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. <u>Mendenhall Flying Lion's Club Christmas Lights Flights</u> 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. <u>FAA Certification Inspection</u>. 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

ATTACHMENT #1

U.S. Department
of Transportation
**Federal Aviation
Administration**

Alaskan Region
Airports Division

222 West 7th Avenue
Anchorage, Alaska 99513-7587
Phone: (907) 271-5438
Fax: (907) 271-2851
http://www.faa.gov/airports/alaskan/

November 8, 2013

RECEIVED
NOV 12 2013
Juneau International
Airport

Patricia deLaBruere, Airport Manager
Juneau International Airport
City and Borough of Juneau
1873 Shell Simmons Drive, Suite 200
Juneau, Alaska 99801

Dear Patricia:

The FAA received your email requesting to change the Snow Removal Equipment Facility (SREF) location from the northeast (NE) quadrant to the northwest (NW) quadrant. More information is needed for us to fully consider your request.

JUSTIFICATION: The NE quadrant location for the SREF is identified in both the Airport Master Plan (dated 1999) and the Environmental Impact Statement (EIS) Record of Decision (ROD) as being operationally superior and providing maximum potential for airfield development. The EIS/ROD identified alternative SREF-3B1 (NE quadrant) as the build alternative solely because of the operational and future development benefits.
In order for us to fully consider your request to relocate the SREF from NE quadrant to NW quadrant, the FAA will need a fully developed justification for the change in need from the published ROD. We will take the new justification under consideration.

FINANCIAL: This office has obligated a significant amount of Airport Improvement Program (AIP) funding, via several grants, for the construction of the snow removal equipment facility in the NE quadrant. In order for us to proceed in the consideration of your request, we would need to review all grant expenditures for the existing facility.
Please provide to our office a full itemized record that delineates the amount of grant funding associated (either directly or indirectly) with the development of this facility. If amounts are pro-rated among other development objectives, please provide the basis for how the costs are distributed.

ENVIRONMENTAL: As the NE quadrant location was selected as the build alternative in the ROD, there are National Environmental Protection Act (NEPA) considerations that must be addressed. The analysis completed in the EIS addressed the environmental impacts at both locations. Should the preferred location of the SREF change to the west end of the airport, it is likely that NEPA requirements could be met with minimal documentation beyond what is in the

EIS/ROD. The level of NEPA effort required will be determined following agency and relevant stakeholder coordination.
I look forward to receiving the following, so we can more fully consider your request:

- Fully developed justification for moving the SREF from the NE quadrant to the NW quadrant
- Full itemized record that delineates the amount of grant funding associated with the development of the facility at the currently selected location.

After we have received and considered the above information and depending on the outcome; if necessary, we will provide further detailed direction regarding the environmental requirements.

If you have any questions or concerns with this request, please contact Mike Edelmann, Airport Planner, at (907) 271-5026, mike.edelmann@faa.gov .

Sincerely,

Byron K. Huffman
Manager

ATTACHMENT #2

MEMO

TO:	Patricia deLaBruere, JNU Airport Manager	DATE: December 5, 2013
FROM:	Ken Nichols, JNU Airport Engineer	
RE:	Engineer's Report	

General
In the past month, two major capital projects and one planning project are on-going. Project specific summaries are presented below for each project.

Master Plan Update
An RFP for consultant selection is still under development. I expect that the selection process will take place over the next few months and a planning consultant will be under contract in early 2014. The master plan process will take approximately two years from kickoff to final acceptance by FAA and CBJ.

Runway Safety Area (RSA) Expansion Phase IIA
Substantial completion was issued to the contractor on November 13, 2013.

Final approach lighting system installation by FAA's contractor is currently underway. The entire approach lighting system will not be commissioned for service until near the end of December, assuming a flight-check can be completed as scheduled on December 16, 2013. Final clean-up work will be completed in the spring.

Tree Removal
Related to the RSA Phase IIA project, approximately 30 trees were downed in the six tree groups that were identified as obstructions. Additional trees will be evaluated for removal and may be removed at a later time.

Runway 8/26 Rehabilitation
60% design documents were reviewed with the Tenant Users Group, FAA, and airport staff. Comments were transmitted to USKH.

90% design documents are expected December 23, 2013.

The FAA will convene their Safety Risk Management (SRM) panel here in Juneau over three days in January. Airport staff will attend the meetings and site review on January 7^{th} – 9^{th}, 2014.

ATTACHMENT #3

TO: Patricia deLaBruere, JNU Airport Manager

DATE: December 4, 2013

FROM: Catherine Fritz, AIA
JNU Airport Architect

Terminal Renovation.

Throughout November, the architectural staff continued working on design and operational issues to open new food and beverage service into the terminal by January 1, 2014. We negotiated, and subsequently purchased, existing equipment and furnishings to allow more flexibility and lower cost for the interim food and beverage concession. The attached memo describes this purchase in more detail.

The next phase of terminal renovation work began in November by conducting a scoping meeting with design team to review the concept developed in 2012 and consider additional issues. The total remaining terminal replacement cost is $35-$40 million, but current funds are limited to approximately $10 million, so planning the next phase carefully to allow future work in a logical and efficient manner is critical.

Pre-design services will begin with program and space analysis to determine the specific needs of all users in the building that will be affected by the next phase of renovation. We will also consider new issues such as TSA concerns about the secure exit lane, as well as the overcrowded secure departure lounge. Phasing of the work will be a key design consideration, to ensure that the terminal can remain operational with least possible impacts to all users.

The schedule calls for a conceptual design work session to be held in mid-January 2014. This will be an opportunity for public review and refinement of the concept. Following the review, an estimate of probable construction cost will be developed. Design work will commence once the budget has been validated.

Design of the restaurant and bar to accommodate a new concessionaire was put on hold during November to concentrate on the departure lounge concession. We expect to return to design later in December and begin renovations of the bar and seating area in early 2014.

Other projects around the terminal during October included:

- Touch-up painting was completed in the Departure Lounge.
- New signage along the curb was installed, emphasizing No Parking, No Waiting, and No Smoking.
- New directional signage was installed in the terminal.
- Signage design for the public art bird sculpture was completed.
- Terrazzo tile repair at the ramp near the Bag Belt, adjacent to the rental car counters, began.
- Music on the Fly event in November featured Travis Croteau; there will be additional music events in the terminal during December.

Snow Removal Equipment Facility.

Staff has developed an approach for the analysis of the two proposed SREF sites that will address issues raised by the FAA. Both sites will locate the SREF, then consider commercial development opportunities beyond SREF’s needs. There will be a graphic sketch of each site, as well as an economic analysis that will identify revenue potentials and construction development costs. We will have consistent information about each site so that a pros and cons analysis can be made. The goal is complete this work by the end of 2013 or soonafter the new year.

ATTACHMENT #3-1

MEMORANDUM

TO: Catherine Fritz, Airport Architect **DATE:** December 3, 2013

FROM: Cynthia Johnson, Architectural Assistant

RE: Sale of Surplus Restaurant/Kitchen Items

This memo summarizes discussions about the Airport's recent acquisition of the used restaurant/ kitchen items and our plan to surplus and sell any of those items that are in excess of our needs.

Background.

In preparation for its departure from its Airport lease space, ESS sold its liquor license, furnishings, fixtures, equipment and miscellaneous restaurant/kitchen business items to Ethan Billings. Mr. Billings' primary interest in that transaction was the procurement of the liquor license. He offered to sell the restaurant/kitchen items, in bulk, to the Airport for $33,000.00. The Airport accepted Mr. Billings' offer and acquired the used restaurant/kitchen items as a means to more cost effectively provide food and beverage services. The short duration of the interim contract provides little incentive for the concessionaire to make significant investments in new furnishings, fixtures, and equipment. Similarly, the Airport wants to avoid costly purchases at this time.

In making its decision to proceed with the purchase, the Airport considered the following:

- Key items in the purchase (e.g. tables, chairs, dishwasher, cooking equipment, and three walk-in cooler/freezer units) had an estimated value greater than $33,000.00; and
- The replacement value of the chairs and tables alone was estimated to substantially exceed the $33,000.00 cost.

Features of the Surplus Sales.

Airport Construction Projects Office will review the inventory of restaurant/kitchen items purchased to identify those items that are excess to the Airport's needs, segregate them from those items it will retain, and, with assistance from the CBJ Purchasing Office, conduct two surplus sales at the Airport.

Key features of the sales, as proposed by Airport staff, include the following:

- The Airport would receive the proceeds of the sales minus costs to CBJ Purchasing to conduct sales;
- There would be two sales at two Airport sites:
    1. One sale would be held in the kitchen to allow for large equipment and other kitchen items to be viewed by the public to see how they are set up and used in a commercial kitchen; and
    2. Miscellaneous items (e.g. desks, chairs, file cabinets, etc.) would be stored and sold out of the Aurora Room (or other Airport location).
- Standard advertising would be expanded to include a targeted advertising campaign to attract local restaurants and related businesses.

We anticipate working closely with the Purchasing Office to explore the opportunities described above and develop surplus sales that will yield the best results for the Airport and CBJ. Surplus sales are tentatively planned for early next year.

ATTACHMENT #4

Patricia deLaBruere

From: David Rabin <drabin902@gmail.com>
Sent: Thursday, November 14, 2013 4:56 PM
To: Patricia deLaBruere
Subject: Re Pam Chapin

Greetings,

I recently flew in and out of the Juneau airport and, after boarding the plane to fly to Seattle, realized that I had left my partial denture in the airport bathroom. It was too late to deplane, but I managed to call Ms Chapin. She found my denture, let me know immediately, and sent it back to me, saving me hundreds of dollars.

Just wanted you to know how much I appreciated her efforts. The world needs more people like her.

David Rabin