Juneau International Airport Board
Finance Committee Meeting
November 6, 2018, 9:00 a.m.
Alaska Room

I. **Introduction** (meeting participants).

II. **Airport Fund Balance & Capital Revolving Account Balance (Attachment #1).** As of August 2018, the Airport has kept an online spreadsheet of the remaining balances and amounts borrowed from both the Airport Fund Balance (AFB) and Capital Revolving Account Balance (Capital Improvement Plan (CIP) Revolving Balance) for project match, forward funding or budget balance, etc. This has been updated showing the reimbursement for the Snow Removal Equipment Facility (SREF) Sand/Chemical/Fuel Design post-grant award. The standing usable balances at this time are:

AFB:	$3,362,186
CIP Revolving Bal:	$ 744,334

The AFB balance already accounts for both FY19/20 contribution to operating budget (to balance), as well as the 3-month operating reserve (based on FY19 budget). The CIP Revolving Balance is typically used to forward fund projects until a grant or match funds are appropriated. The AFB has been used to forward fund projects or match until a grant or match funds are appropriated. The AFB also funds budget deficit or emergency repairs. The AFB exists due to over-collection of rates and fees within the operating budget. This account information is helpful when deciding how to finance projects, repairs and general airport expenses.

III. **Capital Improvement Plan (CIP) Update (Attachment #2).** The Airport has updated the CIP. One of the updates includes the 'Departure Lounge Secured Exit Lane' (#13). The exit lane has been on/off the CIP as either its own stand-alone project or combined with the Terminal Reconstruction for the past couple of years. It was mistakenly taken off the CIP with the last update, but is back on and discussed in Section IV, below. This provides the most up-to-date list, but is a fluid document. It is supplied as an update reference for the Finance Committee.

IV. **Terminal Departure Lounge Exit Lane (Attachment #3).** At the October 9, 2018, Airport Board meeting, staff presented the issues and costs of replacement for the Departure Lounge Exit Lane. The attached memo from that Board meeting summarizes the system's importance, the issues and the proposed new system. The recommendation to fund a dual exit system estimated at $360,000 from Terminal Reconstruction account was unanimously opposed by the Board, as amended. Staff was to re-evaluate funding since the proposed Terminal Reconstruction project budget was already tight. Additionally, some Board members felt that the timeline for public discussion of this project/urgency was lacking. The project is being brought before the Finance Committee for discussion and proposed action for funding.

The exit lane between the sterile area and the public area of the terminal has created several false alarms and needs to be upgraded in the near future. Staff tried for a Department of Homeland Security (DHS) (Transportation Security Administration "TSA") grant as well as port grants, but was denied on both in 2016 and 2017. Staff also requested Federal Aviation Administration (FAA) Airport Improvement Program (AIP) funding earlier this year, but was told the equipment was ineligible. This project had been part of the Terminal Reconstruction as well as its own project on the Airport CIP for a couple of years. The original estimate for a dual system was $450,000.

The exit lane is a controlled access point to the sterile departure lounge and is an important egress. A non-functional exit may require staffing the exit or potential fines if the system is breached. Staff proposes using Airport Fund Balance to purchase the equipment. The estimated cost of the new dual system plus design, staff time and construction administration is now estimated at $380,000.

Finance Committee Motion: *"Approve the use of Airport Fund Balance to fund a secured dual-system exit lane for the departure lounge, at a cost not-to-exceed $380,000, and forward to the Airport Board for approval."*

V. Elevator Concerns. As mentioned at the October 9, 2018 Airport Board meeting, the Airport's only public elevator was inoperable for over a week in October. We have had periodic maintenance issues over the past few years, but the October outage was the longest. This 1984-installed elevator is a heavily used elevator daily and is an Americans with Disabilities Act (ADA) access concern when it is not functional. There were a couple of components that required replacement to get it 'running' with the last outage, but the age of the elevator is making availability of parts scarce. The terminal reconstruction project proposes two new elevators in the new construction area, but staff is concerned that the current elevator may not continue working and may have frequent down times in the time it takes to get the proposed new elevators operational. The Airport has a maintenance contract with Otis for repairs and preventative maintenance and we are reviewing the contract to ensure any required repairs would still be covered by the contract.

Staff is now looking at having some contingency plans in place to meet ADA requirements during times that the elevator may be down.

VI. Other items for discussion.

VII. Next Finance Meeting: <u>TBD</u>

ATTACHMENT #1 **AIRPORT FUND BALANCE**

Date	Fund Balance	Reimbursed Amount (+)	Forward Fund Amount (-) anticipate reimbursement	Encumbered Amount (-) permanent/**no** reimbursement	Operating Budget +/- (to balance or residual budget-end)	Description
	$2,804,325					
Aug-18		$1,801,875				PBB Gate 2 FAA grant rec'd - fwrd fund project
Aug-18		**$131,938**				TWY A Design match, deappropriate - used Sales Tax
Jul-18		$500,000				RWY Rehab Construct Unused contingency portion
		$10,922				RWY Rehab Construct Unused portion
	$5,249,060					
Aug-18		**$43,750**				PFC9 reimburse TWY A/E Design match
Aug-18		**$37,789**				PFC9 reimburse Master Plan match (portion)
Aug-18		$64,610				PC9 reimburse Alex Holden/cargo road rehab
Aug-18		**$228,251**				PFC9 reimburse RSA NE/NW Apron Des/construct match
Aug-18		**$50,000**				PFC9 reimburse ARFF Bldg match (portion)
	$5,623,460					
			($13,501)			RWY Rehab match (portion) anticipate 2019 reimbur
			($17,573)			RWY Rehab match (portion) anticipate 2019 reimbur
	$5,592,386					
					($174,300)	*FY19 contribution to balance proposed budget
					($198,900)	*FY20 contribution to balance proposed budget
					($1,857,000)	*3-mo Operating Reserve (based on budget) FY19
	$3,362,186					***represents usable amount/available fund cash***

* varies by budget year

11/2/2018

ATTACHMENT #1 **AIRPORT CAPITAL REVOLVING ACCOUNTS (combined)**

Date	CIP Revolving Balance*	Reimbursed Amount (+)	Forward Fund Amount (-) anticipate reimbursement	Encumbered Amount (-) permanent/**no** reimbursement	Description
	$819,246	-	-	-	**BUDGET**
Aug-18		$23,438	($23,438)		PFC9 reimburse Master Plan match (portion)
Feb-16			($3,000)		SREF Geothermal remaining encumbrance
Jan-14			($39,063)		RWY Rehab match (portion) anticipate 2019 reimbur
Apr-15			($32,849)		RWY Rehab match (portion) anticipate 2019 reimbur
Jul-18		$310,000	($310,000)		Sand/Chem/Fuel Design.
	$744,334				**AVAILABLE BUDGET**

*Represents all 3 Capital Accounts: Airport Revolving Captial Reservce Acct (ARCRA), Airport Construction Contingency Reserve, Project Design

UPDATE W/1% SALES TAX ($3M) FOR MATCH

10/20/2017

Juneau International Airport (JNU)
CAPITAL IMPROVEMENT PLAN

Airport Department Projects: CBJ Capital Improvement Plan **ATTACHMENT #2**

Source of Funds 8/6/2018

Project #	Project Name	Anticipated Project Cost	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026+	FEDERAL AIP Entitlements	FEDERAL AIP Discretionary	FEDERAL Other Federal Funding Sources[1]	STATE State Legislative Grant	LOCAL 2012 General Obligation Bond	LOCAL Other Unidentified Funds	LOCAL Passenger Facility Charge (PFC) old	LOCAL Passenger Facility Charge (PFC) #9	LOCAL 2012 Ballot Measure Sales Tax	LOCAL 2017 Ballot Measure Sales Tax	LOCAL M & O Budget	LOCAL Local Capital Budget[3]
1	**RSA NE/NW(Ph 12) Construct Aprons, Fencing**	**$10,800,000**	$10,800,000										$134,336	$9,990,664								$1,075,000		
2	**Design Taxiway A, Realign TWY E and Relocate TWY D-1 (RIM)**	**$2,111,000**	$2,111,000										$1,979,062									$131,938		
3	**Float Pond Improvements (Flow Control Valve)**	**$816,000**	$816,000										$765,000									$51,000		
4	**Replace Snow Removal Equipment**	**$5,145,122**	$5,145,122											$4,823,551								$321,570		
5	**Ramp Lighting Energy Grant**	**$256,000**	$256,000											$240,000								$16,000		
6	First Floor Men's Restroom Renovation	$40,000	$40,000																$40,000					
7	Terminal East End Doors/Vestibule	$75,000	$75,000																$75,000					
8	**Design/Const. Passenger Boarding Bridge Gate 2**	**$1,922,000**		$1,922,000									$1,801,875									$170,125		
9	**Design/Const. Terminal Reconstruction**	**$1,636,000**		$1,636,000									$634,736				$417,050		$292,000	$218,465		$73,750		
10	**Design SREF Phase 2 Sand/Chemical Storage/Fuel**	**$565,000**		$565,000									$529,688									$35,312		
11	**SREF Building Phase II Sand /Chemical Storage, Fuel, demo old**	**$10,651,000**		$10,651,000										$9,985,313						$665,688				
12	**Departure Lounge Secured Exit Lane**	**$380,000**			$380,000																		$360,000	
13	**Const. Taxiway A Rehab**	$17,000,000			$17,000,000								$2,966,000	$12,971,500						$1,062,500				
14	**Const. Taxiway E Realignment (Geometry)**	$2,000,000			$2,000,000									$1,875,000						$125,000				
15	**Const. Taxiway D-1 Relocation (RIM)**	$1,500,000			$1,500,000									$1,406,250						$93,750				
16	*26 MALSR (FAA F&E Project)*	*$3,750,000*			*$3,750,000*										*$3,750,000*	*$93,750*								
17	Space Reconfig (old dining rm/kitn) Tenants & Admin	$292,000			$292,000															$292,000				
18	**Const. Terminal Reconstruction**	$15,272,530				$15,272,530							$2,966,000				$6,482,950			$5,285,156	$610,000			
" "	" " "	$3,163,735					$3,163,735						$2,966,000							$197,735				
" "	" " "	$3,163,735						$3,163,735					$2,966,000							$197,735				
19	Terminal Camera Surveillance system Design & install	$200,000				$200,000									$200,000									
20	Replace Trash Compactors and Pads	$100,000				$100,000																	$100,000	
21	Multi-Modal Feasibility Planning	$10,000				$10,000																		$10,000
22	Passenger Terminal Parking Lot Rehab	$3,000,000							$3,000,000									TBD					TBD	TBD
23	**Terminal Area (121) Apron Rehabilitation**	**$3,500,000**							$3,500,000				$3,000,000	$281,250								$218,750		
24	**Terminal Area (135) Apron Rehabilitation**	**$6,000,000**							$6,000,000					$5,625,000								$375,000		

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Airport Department Projects: CBJ Capital Improvement Plan **ATTACHMENT #2**

Project #	Project Name	Anticipated Project Cost	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026+	FEDERAL: AIP Entitlements	FEDERAL: AIP Discretionary	FEDERAL: Other Federal Funding Sources[1]	STATE: State Legislative Grant	LOCAL: 2012 General Obligation Bond	LOCAL: Other Unidentified Funds	LOCAL: Passenger Facility Charge (PFC) old	LOCAL: Passenger Facility Charge (PFC) #9	LOCAL: 2012 Ballot Measure Sales Tax	LOCAL: 2017 Ballot Measure Sales Tax	LOCAL: M & O Budget	LOCAL: Local Capital Budget[3]
													Source of Funds									8/6/2018		
25	**Emergency Vehicle Access Road (EVAR) extendDesign/construct**	**$500,000**							$500,000					$468,750								$31,250		
26	**Acquire Wetlands Access Vehicle (w/CCFR)**	**$250,000**							$250,000					$234,375								$15,625		
27	**Replace Snow Removal Equipment**	**$5,000,000**							$5,000,000					$4,687,500						$312,500				
28	*NE Development Area Sewer Infrastructure*	*$100,000*							$100,000									$100,000						
29	Phase IC SREB (remainder of maintenance shop) non -FAA elig.	$0							$5,500,000															$5,500,000
30	Design & Reconstruct Alex Holden Way, Cessna and Renshaw	$2,200,000								$2,200,000														$2,200,000
31	**Design/Const. Taxiway C Reconfiguration**	**$5,000,000**								$5,000,000			$3,000,000	$1,687,500								$312,500		
32	**Design/Const. Safety Area Grading @ RW Shoulder and NAVAIDs (2025)**	**$3,300,000**									$3,300,000		$3,000,000	$93,750								$206,250		
33	**Design/Const. Conversion of Runway 8/26 to 9/27 - MAGVAR (2025)**	**$200,000**									$200,000			$187,500								$12,500		
34	**Reconstruct West GA Taxilanes (2026)**	**$2,500,000**										$2,500,000	$187,500	$2,156,250				$156,250						
35	**Reconstruct West Tiedown Apron (2026)**	**$3,000,000**										$3,000,000	$2,812,500	$0				$187,500						
36	**Replace ARFF truck (2026)**	**$1,000,000**										$1,000,000		$937,500				$62,500						
37	**Reconstruct East GA Taxilanes (2027)**	**$2,000,000**										$2,000,000		$1,875,000				$125,000						
38	**Reconstruct East Tiedown Apron (2027)**	**$3,000,000**										$3,000,000		$2,812,500				$187,500						
39	**Reconstruct E-1 Ramp (2027)**	**$5,500,000**										$5,500,000	$3,000,000	$2,156,250				$343,750						
40	Terminal Expansion Planning - Baggage, Departure Loounge	**$600,000**										$600,000												$600,000
41	Parking Garage	$20,000,000										$20,000,000												$20,000,000
42	**Snow Removal Equipment Acquisition**	**$5,000,000**										$5,000,000	$3,000,000	$1,687,500										$312,500
43	**ARFF Truck Replacement**	**$1,000,000**										$1,000,000	$937,500											$62,500
44	Demolish (old) Sand/Chem Facility complete subsurface	$1,000,000										$1,000,000	$937,500											$62,500
45	Terminal Infrastructure Replacement	$5,000,000										$5,000,000						$5,000,000						
46	**Airport Master Plan Update**	**$1,200,000**										$1,200,000	$1,125,000											$75,000
47	*Relocate/Construct FAA ATCT*	*$50,000,000*										$50,000,000			$50,000,000									
48	**Terminal Expansion Construction**	**$10,000,000**										$10,000,000						$10,000,000						
49	**Landside Access Roads Pavement Rehab**	**TBD**										TBD	TBD											

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Source of Funds **8/6/2018**

Project #	Project Name	Anticipated Project Cost	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026+	FEDERAL			STATE	LOCAL							
													AIP Entitlements	AIP Discretionary	Other Federal Funding Sources[1]	State Legislative Grant	2012 General Obligation Bond	Other Unidentified Funds	Passenger Facility Charge (PFC) old	Passenger Facility Charge (PFC) #9	2012 Ballot Measure Sales Tax	2017 Ballot Measure Sales Tax	M & O Budget	Local Capital Budget[3]
50	**Airfield Pavement Rehab**	**TBD**										TBD	TBD											
51	Civil Air Patrol Hangar Relocation	$0										TBD												
52	Fish & Wildlife Service Hangar Relocation	$0										TBD												
	TOTAL	$197,333,000	$0	$10,651,000	$24,922,000	$15,582,530	$3,163,735						32,863,999	$51,128,688	$53,950,000	$93,750	$6,482,950	$16,162,500	$0	$8,232,065	$610,000	$1,171,875	$460,000	$28,822,500

Project Budgets and Sources of Funds Will Be Defined At A Later Date To Be Determined

These Projects May Move Forward As Project Funds Are Identified and Secured

[1]FAA:Facilities & Equipment, Transporation Security Administration, Homeland Security, Federal Economic Development Agency, etc.

Projects 11 & 14 in Red/highlight are candidates for earlier AIP Supplemental funding

16 Terminal proposes multi year FAA AIP entitlements

ATTACHMENT #3

MEMORANDUM

TO: Patty Wahto, JNU Airport Manager DATE: October 4, 2018

FROM: Catherine Fritz, AIA, JNU Airport Architect

RE: Secure Exit Lane Scope Summary

The secure exit lane that allows travelers to proceed out of the Departure Lounge into the unsecure second floor Meet & Greet space has been problematic for several years. The double door system was originally installed in 2001 following mandated airport security measures. The doors and controls were moved to their current location in 2010 during Phase I of the Terminal Renovation. Since that time, there have been many repairs and component replacements to keep things working. However, the age of the components, along with the lack of a comprehensive "system" approach continues to result in many malfunctions. These affect both operations (when travelers get trapped between the closed doors) and security near-breaches (that leave JNU staff scrambling to address).

It has previously been determined that for JNU Airport, the responsibility for maintaining passage from secure to non-secure areas is the Airport's. This can be done by stationing a qualified person at the control point, or through physical door and alarm systems. While JNU used personnel during the 2009-2010 construction period, it was very costly and had its own set of challenges (e.g., finding qualified staff to cover the exit lane at all necessary hours). New technologies for exit lane security have been developed in recent years that are being used in airports across the country. **JNU Airport staff has evaluated these systems and recommends that a two lane automatic door system be installed to replace the current aged system.**

Automated exit lane under construction at Paine Field Terminal.

Advertisement image of an automated exit lane system at Portland, OR terminal.

Modest modifications to the walls of the existing exit lane will be necessary to install the new system, but much of the building's electrical and mechanical infrastructure will remain in place. The total project cost for a new exit lane system is estimated at approximately $360,000. The Airport has sought Homeland Security grant funds for an automated exit lane, but has not been successful in gaining access to a grant program. This project is not eligible for AIP or PFC funding, but the Terminal Reconstruction General Obligation bond could be used. The exit lane is not currently included in the cost estimate for the Terminal Reconstruction project. Procurement and installation of the exit lane equipment will take 6-8 months.