

AIRPORT BOARD
AGENDA
6:00 P.M., WEDNESDAY, DECEMBER 11, 2013
ALASKA ROOM

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF MINUTES: Regular Monthly Meeting of November 13, 2013
- IV. APPROVAL OF AGENDA
- V. PUBLIC COMMENTS

VI. UNFINISHED BUSINESS

A. **FAA Letter of Justification on the Snow Removal Equipment Facility (SREF) relocation** (Attachment #1): As mentioned at the November 13, 2013, Airport Board meeting, the Airport contacted the FAA about the possibility of relocating the SREF to the Northwest Quadrant of the Airport. The FAA met and issued the attached letter (Attachment #1) requesting further justification. Staff is working on a detailed response to the letter including financial impact (money spent, potential savings, potential revenue), recoup the money spent, as well as other factors (security, master plan, best land use practices, sustainability). We hope to have a formal answer submitted by early January.

B. **Food/Beverage Concessionaire:** On December 4, 2013, the Airport received a letter from Abby's Kitchen declining further negotiations on the Airport Food/Beverage contract. The Airport is already working with the City Purchasing Department to work on "Plan B" and look at other food/beverage options in the terminal. We are also working on a temporary bar/lounge operation until a longer, interim plan is in place. We hope to have more information at the time of the Board meeting. We will be looking at all possible options.

VII. NEW BUSINESS

A. **Grant Matching Funds:** Local matching funds are needed for the two new AIP grants, Runway Rehabilitation (Design Phase) and Master Plan Study, in the amounts \$39,063 and \$23,438 respectively. Staff proposes to use Airport Capital Reserve revolving funds for this purpose until they can be replaced with a new PFC application, which is anticipated in 2017/18.

Motion: *"The Airport Board approves the transfer of JNU Airport Capital Reserve revolving funds to the Runway Rehabilitation (Design Phase) Project in the amount of \$39,063 and Master Plan Project in the amount of \$23,438 until replacement funding can be obtained."*

B. **Surplus Urea Purchase:** Sitka Airport (a State-owned Airport) contacted us to see if we would be interested in purchasing their surplus urea – approximately 80-100 tons.

Sitka has been directed by the State to begin using the liquid deicer, E-36. Sitka has limited storage space for their deicer and sand, and needs to make room immediately. This means they must get rid of the urea as soon as possible. Sitka is checking on shipping prices to Juneau and will make an offer. Juneau is still using urea and has the storage space available. Juneau paid \$795/ton on the last order. Staff would hope to see an offer around half or less. While we do not have a new DEC Storm Water permit (with the EPA reduction in ammonia levels), we are still on board to request a waiver for the use of urea or at least use any urea purchased up to the date of the permit (no known date). If approved, the urea would show as an additional purchase for the FY 14 budget, but would theoretically reduce our FY 15 budget. Staff is requesting the use of Airport "Revenue Surplus" to cover this expense until FY 15. In accordance with the motion at the September 11, 2013, Airport Board meeting, this expenditure requires a 5/7 super majority of the Board.

Board Motion: Proceed on the purchase of the surplus urea from the Sitka Airport at a not-to-exceed dollar amount directed by the Board. Funding for this would be added to the FY 14 budget by applying the appropriate Airport Revenue Surplus monies, which would be recouped (to the Airport Revenue Surplus account) during the FY 15 budget process.

C. Equipment Repair: The Airfield has advised us that there are several pieces of equipment in need of repairs. Broom #25 has some problems with the up/down pressure of the bristles. Blower #39 has some ongoing rear engine cooling issues, as well as the chute lining that may cost approximately \$3,000 to replace. The bigger issue is the Urea truck that has a myriad of problems including application irregularities (higher application amounts than programmed). Airfield will change out the nozzles and adjust the spray application to see if the less expensive repairs will work. If not, a complete computer unit may need to be replaced. This could cost upward of \$50,000. Since this is a very necessary piece of equipment during snow removal operations, staff may need to purchase this computerized component prior to the next Board meeting. This expense would be purchased through the Airport Revenue Surplus account, then be recouped during the upcoming budget process. In accordance with the motion at the September 11, 2013, Airport Board meeting, this expenditure requires a 5/7 super majority of the Board.

Board Motion: Approve the purchase of the computer component for the urea truck if it is determined that the repair is needed. Funding for this would be added to the FY 14 budget by applying the appropriate Airport Revenue Surplus monies and be recouped (to the Airport Revenue Surplus account) during the FY 15 budget process.

D. Airport Manager's Report:

1. Mendenhall Flying Lion's Club Christmas Lights Flights is scheduled for Friday, December 20, 2013, from 4:30 to 7:30 p.m. in the north wing of the Terminal. This is an annual fundraiser.
2. FAA Certification Inspection. We will have two FAA Inspectors in Juneau the week of December 9, 2013. One part of the inspection will be general Part 139 inspections, the other half will be grant assurance and land use compliance. Gabriel Mahns and Eric Swann may be in attendance at the Board meeting for introductions.

3. Runway/Taxiway Incursion. On November 30, the Airport reported an incursion involving an airfield tenant driving their vehicle onto the taxiway and runway. It was apparent that the tenant was trying to drive down to the float pond area and possibly to the Airport burn pile. The incident is under investigation and the Airport will be looking into many factors with this incursion. This will also be looked at during our FAA Certification Inspection (see above).

Related to this incident, the unauthorized disposal of burnable items, trash, metal, etc., has created other problems on the airfield, including FOD. The Airport has closed down the burn pile, scrap metal pile, etc., indefinitely, and has issued a memorandum to all tenants/companies.

4. Airport Engineer Report (Attachment #2)

5. Airport Architect Report (Attachment #3)

VIII. CORRESPONDENCE: E-mail from David Rabin dated November 14, 2013 (Attachment #4)

IX. COMMITTEE REPORTS

A. **Finance Committee**: It is anticipated that a Finance Committee meeting date will be set at the January meeting.

B. **Operations Committee**: Airport tenants have requested a preliminary meeting to discuss the airport remodel (even future remodel) and how it will affect the 135 businesses. They want to make sure that they can be accommodated as we move forward in the remodel. We are looking to set a January 2014 meeting.

X. ASSEMBLY LIAISON

XI. PUBLIC COMMENTS

XII. BOARD MEMBER COMMENTS

XIII. ANNOUNCEMENTS

XIV. TIME AND PLACE OF NEXT MEETING:

A. Airport Board, 6:00 p.m., January 8, 2014, Alaska Room

XV. EXECUTIVE SESSION: Food and Beverage Concession Contract Discussion: *Board Motion: To go into executive session to discuss food and beverage concession contracts, the immediate knowledge of which would clearly have an adverse effect upon the finances of the government unit.*

XVI. ADJOURN