AIRPORT BOARD
AGENDA
6:00 P.M., WEDNESDAY, MARCH 14, 2012
ALASKA ROOM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES: Regular Monthly Meeting of February 8, 2012

IV. APPROVAL OF AGENDA

V. PUBLIC COMMENTS

VI. UNFINISHED BUSINESS

VII. NEW BUSINESS

A. **Airport Manager's Report**:

1. We have recently applied for the following FAA AIP Grants:
   A. AIP 55 "Construct SREF & Lighting Vault": $17,598,750 FAA; $463,125 State; $463,125 PFC. **Total $18,525,000**
   B. AIP 56 "Construct RSA": $30,425,741 FAA; $780,146 State; $820,714 JNU Dirt. **Total $32,026,561**

2. We received a briefing from Alaska Department of Transportation and Public Facilities, Pat Carroll and Keith Karpstein concerning an upcoming road project of benefit to JNU. DOT will be resurfacing Yandukin and Shell Simmons Drive sometime the summer of 2013. They will keep JNU informed so we can help minimize any traffic disruption that might occur.

3. Airport Engineer Report (Attachment #1)

4. Airport Architect Report (Attachment #2)

VIII. CORRESPONDENCE

A. E-Mail from Ruth Danner, Chair of the CBJ Assembly Human Resources Committee (HRC), concerning decision by the HRC to require no additional steps for public notice of meetings and a reminder to be mindful of the importance of transparency in our work (Attachment #3)

IX. COMMITTEE REPORTS

A. **Wildlife Hazards Working Group**

B. **Finance Committee** (Attachments #4 through #7): The Airport Finance Committee held two meetings on February 27, 2012, and March 6, 2012 (meeting minutes, Attachments #4 and #5). FY 12 is projected to have a ($371,100) deficit by year end. This shortfall will be made up with the Airport's fund balance (previous years' excess revenues). The Finance Committee then looked at the start of biennial budget years FY 13 and FY 14. Initially, both years were looking at major deficits mostly due to revenue cuts and shortfalls. At the March 6, 2012, meeting, the Committee agreed to apply $306,100 of the

Airport's Fund balance and raise rates for large aircraft landing fees and fuel flowage fees as indicated by the Airport Finance Model for FY 13. No increases were indicated for small general aviation aircraft or small commercial (Part 135) operators. This would balance FY 13. These same rate increases would carry forward into FY 14 to help offset that year's deficit. FY 14 still shows a deficit of ($249,300 *rounded*). The Committee unanimously approved the FY 13 and FY 14 budgets, as shown in Attachment # 6, with FY 13 balanced, and FY 14 with a deficit of ($249,300 *rounded*). The Committee will revisit the FY 14 budget next year. The Finance Committee forwards the budget to the Board for approval, and subsequently on to the Assembly.

Board Motion: Recommend approval the FY 13 and FY 14 budgets, as presented in Attachment #6 to March 14, 2012 Agenda, and forward on to the Assembly for adoption into the City budget.

As a part of this budget process, the Finance Committee approved increases to the Airport Rates and Fees Regulation at their March 6, 2012, meeting. Signatory Landing Fees would increase to $2.18/per 1,000 lbs (increase of $0.20), estimated annual revenue of $140,000; Non-Signatory Landing Fees would increase to $2.73/per 1,000 lbs (increase of $0.25), estimated annual revenue $6,300; Signatory Fuel Flowage Fees for aircraft 12,500 lbs. or more to $0.125/per gallon, (increase of $0.04), estimated annual revenue $114,000; and Non-Signatory Fuel Flowage Fees for all aircraft to $0.20 (increase of $0.005), estimated annual revenue $ 2,800. Since Airport rates and fees are set by regulation, the rates/fees increase must go through the public regulation process. Once approved by the Airport Board, the regulation must go out for a 21-day public comment period before coming back to the Board for final approval and subsequent submission to the Assembly for final action.

Board Motion: Recommend approval of the rates/fees increases to Fuel Flowage Fees and Landing Fees, as presented in the draft amendment to 07 CBJAC 10.020 Rates and Fees, Attachment #7, and begin the 21-day public comment period before coming back to the Board for final approval, and subsequent submission to the Assembly for Regulation approval.

C. **Operations Committee (Attachment #8)**

X. ASSEMBLY LIAISON

XI. PUBLIC COMMENTS

XII. BOARD MEMBER COMMENTS

XIII. ANNOUNCEMENTS

XIV. TIME AND PLACE OF NEXT MEETING:
A. Airport Board, 7:00 p.m., April 11, 2012, Alaska Room

XV. ADJOURN

ATTACHMENT #1

JUNEAU INTERNATIONAL AIRPORT
CITY & BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

To: Jeannie Johnson, JNU Manager — March 6, 2012

From: Thomas G. Carson, JNU Engineer — File: 1603.13

Re: JNU RSA Improvements Project Update

Construction over the past month:

- The Pond was covered in ice throughout the month so no water level measurements were taken.
- AIC installed the 14' aluminum arch culvert in the infield area, linking the existing 8'culvert beneath Taxiway 'A' with the existing 8' round culvert beneath the runway. The work included forming and pouring the second headwall, placing all pre-cast footings, placing pre-assembled sections of arch culvert, grouting the arch culverts into the keyway on the footing stem walls, and partially backfilling the area. Work in Jordan Creek must be completed by April 15, 2012 due to ADF&G permit restrictions.
- AIC worked on the storm drain system that runs along the western border of the NE Development Area. By the end of February, the installation was very nearly complete. The only work remaining is: connections to existing storm drain systems near the Wings of Alaska hangar and final backfill and compaction. The storm drain work must be complete by March 31.
- AIC completed SWPPP-related activities including installation of jute mat in Duck Creek flood plain, "track-walking" the west end wetlands fill area, and track-walking the east RSA to eliminate rutting.

Permitting and coordination activities:

- JNU staff continued working with FAA's design team for 08 and 26 MALSR.
- JNU staff continued coordinating with DOWL's Phase 2 design team. The 95% design submittal is due on March 19, 2012. Design work appears to be on schedule. The current construction cost estimate for Phase 2 is $32 million.

As of the end of February, AIC had earned $31,153,788, representing 93% of the authorized contract amount. The pay request for February was $338,326. Overall project deadline is May 31, 2012.

This image shows the Jordan Creek infield area on February 27. The arch pipe is in place and the following day it was grouted into the keyway along the top of the stem walls. The existing 8' round culvert beneath the taxiway is visible in the foreground; the runway is visible in the distance

This image, also taken on February 27, shows the interior of the 14' arch culvert. Note the concrete stem walls on either side and the round river rock that will be the Jordan Creek streambed.

This February 28 image was taken from the edge of Yandukin Drive, looking south towards the runway. It shows compacted backfill over the newly installed storm drain system. The building to the right is the Wings of Alaska hangar. The NE Development Area is to the left.

JUNEAU INTERNATIONAL AIRPORT
CITY & BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

ATTACHMENT #2

TO:	Jeannie Johnson, JNU Airport Manager	DATE: March 1, 2012
FROM:	Catherine Fritz, AIA JNU Airport Architect	FILE: 1382.16
RE:	Terminal Renovation Project Update Snow Removal Equipment Facility Project Update	

Terminal Renovation.

Main Entry Renovation began in February. The General Contractor's company, McGraw's Custom Construction, was recently purchased by Arctic Slope Regional Corporation. The management and staff of our project remained the same; the project has not been impacted by this corporate change.

Demolition is proceeding well, and the Contractor has taken careful measures to minimize disruption to operations and tenants. Much of the concrete removal has been done at night so that noise, fumes, and dust could be contained.

Design for Gift Shop renovation is nearly complete, and Airport staff is working closely with the Gift Shop owners to determine a schedule and sequence of work that will allow them to remain in operation throughout construction period.

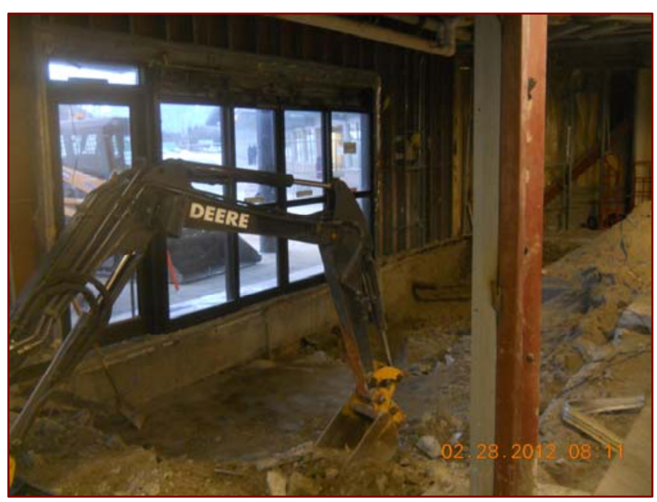
Staff has continued to work on the new art display cases for the Departure Lounge. The first exhibit is expected to be set up in March. We are also working with the Alaska Miners Association to develop a compatible design for a permanent mineral exhibit. The City Museum staff has also been very helpful in this effort. The goal is to have this display complete by early June.

Staff has completed design for a coffee shop in the Departure Lounge. The space is designed to be efficient and aesthetically pleasing, but with modest construction costs. Staff will install the new casework, and is shopping for used equipment to outfit the operation.

Snow Removal Equipment Facility.

Production of construction documents for the SREF continues. The Sitework Infrastructure project is being prepared for Spring 2012 bidding. The AIP funding request was submitted to FAA in February, and staff continues to provide information and support for securing state funding for the project.

Thunder Mountain Big Band entertains travelers on Feb 20, 2012.



Demolition is underway at the Main Entry.

ATTACHMENT #3

Jeannie Johnson

From: Ruth Danner [ruthdannerofjuneau@gmail.com]

Sent: Tuesday, March 06, 2012 6:47 AM

To: City Clerk; Rod Swope; Kim Kiefer

Cc: Carolyn Brown; Cheryl Jebe; George Brown; kay; Marianne Mills; Margo Waring; marie olson; Jim Powell; Frank&Hetty Barthel; Robert Storer; Tonie Petrie; Matt Lillard; Wayne Stevens; Jeannie Johnson; godkinjm@gci.net; Carl Uchytil; kjardell@gci.net; Judy Andree; marie n-t/work; Borough Assembly

Subject: Re: Transparency on Assembly HRC agenda - March 5 at 5:15 pm

Thank you to everyone who attended the Human Resources Committee last night to discuss the various efforts each enterprise board, the planning commission and especially the clerk's office and MIS department routinely take to try to meet and exceed the requirements of the Open Meetings Act. We must be doing something right to have been awarded nationwide honors for our website. The "Sunshine Award" ranks us in the top 1% of municipalities nationwide for your efforts.

I have heard the internet compared to the library of congress, where someone has turned out the lights and all the books have been dumped onto the floor. The problem, I think, is not a lack of information, but rather so much that it is difficult to find what you need when you need it. It is good to know that plans are in the works for a more user-friendly calendar that will link to agendas and minutes, and a map this links to proposed projects and permits. Those kinds of visual tools should help a lot. It is also good to know that consideration is being given to how social networking may fit into our efforts in the future.

Thank you for all that you do to provide information to your fellow community members. I sense a little defensiveness when we talk about this issue and I do not mean, in any way, to suggest that you are not doing enough or not doing the right things. I sense that you are all very dedicated to providing information timely and do the best you can with the resources you have. I also am confident that if and as new resources appear, you will find ways to make good use of them.

Together we can find new ways to make thinks better on any issue we can see as an issue. Thank you for taking the time to remember that keeping the public informed IS an issue worth remembering.

Sincere regards,

Ruth Danner
Human Resources Committee Chair
CBJ Assembly Member

Juneau International Airport
Finance Committee Meeting Minutes
February 27, 2012, 9:00 a.m.

Participants:
Airport Board
Pete Carlson, Finance Committee Chair
Tam Cook, Finance Committee
Steve Zimmerman (via phone), Finance Committee
Jerry Godkin, Board Chair (9:45 am)

Staff
Jeannie Johnson, Airport Manager
Patty deLaBruere, Deputy Airport Manager
Marc Cheatham, Special Projects Officer

Public
Mike Wilson, Coastal Helicopters
Tom Williams, Ward Air (8:15 am)

Finance Chair, Pete Carlson called the meeting to order at 9:00 am.

Introduction of attendees. Patty deLaBruere re-iterated that this meeting is intended to be informational only. Discussions to focus on overall budget picture and no action was anticipated at this meeting.

Patty deLaBruere wanted to make sure everyone was aware of the new CBJ accounting system and the problems that staff has had to overcome to get to these budget numbers. This new system has been difficult for the Airport since it has changed/clumped/etc. the way we have done business with our financial model. It will require changes for both the Airport and the City, and to find a balance that will work and enable us to pull accurate reports and ensure proper coding of expenses and revenues. The Airport will continue to work with the City to find its way around the accounting system. If it doesn't work for the Airport and its financial model, we may have to look at alternate accounting systems for the Airport.

Patty went through the FY 11 Close out overview (Attachments #1, #2 and #3 of the agenda) FY 11 shows a deficit year. It looks to be a combination of expenses exceeding budget and revenues falling short. Total deficit was (-237,300). Some of the factors include: Terminal Lease Space Rentals down $106,000, Interest Income down $47,900, and Personnel costs higher than anticipated.

Patty then moved on to the FY 12 projected deficit (Attachments #1, #2 and #3 of the agenda) FY 12 is anticipated to fall short by (-$374,800). The shortfall predicted is a combination of revenue decreases (down $112,300) and expense increases (up $262,500). Some of the contributing Revenue shortfalls include: Terminal Lease Revenues down $67,500, Restaurant Revenues down $32,600, Interest Income Revenue down $48,500. There were some revenue areas such as vending and air carrier terminal leases were up to help offset for a net revenue decrease of $112,300.

Some of the contributing Expense increases include: Terminal Fuel & ARFF fuel cost up $30,600, Wildlife Mgmt Contract (USDA) up $17,000 (reminder that this additional coverage was approved at the July 2011 Board meeting), Airfield Materials & Commodities up $62,400 (higher chemical prices), Airport Security up $35,600 (new contract Jan 2012) Overtime Expenses (Airfield) up $15,000 due to weather events, and Personnel costs (benefits and project time under budgeted).

Patty stated that we will continue to monitor FY 12 and cut wherever possible. She also reminded everyone that there were no increases to Airport Rates and Fees for FY12.

Tam Cook asked if some of the personnel costs went to the capital projects. Patty stated, yes, all time that is spent on a project is charged to the project (and paid for through those funds rather than maintenance and operations) and includes personnel benefits. Patty pointed out that while actual personnel time shows up in the project, it must still be budgeted through maintenance and operations. So all project people (Safety Officer, Architect, Engineer and portions of staff salary; such as airfield, Airport Manager, Special Projects Officer; anyone who works on the project) still show up on the M&O budget, but then is backed out through manpower so that rates and fees are not affected by these project wages.

Steve Zimmerman asked how the Airport covers the two years of deficits; it has to come from somewhere. Patty stated that deficits are covered by any fund balance reserves (retained earnings) that the Airport has (from previous years). She stated that the Airport is waiting to hear what that number is from downtown (City Finance). Jeannie stated that with the new system, they were still trying to pull numbers together. The Airport has a general idea and knows that there was enough to cover the two years of deficit.

Patty introduced the FY 13 and FY 14 proposed budgets (Attachments #1, #2 and #3 of the agenda). She reminded everyone again that this is informational only. Patty stated that the expenses, while up in some areas, were not the biggest factor in the deficit. It was really due to losses and cuts on the revenue side. Both FY 13 & FY 14 budgets project a shortfall at this time; FY 13 (-$608,200) and FY 14 (-$662,500), but Revenues have decreased dramatically.

Cuts/decreases on the revenue side were from: a cut to the TSA/LEO (Law Enforcement Officers stationed at the security screening checkpoint) reimbursement program (Federal cuts). This is also an area to watch since the Airport has been told that this reimbursement program may go away completely. At one time, TSA paid the security in full and not all airports have benefited from this revenue. Still, the Airport has projected a budget shortfall of $183,400 in FY 13 and $193,000 in FY 14 (if this program closes, the impact to the budget would be approx. $330,000, annually). This revenue shortfall is a huge portion of the projected budget shortfall. Additionally, CBJ Marine Passenger Fees contributions will be terminated for the Airport. FY12 is the final year that the City will allow the Airport to collect under the current program direction/ management (it does not fit the use of the funds). This revenue cut will impact the budget by approximately $160,000 annually (FY13 & 14). This is another huge component of the projected revenue shortfall. The board was advised of this revenue termination last year. Also, Terminal Lease (new space) is projected remain down (at this time). The budget for both FY 13 & FY 14 reflects the $67,500 shortfall continuing into the next two budget cycles.

Tam Cook asked about going downtown to request other money in lieu of the CBJ Marine Passenger Fees in order to assist the airport. Jeannie stated that it would be likely that if we had a capital project related to cruise ship use at the Airport, we could apply, but it was not likely for maintenance and operations. Tam thought maybe we could ask for a different (color) pot of money.

Jeannie also explained that the Airport is working with Alaska Airlines and our DC Lobbyist on the TSA/LEO reimbursement money. Jeannie will be going to DC in March and this is one of the items on her list. The Airport is pursuing this.

Patty went on to discuss FY 13 & 14 Expenses. There have been some increases: ARFF costs have increased $55,600 (FY13) & $63,500 (FY14) (personnel costs), (new) Security contract has increased $71,400 (FY13) & $81,000 (FY14), Terminal Personnel PT which was previously left vacant will be filled for an increase of $29,600 (FY13) & $30,300 (FY 14), a necessary Software Upgrade to Security access system $25,000 (FY 13), Fuel cost increases $25,000 (FY13) & $30,000 (FY14) and some increase in Personnel costs (benefits and longevity).

Tom Williams asked about the ARFF index increase and how/when that would affect the budget. Patty stated that they have been working closely with Alaska Airlines to watch for the increase and that they would certainly give us plenty of warning. Jeannie stated that it has a much bigger impact including additional ARFF equipment which would be larger than what the fire station could house, so additional improvements would be necessary. Patty stated that they are also looking for information on the Q400s, but it may be awhile. Tom stated that any increases to ARFF should be on the shoulders of Alaska Airlines since they require the increase; it is to their benefit. Patty stated that this came up before and as a reminder, ARFF was pulled out of the 85/15 allocated split and put in at 95/5. She reminded that the argument to include the GA/135 operators in the equation was that, even though it is required for 121 operations, most of the response has been to 135 and GA operators and they too benefit from fulltime ARFF.

Patty presented Attachment #4 which lists some of the revenue increases that could result if certain fees were introduced or increased. It is only a sample of revenue generating ideas. The Airport does not intend to discuss these in detail at this meeting. This attachment is informational only at this time; for consideration at subsequent meeting(s).

Patty reiterated that after analyzing FY 11 and FY 12, the combination of overcutting the budget and lack of projected revenues has left the Airport with budget shortfalls for two years. Further cuts are not possible and some expense line item cuts (that we continue to track) are not sustainable. There were no rate increases last year.

For budgeting purposes, the financial model breaks out the shortfall as follows:

FY 13
$ 66,000 GA/135 portion
$541,700 Air Carrier (121)

FY 14
$ 74,000 GA/135 portion
$588,000 Air Carrier (121)

At this time, the Airport is presenting the budget for initial review and discussion. Staff makes no recommendations at this time, but will propose options at the next meeting.

Tom Williams asked if staff could provide the FY 10 budget actuals as a comparison to these budgets.

Next Finance Meeting: **TUESDAY** March 6, 2012, 9:00 am in the Juneau Room
Note: this meeting is in the smaller meeting room adjacent to down escalator)

Meeting adjourned at 10:05 am

ATTACHMENT #4 to March 14, 2012 Agenda

As of February 23, 2012

EXPENSE vs. REVENUE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
EXPENSES	(5,103,997)	(4,958,800)	(5,221,300)	(5,320,700)	(5,392,200)
REVENUES	4,856,648	4,958,800	4,846,500	4,712,500	4,729,700
OVER/(SHORT)	(247,349)	0	(374,800)	(608,200)	(662,500)

ATTACHMENT #1

As of February 23, 2012

REVENUE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
STATE/FED REVENUE	265,629	266,800	264,900	264,000	264,000
FUEL FLOWAGE FEES *	411,884	425,000	425,000	425,000	425,000
LANDING FEES *	1,426,369	1,420,000	1,420,000	1,420,000	1,420,000
USER FEES	88,641	95,200	95,300	95,300	95,300
RENTALS	2,188,861	2,385,600	2,284,600	2,300,600	2,300,600
INTEREST INCOME	196,183	96,800	48,300	58,300	75,500
FINES/MISC./OTHER	115,081	110,300	149,300	149,300	149,300
TRANSFERS/RESERVES	164,000	159,100	159,100	0	0
TOTALS	4,856,648	4,958,800	4,846,500	4,712,500	4,729,700

ATTACHMENT #4 to March 14, 2012 Agenda

As of February 23, 2012

EXPENSE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
PERSONNEL	2,445,321	2,319,700	2,410,700	2,456,400	2,513,700
SUPPLIES	617,681	632,700	682,600	636,900	617,700
SERVICES/CHARGES	2,014,763	1,981,100	2,102,700	2,202,300	2,235,300
TRAVEL/TRAINING	16,924	25,300	25,300	25,100	25,500
MISCELLANEOUS	0	0	0	0	0
CAPITAL OUTLAY	8,848	0	0	0	0
DEBT SERVICE	460	0	0	0	0
RESERVES	0	0	0	0	0
TOTALS	5,103,997	4,958,800	5,221,300	5,320,700	5,392,200

ATTACHMENT #3

POTENTIAL RATES & FEES ADJUSTMENTS & REVENUE:

(note: estimated revenues are the additional revenues generated on an annual basis)

NEW

Filing Fee for Lease Action Request--$200: A Lease Action Request (Assignment, New Lease, Extension/Amendment, Collateral Assignment, Cancellation) requires the attention of the following people: Airport Business Manager, Airport Manager, Airport Admin Asst., Accounts Receivable Technician, Assessor's Admin Asst. This takes a considerable amount of time and resources.

Estimated Revenue $2,000

FY14 Security Fee-- $1.00 per enplaned Part 121 passenger: As stated earlier, the cost of airport security has increased, but the reimbursement by TSA has decreased and will imminently terminate. Much of the security is dedicated to the screening checkpoint and the SIDA areas by regulation.

Estimated Revenue $260,000

Due to this being a new fee category for airlines, we would not look at establishing this fee until FY14.

CHANGES

Land Lease Rates:

Currently we have three types of land leases (since 2008)—

$0.52/sf/yr	Main Ramp
$0.43/sf/yr	Other Ramp
$0.17/sf/yr	Undeveloped land

Suggested land leases changes (based on ANC CPI over 4 years)—

		Estimated Additional Revenue
$0.57/sf/yr	Main Ramp	$ 1,783
$0.47/sf/yr	Other Ramp	$29,913
$0.19/sf/yr	Undeveloped land	$ 1,479

Suggested ADDITION to above Land Lease Rates--

$0.80/sf/yr SIDA land lease

Estimated Additional Revenue $ 28,719

Currently we have 3 tenants that allow Part 1548 air cargo operations on their leased premises. The air cargo in these areas has special SIDA rules and required security checks on the part of the airport. As long as these land leases are used for the purpose of air cargo, they should be required to pay a higher lease rate due to random inspections and additional security requirements on the Airport

ATTACHMENT #4

Float Pond Tie Down Rates:

Currently—

$45/mo ($360/yr) for Privately Owned docks.
$60/mo ($480/yr) for Airport Owned docks.

Suggested Change—

Float Pond rates are based on approximately 8 months of use, as established in previous years' Finance meetings, but are charged as an annual rate:

$720/yr for Privately Owned docks North & South side.
$1200/yr for Airport Owned docks North & South side.
$1200/yr West Finger.

Estimated Revenue Increase $28,000

Signatory Main Ramp Parking >12,500 lbs.:
&
Signatory Overnight Parking at Air Carrier Gate:

Currently—

$220.00/month

Suggested Change—

$500.00/month

Estimated Revenue Increase $10,080

For the same reason as stated above for the SIDA land lease rates, these areas fall under the required Federal checks and inspections by the Airport.

Fuel Flowage Fees:

Currently (signatory) – (note: non-signatory is 25% more)

$0.155 AV gas (GA, small commercial)
$0.155 Small Jet (& helicopter)
$0.085 Large Commercial Jet

Each $0.01 increase yields the following additional revenue:

AV gas (GA, small commercial)	Estimated Increase	$ 3,550
Small Jet (& helicopter)	Estimated Increase	$ 8,240
Large Commercial Jet	Estimated Increase	$28,500

Landing Fees:

Currently (signatory) – (note: non-signatory is 25% more)

$1.98/ per 1,000 lbs (or fraction thereof) for all aircraft 12,500 lbs or more

Each $0.01 increase *yields*	Estimated increase	$ 7,000
Each $0.10 increase *yields*	Estimated increase	$70,000

Finance Committee Meeting Minutes
March 6, 2012
9:06 a.m. Juneau Room

I. **Introduction:**

Present:

Jeannie Johnson, Airport Manager
Patty deLaBruere, Dep. Airport Mgr.
Pete Carlson, Airport Board
Tamara Cook, Airport Board
Tim McDonnell, TEMSCO
Kathy Smith, Alaska Airlines
Tom Williams, Ward Air
Jerry Godkin, Airport Board
John Coleman, Administrative Officer
Mike Wilson, Coastal Helicopters
Craig Jennison, NorthStar Trekking
Marc Cheatham, Airport Special Projects Officer
Steve Zimmerman, Airport Board (by phone)

II. **FY 10 Information Request**

Patty deLaBruere, Deputy Airport Manager, said that FY10 financial summary is included at Attachment #1 of the agenda, as requested at the previous meeting.

III. **FY 12 Projected, and FY 13 and FY 14 Proposed Budgets**

Ms. deLaBruere stated that there had been a few changes to the budgets since the last meeting. In FY 12, ARFF re-evaluated their expenses and cut $3,700. This decrease now drops the projected deficit to –($371,100). No further changes or adjustments required for FY 12 budget. As stated in the last meeting, the anticipated shortfall will be pulled from the Airport's fund balance.

Since the last meeting, Airport staff also re-evaluated their budget. For FY 13 and 14, Revenues were $40,000 short on the summaries due to an incorrect link in the financial model formula. Staff fixed the formula and reviewed the model to ensure accuracy of all numbers. Revenues for both years now show the additional $40,000 in revenues. FY 14 Expenses have been decreased by $43,600 in the Personnel for Health & Wellness cost. City Finance informed departments last week to use the FY 13 budget amount for FY 14, thus decreasing Personnel costs for this year. FY 14 Revenues were increased $67,500 for other terminal leases. Staff believes that the previously budgeted shortfall (meeting rental room and departure lounge food sales) will be remedied by then and revenues will meet original projections. Additionally, the Airport has applied $300,000 of their existing fund balance to help offset the FY 13 deficit. All of these changes are included in the new budget numbers as seen in Attachments #2, #3 and #4 of the agenda. Ms. deLaBruere enumerated the increased costs and revenue shortfalls still seen in the deficits for FY 13 and FY 14; she proposed using $300,000 from the $3 million Fund Balance, as well as Landing Fee and Fuel Flowage Fee increases, to balance FY 13. She said that FY 14 can be submitted as a deficit budget, because it is too early to raise rates. She said that FY 14 budget will be revisited next year for a clearer financial picture. Also, the increase in Landing Fees and Fuel Flowage Fees for FY 13 would carry into FY 14, thus lowering the deficit. Kathy Smith, Alaska Airlines, said the company is not opposed to using the

Fund Balance to offset rate increases. She said they generally prefer airports to have shorter- rather than long-term operating reserves, anyway. She said she did not support the Security Fee for FY 13, since she had not had a chance to budget for it. Ms. Smith asked what methodology was used to come up with the 85/15 split on the airfield. Ms deLaBruere stated that she does not know what financial basis was used, but remembers the talks involving the tenants with regard to the balance being extremely off. The Airport was simply pulling numbers to make the budget balance. At that time, she remembers the allocations being approximately 75/25 and revenues (including concessions) were not industry standard and were not balancing. She stated that ARFF was specifically pulled out of the airfield cost center allocations and made into its own cost center. An argument was made, at that time, about the requirement for ARFF on the shoulders of the Part 121 air carrier. But based on historical usage by GA and 135 operators, and the fact that based companies received an insurance benefit from 24/7 ARFF at this Airport, the allocation went to a 95/5 agreed split. Ms. Smith said that Alaska Airlines is well aware of the costs involved for ARFF and, well award of increased costs when an increase to the ARFF index is required. Ms. Smith stated that as the sole 121 air carrier, they realize they will have the bulk of the costs (since there isn't another carrier to split costs), and no matter how the air carrier portion is split, it will have to be picked up somewhere. It comes down to really watching the expenses and cuts; but Ms. Smith stated that Juneau has done a good job managing this. Ms. Smith asked if the Airport remembered what percentage was estimated for increases for Alaska Airlines last fall. At that time, staff had not yet begun the Airport budget process, and was not able to provide estimated increases. Ms. Smith stated that she did budget for an overall percentage increase, but did not know how much. Regarding the proposed fee increases, Ms. Smith said that the proposed $0.06 Fuel Flowage Fee increase for large jets is too great a percentage (70%). Ms. Smith stated that she would rather see the 10% increase to the Landing Fees and decrease the impact to the Fuel Flowage Fees. A recess was called so that Ms. deLaBruere could use the Financial Model to recalculate Fuel Flowage and Landing Fees.

A 30 minute recess was held at 9:50 am

Following the recess, Ms. deLaBruere proposed the new rates in a revision of Section IV of the agenda, as well as updates of Attachments #6, #7, and #8 [blue colored Attachment #10]. Ms. deLaBruere stated that the new proposed rates achieved the 10% Landing Fee increase and dropped the Fuel Flowage fee increase to 47%. She also stated that the result of these fees changes left a small balance of $6,100 that could be picked up with additional fund balance (now $306,100). The new rates would be: Signatory Landing Fees to $2.18/per 1,000 lbs (increase of $0.20), estimated annual revenue of $140,000; Non-Signatory Landing Fees to $2.73/per 1,000 lbs (increase of $0.25), estimated annual revenue of $6,300; Signatory Fuel Flowage Fees for aircraft 12,500 lbs. or more to $0.125/per gallon (increase of $0.04), estimated annual revenue of $114,000; and Non-Signatory Fuel Flowage Fees for all aircraft to $0.20 (increase of $0.005), estimated annual revenue of $2,800.

Ms. Smith asked what the non-signatory landing fee rate represented. Ms. deLaBruere stated that it was 25% more. Ms. Smith acknowledged that this was the maximum of the industry standard range that she has seen.

If these increases are approved, they would also apply to the FY 14 budgets; likewise decreasing the budget shortfall for FY 14 to –($243,200). Staff has prepared the change to 07 CBJAC 10.020 Rates and Fees (a) Fuel Flowage Fees and (b) Landing Fees; appropriately, for anticipated approval by the Committee and to forward on to the Board to begin the Regulation change process for a July 1, 2012, implementation. Since this is a regulation, it must follow the public process.

Tamara Cook, Airport Board, made the following motion: "***Finance committee recommends the following increases to Fuel Flowage Fees and Landing Fees, as highlighted, below, and to forward on to the Airport Board for approval; and begin the public process and subsequent submission to the Assembly for approval.***" Pete Carlson, Airport Board, seconded. Motion passed by unanimous consent.

07 CBJAC 10.020 Rates and Fees The following are rates and fees established by the Airport Board. These rates and fees may be subject to change by amendment and may be subject to City and Borough of Juneau Sales Tax.

(a) **Fuel Flowage Fees.** For sales of aviation fuel and aviation fuel delivery services at the Juneau International Airport, the following fees shall apply:

(1) Signatory.

(A) Aircraft with maximum certificated gross weight of 12,500 lbs. or less shall pay fuel flowage fee of $ .155 per gallon.

(B) Aircraft with maximum certificated gross weight of more than 12,500 lbs. shall pay fuel flowage fee of $ ~~.085~~ .125 per gallon.

(2) Non-signatory.

All Non-signatory aircraft shall pay a fuel flowage fee of $ ~~.195~~ .20 per gallon.

(3) Exemption to Fuel Flowage Fees: The Civil Air Patrol (CAP) shall be exempt from Fuel Flowage Fees on missions, practice missions and fuel purchased in bulk by the CAP.

(b) **Landing Fees.** Landing Fees shall be based on maximum take-off weight as certified by the FAA, for all types of aircraft whether empty or loaded, as follows:

(1) Signatory.

(A) Under 12,500 lbs., no fee.

(B) 12,500 lbs. and over, for each 1,000 lbs. or any fraction thereof: $ ~~1.98~~ 2.18 per 1,000 lbs.

(C) Exemptions to signatory landing fees:

(i) Aircraft engaged in test flights.
(ii) Aircraft compelled to return after take-off.
(iii) Aircraft compelled to land under an emergency diversion situation.
(iv) Public aircraft not engaged in commercial operations.

(2) Non-Signatory.

(A) Under 12,500 lbs., no fee.

(B) 12,500 lbs and over, for each 1,000 lbs. or any fraction thereof: $ ~~2.48~~ 2.73 per 1,000 lbs.

(C) Exemptions to non-signatory landing fees:

(i) Aircraft engaged in test flights.
(ii) Aircraft compelled to return after take-off.
(iii) Aircraft compelled to land under an emergency diversion situation.
(iv) Public aircraft not engaged in commercial operations.

Ms. deLaBruere stated that the second motion required of this meeting would be to pass the approved budget. Since the rates and fees regulation changes go hand-in-hand with the budget, a motion to approve the new budget figures inclusive of the rates and fees increase would need to be approved as well.

Ms. Cook made the following motion: "***Finance committee approves the FY 13 and FY 14 budgets, as presented in (amended) Attachments # 6, # 7, and #8*** *[blue colored Attachment #10]****, and to forward on to the Airport Board and subsequently, to the Assembly for adoption."*** Mr. Carlson seconded. Motion passed by unanimous consent.

Ms. Cook made the motion to adjourn. Mr. Carlson seconded. Motion passed by unanimous consent. Meeting adjourned at 10:53 a.m.

ATTACHMENT #5 to March 14, 2012 Agenda

FY 10 FINAL SUMMARY

As of Feb 8, 2011

EXPENSE SUMMARY

	FY 10 BUDGET	FY 10 FINAL
PERSONNEL	2,327,200	2,274,420
SUPPLIES	739,000	565,657
SERVICES/CHARGES	2,099,200	1,959,380
TRAVEL/TRAINING	25,000	17,299
MISCELLANEOUS	0	4,985
CAPITAL OUTLAY	0	0
DEBT SERVICE	0	0
RESERVES	0	0
TOTALS	5,190,400	4,821,741

REVENUE SUMMARY

	FY 10 BUDGET	FY 10 FINAL
STATE/FED REVENUE	294,900	283,896
FUEL FLOWAGE FEES	486,000	427,605
LANDING FEES	1,461,000	1,398,619
USER FEES	105,200	105,583
RENTALS	2,337,500	2,223,647
INTEREST INCOME	105,300	192,682
FINES/MISC./OTHER	144,400	114,902
TRANSFERS/RESERVES	271,000	271,000
TOTALS	5,205,300	5,017,934

	FY 10 BUDGET	FY 10 FINAL
EXPENSES	(5,190,400)	(4,821,741)
REVENUES	5,205,300	5,017,934
OVER/(SHORT)	14,900	196,193

ATTACHMENT #1

As of March 6, 2012

EXPENSE vs. REVENUE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
EXPENSES	(5,103,997)	(4,958,800)	(5,217,600)	(5,320,700)	(5,348,600)
REVENUES	4,856,648	4,958,800	4,846,500	5,052,500	4,837,200
OVER/(SHORT)	(247,349)	0	(371,100)	(268,200)	(511,400)

ATTACHMENT #2

As of March 6, 2012

REVENUE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
STATE/FED REVENUE	265,629	266,800	264,900	304,000	304,000
FUEL FLOWAGE FEES *	411,884	425,000	425,000	425,000	425,000
LANDING FEES *	1,426,369	1,420,000	1,420,000	1,420,000	1,420,000
USER FEES	88,641	95,200	95,300	95,300	95,300
RENTALS	2,188,861	2,385,600	2,284,600	2,300,600	2,368,100
INTEREST INCOME	196,183	96,800	48,300	58,300	75,500
FINES/MISC./OTHER	115,081	110,300	149,300	149,300	149,300
TRANSFERS/RESERVES	164,000	159,100	159,100	300,000	0
TOTALS	4,856,648	4,958,800	4,846,500	5,052,500	4,837,200

ATTACHMENT #3

ATTACHMENT #5 to March 14, 2012 Agenda

PROPOSED EDITION 2

As of March 6, 2012

EXPENSE vs. REVENUE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
EXPENSES	(5,103,997)	(4,958,800)	(5,217,600)	(5,320,700)	(5,348,600)
REVENUES	4,856,648	4,958,800	4,846,500	5,320,700	5,099,302
OVER/(SHORT)	(247,349)	0	(371,100)	(0)	(249,298)

ATTACHMENT #6

ATTACHMENT #10

ATTACHMENT #5 to March 14, 2012 Agenda

PROPOSED EDITION 2

As of March 6, 2012

REVENUE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
STATE/FED REVENUE	265,629	266,800	264,900	312,100	312,100
FUEL FLOWAGE FEES *	411,884	425,000	425,000	539,002	539,002
LANDING FEES *	1,426,369	1,420,000	1,420,000	1,560,000	1,560,000
USER FEES	88,641	95,200	95,300	95,300	95,300
RENTALS	2,188,861	2,385,600	2,284,600	2,300,600	2,368,100
INTEREST INCOME	196,183	96,800	48,300	58,300	75,500
FINES/MISC./OTHER	115,081	110,300	149,300	149,300	149,300
TRANSFERS/RESERVES	164,000	159,100	159,100	306,098	0
TOTALS	4,856,648	4,958,800	4,846,500	5,320,700	5,099,302

ATTACHMENT #7

ATTACHMENT #10

ATTACHMENT #5 to March 14, 2012 Agenda

PROPOSED EDITION 2

As of March 6, 2012

EXPENSE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
PERSONNEL	2,445,321	2,319,700	2,410,700	2,456,400	2,476,900
SUPPLIES	617,681	632,700	682,600	636,900	617,700
SERVICES/CHARGES	2,014,763	1,981,100	2,099,000	2,202,300	2,228,500
TRAVEL/TRAINING	16,924	25,300	25,300	25,100	25,500
MISCELLANEOUS	0	0	0	0	0
CAPITAL OUTLAY	8,848	0	0	0	0
DEBT SERVICE	460	0	0	0	0
RESERVES	0	0	0	0	0
TOTALS	5,103,997	4,958,800	5,217,600	5,320,700	5,348,600

ATTACHMENT #8

ATTACHMENT #10

ATTACHMENT #6 to March 14, 2012 Agenda

PROPOSED EDITION 2

As of March 6, 2012

EXPENSE vs. REVENUE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
EXPENSES	(5,103,997)	(4,958,800)	(5,217,600)	(5,320,700)	(5,348,600)
REVENUES	4,856,648	4,958,800	4,846,500	5,320,700	5,099,302
OVER/(SHORT)	(247,349)	0	(371,100)	(0)	(249,298)

ATTACHMENT #6

ATTACHMENT #6 to March 14, 2012 Agenda

PROPOSED EDITION 2

As of March 6, 2012

REVENUE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
STATE/FED REVENUE	265,629	266,800	264,900	312,100	312,100
FUEL FLOWAGE FEES *	411,884	425,000	425,000	539,002	539,002
LANDING FEES *	1,426,369	1,420,000	1,420,000	1,560,000	1,560,000
USER FEES	88,641	95,200	95,300	95,300	95,300
RENTALS	2,188,861	2,385,600	2,284,600	2,300,600	2,368,100
INTEREST INCOME	196,183	96,800	48,300	58,300	75,500
FINES/MISC./OTHER	115,081	110,300	149,300	149,300	149,300
TRANSFERS/RESERVES	164,000	159,100	159,100	306,098	0
TOTALS	4,856,648	4,958,800	4,846,500	5,320,700	5,099,302

ATTACHMENT #7

ATTACHMENT #6 to March 14, 2012 Agenda

PROPOSED EDITION 2

As of March 6, 2012

EXPENSE SUMMARY

	FY 11 ACTUALS	FY 12 APPROVED	FY 12 PROJECTED	FY 13 PROPOSED	FY 14 PROPOSED
PERSONNEL	2,445,321	2,319,700	2,410,700	2,456,400	2,476,900
SUPPLIES	617,681	632,700	682,600	636,900	617,700
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TRAVEL/TRAINING	16,924	25,300	25,300	25,100	25,500
MISCELLANEOUS	0	0	0	0	0
CAPITAL OUTLAY	8,848	0	0	0	0
DEBT SERVICE	460	0	0	0	0
RESERVES	0	0	0	0	0
TOTALS	5,103,997	4,958,800	5,217,600	5,320,700	5,348,600

ATTACHMENT #8

ATTACHMENT #7

A REGULATION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Adoption of Title 07, Juneau International Airport
Chapter 10, Rates and Fees

PURSUANT TO AUTHORITY GRANTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, THE MANAGER AND THE JUNEAU INTERNATIONAL AIRPORT BOARD HEREBY ADOPT THE FOLLOWING REGULATIONS:

Section 1. **Authority.** These regulations are adopted pursuant to CBJ 01.60 and CBJ 05.01.080.

Section 2. **Amendment of Regulations.** The City and Borough of Juneau Administrative Code is amended by the adoption of a new Title 07, Chapter 10, reading:

City and Borough of Juneau Administrative Code
Title 07: Juneau International Airport
Chapter 10: Rates and Fees

Sections:

010 Policy
020 Rates and Fees
030 Definitions

07 CBJAC 10.010 Policy. The policy of the City and Borough of Juneau, Juneau International Airport Board establishing the rates and fees for the Juneau International Airport are as follows:

(a) The rates and fees charged at the Juneau International Airport shall be structured to assure that the Airport is as financially self-sustaining as possible, while ensuring fair and reasonable rates.

(b) The Juneau International Airport shall monitor, assess and amend such rates and fees as needed to maintain (a) above.

(c) Revenue derived from the use of obligated Airport property must be used for the operation, maintenance, or development of the Airport.

(d) All space designated by the Airport Manager as aviation use at the Juneau International Airport shall be available for leasing on a first-come, first-served basis, but may be allocated by the Airport Manager to insure that the reasonable needs of all users may be met. All other space may be available through competitive bid or other process.

(e) The Juneau International Airport may be required to furnish space to a governmental agency on a "rent-free" basis in order to obtain the services of a governmental agency, or to obtain a grant or other governmental participation in the operation or cost of improving or operating the airport facility, or to honor prior grant or participation agreements.

(f) Failure to pay applicable rates and fees outlined in this Regulation, shall be subject to citation, fines and interest on past due amount.

07 CBJAC 10.020 Rates and Fees. The following are rates and fees established by the Airport Board. These rates and fees may be subject to change by amendment and may be subject to City and Borough of Juneau Sales Tax.

(a) **Fuel Flowage Fees.** For sales of aviation fuel and aviation fuel delivery services at the Juneau International Airport, the following fees shall apply:

(1) Signatory.

(A) Aircraft with maximum certificated gross weight of 12,500 lbs. or less shall pay fuel flowage fee of $ .155 per gallon.

(B) Aircraft with maximum certificated gross weight of more than 12,500 lbs. shall pay fuel flowage fee of $ ~~.085~~ .125 per gallon.

(2) Non-signatory.

All Non-signatory aircraft shall pay a fuel flowage fee of $ ~~.195~~ .20 per gallon.

(3) Exemption to Fuel Flowage Fees: The Civil Air Patrol (CAP) shall be exempt from Fuel Flowage Fees on missions, practice missions and fuel purchased in bulk by the CAP.

(b) **Landing Fees.** Landing Fees shall be based on maximum take-off weight as certified by the FAA, for all types of aircraft whether empty or loaded, as follows:

(1) Signatory.

(A) Under 12,500 lbs., no fee.

(B) 12,500 lbs. and over, for each 1,000 lbs. or any fraction thereof: $ ~~1.98~~ 2.18 per 1,000 lbs.

(C) Exemptions to signatory landing fees:

i. Aircraft engaged in test flights.

ii. Aircraft compelled to return after take-off.
iii. Aircraft compelled to land under an emergency diversion situation.
iv. Public aircraft not engaged in commercial operations.

(2) Non-Signatory.

(A) Under 12,500 lbs., no fee.

(B) 12,500 lbs and over, for each 1,000 lbs. or any fraction thereof: $ ~~2.48~~ 2.73 per 1,000 lbs.

(C) Exemptions to non-signatory landing fees:

i. Aircraft engaged in test flights.
ii. Aircraft compelled to return after take-off.
iii. Aircraft compelled to land under an emergency diversion situation.
iv. Public aircraft not engaged in commercial operations.

(c) **Air Carrier Terminal Lease Rates.**

(1) Signatory. Terminal rental rates for air carriers are established by the Airport Board. Lease of terminal space preference shall be given to air carriers. The rates are per Square Foot, Annually, as follows:

Space Type	Rate
Counter (North Wing) plus 7 feet	$24.62
Counter (East Wing)	$31.01
Office (North Wing)	$22.39
Office (East Wing)	$24.87
Office (Old Tower, Ops)	$24.87
Office (AK Maintenance)	$24.87
Baggage Claim (Public)	$24.87
Storage/Bag Make Up (Covered Bag Well)	$19.90
Storage/Frt Rm (North Wing)	$19.90
Canopy Storage (North Wing)	$12.44
Hold Room/ Departure Lounge	$ 31.01

(A) The amended rental rate for the *Counter (East Wing)* and Hold Room/Departure Lounge in (c) (1) above, shall apply retroactive to July 1, 2009.

(2) Non-Signatory.

(A) For non-signatory air carriers requiring the use of the terminal for one-time or occasional use (up to four times per month), the following fee schedule shall apply:

Wide Body Jets:	$1,500 per use or turn
Narrow Body Jets:	$ 500 per use or turn
Regional Prop (greater than 12,500 lbs)	$ 75 per use or turn
Small carrier (12,500 lbs. or less)	$ 25 per use or turn

(B) Wide Body and Narrow Body jet use of the terminal shall be limited to departure lounge, available counter space, available jetway, bag claim, bag make-up and public circulation areas. Regional prop aircraft and small carrier use of terminal shall be limited to available counter space and public circulation area. Other non-signatory fees for airside use shall apply, such as landing fees, fuel flowage fees and parking or gate use also apply.

(d) **Aircraft Parking Fees.**

(1) Assigned Parking per Month. Fees for all types of aircraft, regardless of size or weight, per month or any fraction thereof, for parking or tiedown privileges in areas designated by the Airport Manager are as follows:

(A)	Overnight parking at Air Carrier gate	$220
(B)	Main Ramp, >12,500lbs	$220
(C)	Main Ramp, Air Taxi	$65
(D)	Hard-surfaced parking areas	$49
(E)	Gravel-surfaced parking areas	$38
(F)	Privately-owned seaplane floats	$45
(G)	Publicly-owned seaplane floats	$60

(2) Transient Parking. The parking fee for transient aircraft is determined by the maximum take-off weight as certified by the FAA, as follows:

(A)	Under 6,000 lbs.	$5 per day
(B)	6,000 lbs. to 12,500 lbs.	$50 per day
(C)	12,501 lbs to 100,000 lbs.	$135 per day
(D)	100,001 lbs. and over	$200 per day
(E)	Parking at Jetway 5 Air Carrier gate	$100 per use

Aircraft parking fees are assessed for the first 24 hours or any fraction thereof. Subsequent days are charged for each 24 hour period or any fraction thereof. Non-commercial aircraft are exempt for the initial two hours of aircraft parking. Rates apply to the public parking areas of the airport.

(e) **Land Lease Rates.** Certain property at the Juneau International Airport has been designated by the Assembly as available for airport related purposes. CBJ Chapter 05.20 “Airport Lands,” provides for the administration of such property and authorizes the Airport Manager to negotiate certain leases subject to Airport Board approval, and according to certain terms provided therein. Airport land lease rates shall be according to airport land type and/or use as follows:

(1) Airfield Land Lease Rates. The lease rate for airfield land is $.43 per square foot per annum, except:

(A) Land adjacent to the Main Ramp is $.52 per square foot per annum.

(B) Undeveloped Land is $.17 per square foot per annum.

(2) Non-aviation Land Lease Rates. Non-aviation land lease rates shall be set through competitive bid or other process, but shall not be less than the highest Airfield land lease rate plus 25%.

(3) Land Lease Wait List Fees. The Juneau International Airport has established wait lists and application fees based on the land lease types and proposed construction types. Tenants wishing to apply for land lease space shall fill out an annual wait list application and pay the following annual application fees:

(A)	Commercial Leases:	$25/annually
(B)	Executive Hangar Leases:	$25/annually
(C)	T-Hangar Leases:	$25/annually

(f) **Rental Car Lot.** Rental car lot spaces shall be charged at the following rate:

(1) $60 per space, per month or any fraction thereof.

(g) **Commercial Vehicle Access Fees.** Access fees are per vehicle, per calendar year. A numerically sequenced permit/sticker is issued for each fee paid. Permit/sticker must be properly displayed and permanently affixed to the vehicle windshield prior to operating on the Airport premises. Failure to display and affix permit to the vehicle will be considered as conducting business at the airport without a valid permit. Prior year(s) permits must be removed or current year permit will be invalid. The following fee structure applies to the categories of Ground Transportation and Access users as indicated:

(1) Ground Transportation Fees. (Taxicab, bus, airporter, courtesy van, or limo.)

	1-7 PAX Rate	8-16 PAX Rate	17 or MORE Rate
Annual	$125.00	$165.00	$200.00

For each calendar year, each tour operator permitting multiple large buses, shuttles and/or vans, may purchase as many annual vehicle permits as needed to conduct business on the Airport premises and pay the actual cost of permits per vehicle in accordance with the above table, or $4,000, whichever is less.

(2) Commercial Freight Pick-up/Delivery Vehicles. Off-Airport businesses performing a commercial pick-up or delivery of freight transitting the Airport shall be required to purchase and display a Commercial Freight Pick-up/Delivery permit on their vehicle prior to conducting such business on the airport premises. This excludes any item that an airport tenant may use or consume for their own personal or business purposes.

	1st Vehicle Rate	Each Additional Vehicle Rate
Annual	$125.00	$15.00

(3) Airport Operational Area (Commercial freight pick-up/delivery vehicles with inside the fence access.)

	1st Vehicle Rate	Each Additional Vehicle Rate
Annual	$190.00	$20.00

(h) **Boundary Crossing Fee.** Companies or businesses conducting business within the boundaries of the Airport that do not lease property on the Airport are subject to an annual boundary crossing fee. (Separate from public ground transportation access fees and commercial access delivery fees outlined in (g) above).

Boundary Crossing Fee:	$200 minimum per year, as negotiated based on Airport land use or boundary activity

(i) **International Passenger Processing Fee.** Any passenger arriving or processed through U.S. Customs who has deplaned off of a scheduled or chartered international commercial flight will be assessed an international processing fee.

International Passenger Processing Fee:	$4 per passenger

(j) **Employee Parking Fees**.

(1) A company, business, or government agency conducting business on the Juneau International Airport, or an employee or association of employees thereof may park in the airport employee parking lot while on duty under the following terms and conditions:.

(A) Parking fees are paid in full prior to the beginning of the calendar month or fraction thereof, for which parking is desired.

(B) A 10% discount shall be given for prepayment of an entire period as described in section (3) below.

(C) Use of the employee parking lot for any purpose, other than parking while on duty, will forfeit access to, and fees paid for, the employee parking lot for that period.

(D) Vehicles may not park in the employee parking lot for more than 24 hours without Airport Management approval. If an employee has been approved for extended parking, the employee must make arrangements to have the vehicle moved upon request of the Airport. Vehicles not in compliance with the subsection will be towed and impounded at the owner's expense.

(E) Employee vehicles must be registered with Airport Management. Vehicles parked in the employee parking lot that have not been registered will be towed and impounded at the owner's expense.

(2) The rate for parking in the employee parking lot is $35 per space per month, or any fraction thereof.

(3) There will be two rental periods per year. The first period shall be from October through April, and the second period shall be from May through September.

(4) Use of a parking space may be shared between two eligible employees and a single fee charged, provided work schedules do not overlap and/or actual use is limited at all times to a single car in the single rented space.

(k) **Concession Fees.** Concessions which operate at the airport shall be awarded through Bid process, Request For Proposal (RFP) process or as a sole responder with a Letter of Interest. Concession fees are established through contract negotiations, but will not be leased at a rate less than those established for Airfield/Aviation Use Land Lease Rates.

(l) **Governmental Agency Rental Rates.** The Juneau International Airport may enter into an agreement with governmental agencies for the reimbursement of expenses incurred by the airport in providing services (which may include, but not be limited to: maintenance, utilities, supplies and janitorial services) to the “rent-free” space. The charge for such reimbursable expenses for services shall be based on the annual per square foot cost of providing such services to the entire area serviced.

(m) **Airport Reimbursable Costs.** The Juneau International Airport may charge tenants, users or patrons of the Airport for costs associated with reimbursement of personnel costs, equipment costs or supplies for which a tenant, user or patron requests a special service which is not covered by a tenant or user agreement or is not a normally provided function of Airport operations. This may include damage to airport property for which the tenant, user or patron is responsible and whereby additional cost has been incurred by the Airport. A detailed breakdown of all costs will be provided after an emergency situation or an estimate will be supplied in advance to a request if appropriate.

(n) **Fingerprint Fees.** For fingerprinting and electronic submission to the Federal Bureau of Investigation (FBI) for criminal history records check, the following fees shall apply:

(1) Employees, tenants, employees of tenants, or those employees of businesses and agencies directly working with/at the Juneau International Airport, the fingerprint fee shall be: $45 per person.

(2) For all others, the fingerprint fee shall be: $75 per person.

(o) **Badging Fees.** For access and identification badges issued at the Juneau International Airport, the following fees shall apply:

(1) Security Identification Display Area (SIDA),135 ramp (Non-SIDA), General Aviation AOA badges, or Airport Employee identification badges, the fees shall be:

(A)	Initial Issuance ($15) & Deposit ($50)	$ 65
(B)	Renewal (Annual)	$ 15
(C)	Re-issuance for worn or damaged	$ 10
(D)	Lost badge	$200
(E)	Contractor Deposit	$200

Deposits shall only be refunded upon return of an individual's current access badge to Airport Security or Airport Administration. If a "lost" badge is later recovered, a refund of $190 may be issued only if the lost badge is of the current issuance lot (color, badge design).

In lieu of a deposit, an employer may issue a written letter of guarantee for their employee(s). Such letter will be on company or business letterhead, signed by an authorized agent of the company or business, and guarantee that if an authorized employee of their company or business does not return a badge or loses a badge, the company or business shall be responsible for the non-returned/lost badge and remit the $200 fee to the Airport.

(2) Proximity Cards (or gate access cards): $5 per card / issuance

(3) Non-airport identification media : $10 per card / issuance

07 CBJAC 10.030 Definitions. For purposes of this chapter, unless the context plainly requires otherwise:

"Aviation Use" means the storage, operation, maintenance, or servicing of aircraft, or a use directly ancillary to such aviation use.

"Employee" a person employed by a company, business or governmental agency and who is stationed to work at the Juneau International Airport for that company, business or agency.

"Juneau International Airport" or "Airport" means the facilities and lands owned by the City and Borough of Juneau, or the administration which oversees the facilities and lands at the Airport, subject to this regulation.

"Signatory" means air carriers or aircraft owners/operators who have a written lease agreement with the Airport.

"Non-Signatory" means air carriers or aircraft owners/operators who do not have a written lease agreement with the Airport. A sublease agreement does not qualify at the "signatory" rate.

"Commercial Land" means that area of the Airport which is designed for businesses and commercial activity, but may be leased to private individuals at the commercial rate.

"Non-Commercial Land" means that area of the Airport which is designed for private, non-business activities, but may be leased to commercial businesses at the commercial rate.

"Transient Aircraft" means an aircraft which is not assigned to a permanent parking space on the Airport, or which is not owned/leased by a tenant who has a written agreement with the Airport for the purpose of parking.

"Undeveloped Land" means raw land that has not been filled to grade or been permitted for development.

Section 3. Notice of Proposed Adoption of a Regulation. The notice requirements of CBJ 01.60.200 were followed by the agency. The notice period began on __________, 2012, which is not less than 21 days before the date of adoption of these regulations as set forth below.

Adoption by Agency

After considering all relevant matter presented to it, the agency hereby amends these regulations as set forth above. The agency will next seek Assembly review and approval.

Date: _______________

Jerry Godkin, Chairman
Juneau International Airport Board

Legal Review

These regulations have been reviewed and approved in accordance with the following standards set forth in CBJ 01.60.250:

(1) Consistency with federal and state law and with the charter, code, and other municipal regulations;

(2) The existence of code authority and the correctness of the required citation of code authority; and

(3) Its clarity, simplicity of expression, and absence of possibility of misapplication.

Date: ___________________________

John W. Hartle
City Attorney

Assembly Review

These regulations were presented to the Assembly at its meeting of ____________. They were adopted by the Assembly.

Date: ___________________________

Laurie J. Sica, Clerk

Filing with Clerk

I certify, as the clerk of the City and Borough of Juneau, that the following statements are true:

1. These regulations were accepted for filing by the office of the clerk at ___:___ a.m./p.m. on the _____ day of __________________, ________.
2. After signing I will immediately deliver or cause to be delivered copies of this regulation to the attorney and the director of libraries.
3. A permanent file of the signed originals of these regulations will be maintained in this office for public inspection.
4. Effective date: July 1, 2012.

Date: __________________________

____

Laurie J. Sica, Clerk

MINUTES of
AIRPORT BOARD OPERATIONS COMMITTEE MEETING
February 15, 2012
Alaska Room, 5:30 p.m.

I. **CALL TO ORDER**: Committee Chair Butch Laughlin called the meeting to order at 5:34 p.m.

II. **ROLL CALL**:

Board Members Present:

Pete Carlson	Jerry Godkin	Ron Swanson
David Epstein	Butch Laughlin	

Staff/CBJ Present:

Jeannie Johnson, Airport Manager	Keith Walker, CCF/R
Tom Carson, Airport Engineer	

Public Present:

Martin Myers, Tenant	Robert Breffeilh, Hangar Owner
Ken Spencer, Tenant	Tom Williams, Ward Air

III. **NEW BUSINESS**:

A. **Methods of Assigning Float Plane Parking Slots in the West Finger of the Seaplane Base and Qualifications of the Users** (Attachments #1 and #2): Chair Laughlin said everyone signed up and took the spaces they wanted. A lease for this area is for two pilings only. The fiberglass and the new ramp will not move from the main pond. Airport Manager Jeannie Johnson said there are two standard designs for float plane spaces – a U-shape and a straight. If Marty has a float that fits the new space, that is fine. She thought there should be some standards for the area.

Ron Swanson said the Airport should say what the float will be made out of: not common lumber and Styrofoam. He said he thought it should be treated lumber. Ms. Johnson said people can apply and bring their drawing in. She thought there needed to be standards. Anything people do on the airport should be done through staff because it is really hard to come in after someone builds it and go back out to tell them what to fix. Marty Myers said if he cannot move his ramp and dock, he will probably not want to move there. Chair Laughlin said there is no money for more ramps. Tom Carson said there are some sketches of standardized docks with standardized dimensions available. These are available for wooden floats for u-shaped docks and parallel docks. It was asked if anyone had thought about storage areas being built on the land in the new area. Chair Laughlin said he had been told to move his benches for snow removal purposes. Ms. Johnson did not think this area would be plowed.

Chair Laughlin said that when a person leases ground at the airport, there is a time limit to do what has to be done. He thought the float pond should fall into the same time line. Mr. Swanson said these are month-to-month rentals. Ms. Johnson said that is the way it is now. She said if people were to put money into an improvement, they will want to know that they cannot be kicked off or moved in six months. Mr. Swanson said if it is done for the finger, it should also be done for the main channel of the float pond. He thought Wings and Ward Air would like some sort of assurance that the docks would remain theirs for an unspecified length of time. Ms. Johnson thought that there were some spaces that people would not be interested in a long-term basis. Chair Laughlin thought that there should be some clause as to no subleasing and a year limit to do something with the spot. Ms. Johnson said there is not an over-abundance of float plane spaces. Mr. Carson said the Airport does have a stockpile of 6" galvanized pipe and a lot of shoreline. This allows for growth both on the shoreline and pilings. Mr. Swanson recommended that one year from the time that either the float pond spot is available. If someone signs in the middle of the summer of 2013, a year from the date they sign, the build out for the float plane dock and/or plane must be in there by 2014 or the person will lose their spot.

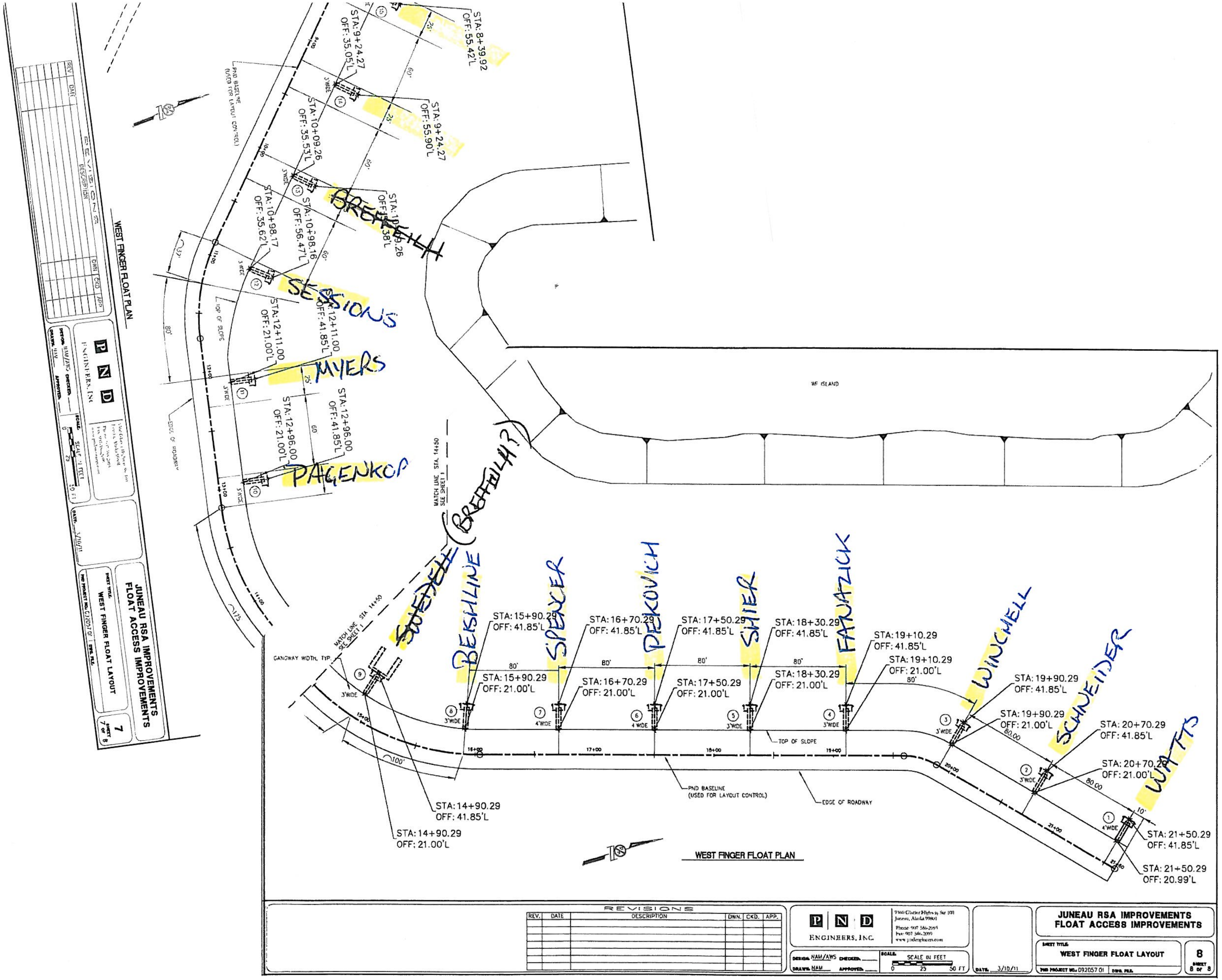
Tom Williams said that a person or company should have a preferential right to retain what is paid for. If the payments do not occur, then someone else can step in. Keep billing and the tenant will keep paying because they are going to use it. If the lease is lost, the City would not own the dock that the tenant built. He said that if any assurance is added to the lease, it should say the tenant will have the preferential right to retain it as long as the payments are made.

In discussing a wait list for the float pond, it was decided this was not worth the effort as there are still spaces available. If it is full, then it might be discussed in the future. If additional pilings are necessary, it would be up to the tenant (and fellow tenants) to call Trucano for installation. Ms. Johnson said this would need to be coordinated through the Airport staff because of the airspace issue. Mr. Carson said the piling is paid for. Ms. Johnson said it would be a policy call. Chair Laughlin said it would be based case by case and would be the decision of the Airport Manager.

Mr. Swanson suggested that Mr. Carson bring the specifications for the docks to the Board meeting. He said he would support someone going to the Airport Manager if the specification did not work. He also said it would be nice to have a picnic and camping area near the float pond. Ms. Johnson said there is a group that keeps up that area in Fairbanks. She suggested that maybe there is a group or organization in town that would be willing to do this.

B. **Proposed Rates for Float Pond Parking Slots**: Staff is working on the budget. It appears that the Airport is down some money and there will more than likely be an adjustment to the pond rates. This will come before the Finance Committee.

IV. **ADJOURN**: *The meeting adjourned by unanimous consent at 6:10 p.m.*


WEST FINGER FLOAT PLAN
JUNEAU RSA IMPROVEMENTS
FLOAT ACCESS IMPROVEMENTS
WEST FINGER FLOAT LAYOUT
PND ENGINEERS, INC.
REVISIONS
WF ISLAND
PND BASELINE (USED FOR LAYOUT CONTROL)
EDGE OF ROADWAY
TOP OF SLOPE
GANGWAY WIDTH, TYP.
BRENNELL
SESSIONS
MYERS
PAGENKOPF
BRENNELL?
(BRENNELL)
SWEDELL
BERSHLINE
SPENCER
PEKOVICH
SHIER
FANAZICK
WINCHELL
SCHNEIDER
WATTS

From: Airport Manager, Jeannie Johnson

To: Operations Committee, Juneau International Airport

Date: February 15, 2012

History of Space Assignment in West Finger

A discussion was held concerning the new spaces created in the West Finger of the Float Pond at a meeting held in the Aurora Room in 2009. The original purpose of the meeting was to review impacts of the project to the operators in the Float Pond. At that meeting there was interest expressed in the new spaces in the West Finger. John Coleman, the Airport Business Manager, was at the meeting and his understanding was that folks with an interest were to come and see him and sign up.

John Coleman obtained a drawing of the area and began assigning spaces as he was contacted and marking people's names on spaces.

I have asked John if he has a record of any "lists" that might have been created separately from this diagram. He doesn't.

There is no public notice requirement for Juneau International Airport to lease space at the airport. The State of Alaska has this requirement in regulation because the land of Alaska belongs to all citizens of Alaska.

Existing infrastructure in West Finger

These float slips will have 2 piling for attachment of a dock and ramp.

The area won't be ready for use until sometime the summer of 2013.

Manager's Recommendations

Due to the high demand for these slips the Operations Committee should consider the following:

Do we need some qualification?

1. Own a Float Plane within a year of signing lease
2. A complete build out of dock and ramp per Airport Specs within one year of signing lease.
3. Leases will not be assignable so users know there is a definite end to the term of use. We want to avoid the situation that happened at Lake Hood. The slips were kept in families and subleased into perpetuity.
4. Because these slips won't be available for development until 2013 should there be a charge for keeping your spot on the list, similar to our hangar waitlist?