

AIRPORT BOARD
AGENDA
6:00 P.M., WEDNESDAY, APRIL 9, 2014
ALASKA ROOM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES: Regular Monthly Meeting of March 12, 2014

IV. APPROVAL OF AGENDA

V. PUBLIC COMMENTS

VI. UNFINISHED BUSINESS

A. **Airport Rates and Fees Regulation (Attachments #1 and 2).** A draft of proposed changes to 07 CBJAC 10.020 Airport Rates and Fees Regulation (Attachment #1) incorporates all the rates and fees approved by the Airport Finance Committee and the Airport Board. The Airport Board approved the draft at their March 12, 2014, meeting. Public comment period began on March 14, 2014, and ended at the close of business on April 3, 2014; meeting the required 21-day public comment period. The FY 15 balanced budget is predicated on a June 1, 2014, effective date of these rates, unless specifically stated otherwise in the regulation. The Airport received one public comment (Attachment #2); an email dated March 20, 2014, from Douglas resident, Mike Peterson, regarding cost of using JPD officers at the Airport. Staff addressed the comments directly with Mr. Peterson to his satisfaction. Staff recommends moving forward on the rates and fees regulation as proposed.

Board Motion: *“Airport Board moves for approval of the proposed changes to the Airport Rates and Fees Regulation 07 CBJAC 10.020, as outlined in Attachment #1, and to forward on to the Assembly for final approval and adoption.”*

B. **Food/Beverage Concession Update.** On March 20, 2014, the Airport discontinued negotiations with the sole proposer of RFP #14-186 Interim Food/Beverage Concessions at Juneau International Airport, Alaska Promotions, LLC d/b/a Brandi’s Airport Bar, for services commencing May 1, 2014. After consulting with CBJ Law Department and Purchasing Department, it was determined by Ordinance that the Airport could directly negotiate with another interested party for these services.

The Airport is currently working with Jacobsen/Daniels Associates (JDA), LLC, d/b/a DJ’s Tap Room and The Annex for food/beverage service. JDA is currently reviewing the Airport lease and finalizing their financial pro-forma, working with local bakeries for resale of packaged food, have applied for their liquor licenses (x2) for both the departure lounge and non-secure area, have advertised the liquor license applications, and have

applied for the 'other' food/restaurant permits. They are on a very aggressive schedule and we look to continue negotiations over the next few weeks.

C. Terminal Renovations Conceptual Designs Discussions (Attachment #3). This item was previously tabled from the March Board meeting. Two concepts for the next phase of terminal renovations will be presented to the Board at the meeting. Cost estimates for either option exceed current available funds. However, if one option is selected it will assist the Airport in moving forward to look at specific funding strategies. These may include a reduced scope, new funding sources or a more comprehensive look at the entire terminal renovation funding needs (including north wing). The attachment provides more detail and history of the current funding and renovation concepts for Board consideration and discussion.

Board Motion: *Approve Terminal Renovation Concept # _____, and move forward to a Terminal Renovation scope and budget work session within the next month.*

VII. NEW BUSINESS

A. Southeast Alaska Land (SEAL) Trust Land Transfer (Attachment #4). As part of requirements for the Runway Safety Area expansion into the wetlands (2009), the Airport received 4.76 acres of State of Alaska tidelands in the Mendenhall Refuge. Mitigation dollars were set aside for the purchase of future refuge lands to replace those taken. SEAL Trust has worked with the State of Alaska (DNR and ADFG Wildlife Conservation & Habitat) to find suitable replacement lands on the Mendenhall Peninsula. As required in the Tideland Conveyance and the Real Estate Contingency Agreement (RECA), the Airport (and State agencies) must concur with the transfer to fulfill the conditions of the agreement within 5 years (by April 15, 2014). The mitigation land to transfer under this agreement is a 6.45 acre parcel and accreted land on the Mendenhall Peninsula known as Wigeon Ponds Lot 2. This transfer would fulfill this obligation. Additionally, under the requirements, a letter/agreement would document the transfer and the obligation under the RECA for the 4.76 acres conveyed to the City/Airport.

Board Motion: *Concur with the Transfer of Land from SEAL Trust to the State of Alaska, as outlined in Attachment #4, for the 6.45 acre parcel of land known as Wigeon Ponds Lot 2 on the Mendenhall Peninsula, to fulfill the condition of ADL 107380 (Tideland Conveyance to the City and Borough of Juneau) and the 2009 Real Estate Contingency Agreement. Furthermore, concur that the Juneau International Airport enter into letter/agreement documenting that the City and Borough of Juneau, Juneau International Airport has fulfilled its obligation under the 2009 RECA to replace 4.76 acres conveyed to the CBJ for the Juneau International Airport.*

B. Jetway 5 Replacement (Attachment #5). With the entrance of Delta Air Lines, the Airport was concerned about the condition of Jetway 5 and its ability to adjust to the 757-200ER that Delta is scheduled to use for JNU. This jetway is estimated to be 40+ years old and was in place when Western/Delta operated at Juneau in the mid 1980's. This became the Airport's property when Delta pulled out in 1997. There has been limited

maintenance performed on this jetway and the age as well as the exposure to coastal elements have entered into the replacement equation.

As the Airport would like to maintain control of at least one jetway, staff began to search for used jetways. JetBridge America out of Texas sells refurbished jetways and has a couple of options, including some that are ready to ship. A representative came to Juneau March 29-31 to assess our jetway segments. We anticipate the proposals soon based on that site assessment. The Airport had preliminary discussions with FAA on Airport Improvement Program (AIP) eligibility, and this would still need to be finalized in the CIP update. Additionally, some site modification (platforms) would be needed. The Airport hopes to have answers soon.

The attached memo (Attachment #5) outlines the jetway history and additional details that staff have looked at. Staff would like to modify the CIP list with the FAA to reflect the addition of a jetway, move forward on the acquisition of the jetway based on FAA approval, and forward fund with terminal project funds until AIP funds can reimburse per updated CIP schedule.

Board Motion: *Approve the addition of a refurbished jet bridge in the Airport Capital Improvement Project (CIP) list, and based on Airport Improvement Program eligibility, acquire and install refurbished jet bridge components using current terminal project funding at a cost not to exceed \$400,000, and reimburse the terminal project funding when FAA funds are received.*

C. Airport Manager's Report:

1. New CT-80 Baggage Screening Machine. TSA has approved an additional CT-80 baggage screening machine (and related staffing) for the Juneau Airport. The Airport had a lot of support on this including our Congressional Delegation, Assembly, Alaska State Legislature, Alaska Committee, City Manager, Alaska Airlines and our DC Lobbyist. Staff met with the engineering contractor for TSA (Leidos) the week of April 1 regarding the placement and installation of the CT-80. The equipment is anticipated to be shipped in early May and be fully installed by May 22. Staff and contractor are still assessing the final placement of the screening equipment, but we may be able to place it in the baggage screening room. This was a huge accomplishment for the Airport and we would like to express our gratitude for everyone's support and hard work on this.

2. City Budget. The CBJ has been tasked with balancing their FY 15 budget with less revenues (such as sales tax), less grants, and potentially more expenses. While unknown at this time, the State may be assessing an estimated 2% increase to the PERS (Public Employees Retirement System) to make up the liability deficit in the State's retirement system. This would have an effect on the Airport budget (previously approved). We await word on this, but it may require going back to the Finance Committee to make a determination on how the Airport will handle the additional expense impact. Staff will advise the Board when more information is

available. The Airport will be presenting their budget, as passed at the March Board meeting, to the Assembly Finance Committee on April 16.

3. Airport Engineer Report (Attachment #6)

4. Airport Architect Report (Attachment #7)

VIII. CORRESPONDENCE:

IX. COMMITTEE REPORTS

A. **Finance Committee**

B. **Operations Committee**

C. **Art Committee**

X. ASSEMBLY LIAISON

XI. PUBLIC COMMENTS

XII. BOARD MEMBER COMMENTS

XIII. ANNOUNCEMENTS Airport Budget presentation to the Assembly Finance Committee
5:30 p.m., April 16, 2014.

XIV. TIME AND PLACE OF NEXT MEETING:

A. Airport Board, 6:00 p.m., May 14, 2014, Alaska Room

XV. EXECUTIVE SESSION

XVI. ADJOURN