it a whole project account (complete funding packet). We would not be able to do this if they were specifically appropriated to a grant award and the project was awarded and underway.

This would simply be a single capital funds transfer and would be completed in one Assembly meeting on July 21. It would also be available for use immediately. We can do this by using all \$610,759 from the Terminal Renovation project, rather than piecemeal from several capital projects and reserve/revolving project accounts. This transfer is an internal (Airport) 'loan'. As soon as we close-out Grant 50, we free up funds to repay the Terminal Renovation project money in full.

We do not expect to use the majority of the funding until next Spring/Summer and presumably would have the grant closed out, or close to it. This transfer is set to go before the Public Works Committee at noon on Monday, July 14. We would need to rescind the July 9 motion/approval and replace with a single transfer.

Board Motion: *“Move to rescind the approved motion from July 9 regarding the transfer of all available funds from capital reserve/revolving accounts A50-001 and A50-031 (approximately \$268,838) and cancel the request for a line of credit or loan from the City Central Treasury for the balance (approximately \$341,921). Furthermore, ratify the staff recommended transfer of \$610,759 from the Terminal Renovation Project (A50-073) to the Runway Rehabilitation Project (A50-079) until such time that AIP Grant 50 is closed by the FAA resulting in repayment of the Terminal Renovation project funds.”*

- V. **NEW BUSINESS: State and Federal Funding Request (Attachment #1):** The City has asked departments to prepare their State and Federal funding request early this year. This was formerly done in January, then the Fall, and now the deadline from the City is July 25. This is a snapshot of our CIP and wish list to be considered for special grants (such as the Legislative grant that we received for the Snow Removal Equipment Facility last year \$3 million and the \$93,000 local match on the MALSR-which we now cannot use). The City Assembly then reviews and prioritizes all City projects internally and submits to the State. Again, this is not the full CIP, just portions. This is for the State’s fiscal year 2015 only.

The Board has not acted/approved these in the past and staff is only presenting this as information only. The Board will be able to look at and approve the full updated CIP at a later date.

- VI. PUBLIC COMMENT
- VII. BOARD MEMBER COMMENTS
- VIII. ADJOURN



MEMORANDUM

TO: Airport Board

FROM: Patricia deLaBruere, Airport Manager

DATE: July 11, 2014

RE: **STATE AND FEDERAL FUNDING REQUEST LIST**

ADA Improvements – While the majority of passengers access their aircraft through a jet bridge, two of the airport's gates serve jets that board passengers from the ground only. Alaska Airlines and Delta Air Lines have provided limited accommodations for specific needs, but the Airport is responsible for full accessibility. An elevator on the secure side of the airport terminal is needed. **\$800,000.**

Airport Snow Removal Equipment Facility (SREF) – The Airport continues to request funding from the Federal Aviation Administration's Airport Improvements Program (AIP) for a Snow Removal Equipment Facility. The most recent FAA funding request was \$17 Million for construction of the building through multi-year entitlement and discretionary AIP funding starting in FFY14. The total funding for the *building* at last estimate was approximately \$25 Million. \$6.1 Million has been secured outside of the AIP. If the new site location is approved by the FAA, an additional \$3 Million will be needed. Federal request: \$19.8 Million; State AIP Match: \$661,000; **Local AIP Match \$661,000; Additional State or Local funds needed \$700,000.**

Replace Aircraft Rescue and Fire Fighting (ARFF) Vehicle A-1 – Vehicle A-1 is a specialized fire rescue truck used by the fire department exclusively at the airport. The vehicle is at the end of its service life and needs to be replaced. The total cost of a new truck is estimated at \$1 Million. New ARFF vehicles are longer than existing ones. The Glacier Fire Station that houses the ARFF vehicles was constructed more than 40 years ago. The existing vehicle bays are too short to accommodate the new ARFF truck. Expanding the building is estimated to cost approximately \$1 Million. Both the vehicle and the building modifications are eligible for FAA Airport Improvements Program funding, but state and local matches are required. **Federal \$187.5 Million; State AIP Match \$62,500; Local AIP Match \$62,500**

Terminal Renovation - North Wing Replacement – The North Wing is the oldest part of the terminal, much of which was built in 1948. This area primarily serves the small regional carriers and U.S. Customs & Border Patrol. There are serious deficiencies in this section of the building, including lack of heat, poor plumbing, structural limitations, and code violations. The Airport has approximately \$8 Million in place to begin design to address renovation needs, but an additional \$6 Million is needed to construct the North Wing project. **\$6 Million**

ATTACHMENT #1

State and Federal Funding Request List
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Reconstruction of Alex Holden Way (Design) - Alex Holden Way is the only access road for customers of Alaska Air Freight and several other businesses that operate at the airport. The pavement and drainage system are beyond their service life and have failed on numerous occasions. The water and sewer infrastructure beneath the roadway are nearing the end of their service life and need to be replaced, along with the roadway surface and drainage system. The project will provide a reliable all-weather public access to serve these important community businesses. State funding is requested to design the roadway and utilities for this project, which has economic development importance. Additional funding will be requested for construction of the project. **\$300,000**

Reconstruction of Alex Holden Way – See narrative above. **Estimated \$3.5 Million to construct the project.** Complete reconstruction of the roadway including utility infrastructure is required. State funding is requested to construct the infrastructure for this business corridor.

Infrastructure for Northeast Quadrant of Airfield – Over the past four years the northeast quadrant has been partially developed by placement of fill, construction of a frontage road, installation of water, power and communications utilities, and construction of drainage improvements to the site. Additional infrastructure improvements are needed for the area to be ready for tenant development. A pressure sewer system is needed so that tenants can hook up to the City sewer system. One tenant in the area (TEMSCO) does not currently have sewer and has indicated that sewer service is desired. In addition, airfield access is needed to allow aircraft to taxi and park in the new development area. Two tenants, Aero Services/Atlantic Aviation and Guardian Flight, have indicated they are ready to develop new facilities but the current infrastructure is incomplete. These two tenants will provide valuable new income to the airport in terms of long-term leases and the region in terms of construction and additional long-term jobs. \$4 Million is requested to install the area sewer collection system and aircraft parking for the two tenants that are interested in development at the site. The sewer is not eligible for FAA funding. The aircraft taxi and parking areas are partially eligible for FAA funding.