

**Juneau International Airport Board
Finance Committee Meeting
April 29, 2021, 8:00 a.m.**

Via ZOOM: <https://juneau.zoom.us/j/95690876865?pwd=SHRTTnFobC9YSFpCV0dNTForcjR6UT09>

Meeting ID: 956 9087 6865

Passcode: 999999

Phone: 253-215-8782

- I. **Introduction** (meeting participants).
- II. **Employee Parking Lot Pavement Maintenance (Attachment #1).** At the April Board meeting, staff brought up the problems with some of the pavement at the Airport, including the employee parking lot, rental car lot and roadway which are deteriorating and becoming a hazard for vehicles. Staff requested DOWL (through a Letter of Agreement) look at the pavement conditions in the Employee parking lot, public parking lots, rental car lot and in front of the terminal for an estimate of the work. Attachment #1 shows the general areas of pavement potholes and severe deterioration on the public side of the airport (parking lots and roadways).

It is anticipated that DOWL will provide a rough estimate for costs to repair the major potholes, alligating and failing catch basins prior to the finance meeting; and staff will present the costs at the meeting. The FAA (Federal Aviation Administration) has confirmed that the costs for these repairs are eligible under the CARES Act funds as a maintenance item. These areas are not eligible for FAA funds under normal AIP grants. The work will require going out for bid.



Taxi staging lot entry



Taxi staging lot entry



Long term parking lot



Long term parking lot failing vault



Employee parking lot



short term parking lot entrance



Rental Car lot entry

Staff would like to pursue the repairs using CARES Act funds once the costs have been reviewed by Finance Committee and Airport Board.

Finance Committee Action: *Review, discuss and approve the use of CARES Act funds to repair pavement/catch basins in the employee and public parking lots, and front terminal road; pending estimates at time of meeting; and forward a recommendation to the Airport Board.*

- III. Baggage Belt Conveyor Upgrade (Attachment #2).** At the January 14, 2021, Airport Board meeting, staff reported on the issues that continue to develop with the outbound baggage conveyor system (multiple integrated sections). In February 2021, staff informed the Board of an issue with the Program Logic Control (PLC) experiencing ‘cascading program failures’, however, this only integrated into the old equipment/relay system. This did not include equipment, conveyor, motor or the master control panel repairs. The Board was also notified at that time that additional repairs/replacements on other bag conveyor sections will be required over the next few years. The baggage conveyor system is heavily used every day and wear/tear is normal and expected. The Board elected to not replace the PLC and not ‘piecemeal’ the system replacements; rather get a full estimate for the sections/equipment in need of replacement. Staff has received an estimate which replaces seven full sections (including four cover/curved sections), motors/drivers of those sections, conveyor belts, shrouds, master control panel and fire/security shutter doors entering and exiting the bag screening area (see Attachment #2). The Airport also wants the ability to have a company remote access in for diagnostics. The system in place has some complex ‘waterfalls’ and turns in order to move bags through imaging and out to bag make-up, in a very condensed footprint. The Airport plans to replace stainless bases, conveyor belts, motion sensors, motors, drivers, PLC, Master Control Panel and the fire/security doors. Some of the sections have been replaced and do not need to be changed out, but still need integration into the system. The baggage conveyor system, at an estimate of \$1.56M installed, is eligible for CARES Act funds, per FAA, but the Airport will need to go out for bid. Staff would like to vet this before the Finance Committee before taking it to the Airport Board.





Finance Committee Motion: *“Approve the replacement of baggage conveyor sections, reprogramming and integration of the outbound baggage conveyor system, and associated fire/security doors, at a cost not-to-exceed \$1.56M, funding provided by the Airport’s CARES Act grant; and forward to the Airport Board for funding approval prior to going out for bid.”*

- IV. Finance Model (Presentation and Model Overview at the meeting).** In December 2020, Airport staff began working with Frasca & Associates LLC (Frasca) on a new financial model. The first steps were to look at historical actuals, allocations and develop a user friendly model that mirrored the CBJ financial inputs and runs summary reports.

Frasca developed a PowerPoint overview on the finance model to review with the finance committee as a high level overview of the model. (*PowerPoint Presentation*)

Frasca has also handed over a ‘final’ draft of the model. It is meant for staff to start working with and to see if changes are needed. Staff will continue to work, become familiar, use and fine tune the model with Frasca who is under contract through December 2022.

While this model looks very complex, it simplifies and mirrors current CBJ financials. Many of the tabs are ‘behind the scenes’ calculating worksheets, or reports based on input from other tabs. (*Model Presentation*)

Frasca will also provide a more in-depth training PowerPoint for staff to use internally, as well as a *cheat-sheet* for easy reference on tabs (what tabs do ‘what’ and which are report tabs, which are input tabs, etc.).

- V. CARES Funding Use Summary To-date.** The breakdown of CARES Act/CRRSAA funds used and proposed to be used to-date is detailed below. This does not account for any of the proposed project work for the pavement repairs or baggage conveyor replacement.

CARES/CRRSAA Act Use				
25,158,478	Grant awards			
(727,145)	FY20 Operational Expenses			
(1,150,553)	FY21 Tenant Rent Relief			
(602,375)	FY21 Airport GO Bond debt service			
(662,625)	FY22 Airport GO Bond debt service			
(203,028)	TWY Regulator Upgrade (appropriated)			
21,812,752	Balance			
	<i>Proposed Use</i>			
(1,150,553)	FY22 Tenant Rent Relief (est)			
(3,043,600)	FY21 Operational Expenses (est)			
(1,838,000)	FY22 Operational Expenses (est)			
15,780,599	<i>Proposed/estimated balance FY22 end</i>			

- VI. Next Finance Meeting: TBD**