

Juneau International Airport
Finance Committee/Working Group Meeting
March 24, 2016, 6:00 p.m.
(Rescheduled from 3/15/16)
Alaska Room
Conference Bridge Line (907) 789-2014

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

FY 16 Discussion of Airfield Shop Roof Costs and Snow Removal Equipment Facility (SREF) Adjustments/Update to FY 16 (see Attachments #1, #2 and #3): As mentioned at the March 8, 2016, Airport Board meeting, staff looked into the possibility of using Snow Removal Equipment Facility (SREF) non-FAA funds to pay for the \$300,000 shop roof repair rather than using the Airport Reserve/Fund Balance by this amount. The Maintenance & Operations fund balance reserve was originally approved (June 10, 2015 Airport Board meeting) for the roof repairs based on the Capital Improvement Project (CIP) having a complete SREF project. The building has subsequently been phased due to funding challenges and federal eligibility of specific spaces. The Airport has also had adjustments (no dedicated Captain) to the Aircraft Rescue & Fire Fighting (ARFF) charges for FY 16 through FY18 which decreased the projected/proposed expenses. With both the SREF funding for the shop roof and the ARFF adjustments, this would put FY16 back in the **black** by \$275,800. If the Finance Committee approves the shift in funds for the Shop Roof Repair (from the FY 16 Maintenance & Operations budget to the SREF Capital Improvement Project funding (non-FAA funds), this must be approved and forwarded to the Airport Board for subsequent approval. If the Finance Committee and Airport Board approve the use of CIP funds for this repair, the budget for FY 16 would stand as-presented in the attachments. The use of these funds would impact Phase 1b of the SREF (non-FAA eligible portion of the facility). The Airport has both City & Borough of Juneau (CBJ) sales tax and a special State of Alaska Legislative grant as ‘other’ funding for the SREF that can be used for the shop roof. A copy of the most recent Capital Improvement Plan (CIP) spreadsheet will also be available at the meeting if there are any questions.

Finance Committee Motion: *Approve the use of \$300,000 of non-FAA Snow Removal Equipment Facility (SREF) Capital Improvement Project (CIP) funds for the Shop Roof Repair, reinstate the Airport Fund Balance for FY 16 by \$300,000, and forward to the Airport Board for approval, and in coordination with the budget process.*

II. **FY 17 and FY 18 Proposed (see Attachments #1 through #6):** Also mentioned at the March 8, 2016, meeting, the Fire Department provided updated ARFF figures for FY 16 through FY 18. The Fire Department was able to adjust the ARFF costs by not hiring a full-time Captain; instead allowing lead pay for a position. Attachments #1-#3 are the summaries of the budget. At the last Finance Committee meeting, a request for more detail on the expenses and revenues was made. Attachments #4 and #5 provide more detail by posting account code (PAC) detail.

EXPENSES:

ARFF: Updated Fire Department (ARFF) budget numbers are in the budget. The final numbers are slightly lower for the contractual ARFF compared to our February 29 budgeted. These represent a decrease of \$116,900 for FY17 and \$109,000 for FY18.

Total proposed budget expenses are now \$6,822,100 for FY17 and \$6,864,300 for FY18.

REVENUES:

As approved at the February 29 Finance Committee meeting and the March 8 Airport Board meeting, the increase to the Airline Passenger Security Screening Fee has been added into the revenue forecast for FY 17 (up \$104,800), and FY 18 (up \$105,400). These revenues are specific to the Security Cost Center and specific to the Part 121 portion of that cost center.

Overall proposed budget revenues are now \$6,570,900 for FY17 and \$6,592,500 for FY18.

Budget Shortfall Suggestions and Discussions. This is intended to be a finance working group meeting to address the shortfalls with the various users. The Airport will have a spreadsheet that will generate how rate changes impact the budget, as well as the model and current (working) regulation of Airport Rates and Fees.

With the above expense and revenue changes, the financial model breaks out the shortfall as follows:

FY 17 (\$251,200 deficit)

\$249,451 GA/135 portion

\$ 1,749 Air Carrier (121)

FY 18 (\$271,800 deficit)

\$255,872 GA/135 portion

\$ 15,928 Air Carrier (121)

Air Carrier (121) Discussions:

Minimal shortfall. The decrease to the ARFF expenses was 95% air carrier; therefore, the largest credit is allocated to the Part 121 users. Additionally, the increase to the passenger security screening fee (calculated at \$1.43 per screened passenger) was added into revenues and, therefore, allocated to the Part 121 air carriers since they pay the fee. The funding gap on the 121 air carrier portion is nominal (\$1,749 for FY 17 and \$15,928 for FY 18). It is not recommended to increase any further rates for this user group.

Note: Any changes to the 135/GA fuel flowage fees will also change the non-signatory fuel flowage rate. The non-signatory revenues are allocated 85/15 between the Air Carrier (121) and 135/GA and, therefore, could impact the bottom line Air Carrier requirement.

135/GA Discussions:

As stated at the February 29 Finance Committee meeting, normally the split between Air Carrier (121) and GA/135 is an 85/15 ratio. As a reminder, during FY15/16 budget negotiations (February 19, 2014), the tenants and Finance Committee agreed to use Airport Fund Balance (*Revenue Surplus* was the term used at the time) to offset approximately 50% of the deficit, while adjusting Fuel Flowage Fees (to all groups: 121, 135, GA) for the other 50%. The Fund Balance was applied equally to 121 air carriers and 135/GA, rather than the allocated 85/15 that the expenses are based on. This created an inequity of allocations for the two types of operators within the financial model. In other words, the 135/GA still had a deficit in their share of costs regardless of the budget balancing. We ‘pushed’ the model to accept the 50/50 split, but the 135/GA expenses were still hanging out there as ‘unmet’.

The current proposed deficit for the Part 135/GA user group is \$249,451 for FY 17 and \$255,872 for FY 18. Discussion of this deficit will take place at the meeting.

SUGGESTED CHANGES/AIRPORT RATES/FEES REGULATION (Attachment #6):

Staff will bring the worksheet for Rates and Fees increases to the finance working group meeting. This will show resulting revenues that each fee change generates. Staff will also have the worksheets and models so that any fee changes proposed can be manipulated during the meeting. Motions for rates/fees increases may be made/approved at the finance meeting. *Also see discussion in Section IV below on the Revenue Surplus/Airport Fund Balance account.* The Rates and Fees Regulation will also be available at the meeting for suggested changes and approval of any fee changes.

The Finance Committee will need to:

- 1) Approve a proposed balanced FY17 (and proposed FY18) budget;
- 2) Establish any rate changes (within the proposed FY 17/18 budget) in the form of a Rates and Fee Regulation amendment (Attachment #6).

City Finance Department is waiting for these budgets in order to comply with City Ordinances for budget timelines.

If this is not accomplished at this Finance Committee meeting, another meeting may be required soon. The budget and Rates/Fees Regulation amendment requires full Board approval (and subsequent public process for the regulation) before final approval/adoption by the CBJ Assembly.

- III. **Revenue Surplus Account/Airport Fund Balance and Pension Liability:** This is updated to reflect the current proposed budget for FY 17. The Revenue Surplus Account would *currently* require \$1.705M (\$1.5M was previously required for FY16).

Reminder: At the February 11 and 29 Finance Committee meetings, staff briefed the

Committee on the State Retirement System deficiency for Public Employees Retirement System (PERS). Essentially, these retirement systems were underfunded for years and now see ‘unfunded’ pension liability. While the Airport had crept back up on its Fund Balance (Revenue Surplus) to \$3.738M at the close-out of FY15, roughly \$1.9M must be accounted for as a pension liability. This means only \$1.838M remains in the Airport Fund Balance at FY15 year-end. **If** the Finance Committee and the Airport Board agree to use SREF funding for the shop roof, the Airport Surplus Fund Balance at the end of FY16 (projected) budget (less pension liability) would now grow to a surplus of \$2.11M (\$2,113,800). This is above the \$1.705M that would be required for FY17 3-month reserves by \$408,800.

Based on the Revenue Surplus/Airport Fund Balance information, and knowing that there are still inequities within the allocated budget user groups, discussions are:

- 1) Adjust rates for the 135/GA user groups to meet their share of the FY 17 deficit as shown in III, above; or
- 2) Adjust rates for the 135/GA user groups to meet a portion of their share of the FY 17 deficit (amount TBD at the meeting); or
- 3) Adjust both Part 121 and 135/GA user groups by a proportionate amount of the revenue surplus to balance (this would still require rate increases for the 135/GA user group, but a credit or decrease in rates for the Part 121 carriers); or
- 4) Adjust both Part 121 and 135/GA user groups by a **dis**proportionate amount of the revenue surplus to balance both (not adjust any rates; no increase or decrease). Please note that this option would continue to carry the ‘unmet’ allocation for the 135/GA users to subsequent years due to no rate adjustments.

Discussions at meeting.

- IV. **Jetbridge 5 Repairs:** The Jetbridge is inoperable again. Staff has moved forward on the long-term solution which is to reconfigure the entire operational system. The Board (March 8 Board meeting) approved to increase the ‘not-to-exceed’ amount to \$22,000 and work with Airport Mechanical Systems (AMS, contractor that works with Alaska Airlines jetbridges) to repair/reconfigure. The final contract is in the CBJ Law Department, ready to award to AMS and commence with the work. AMS is ready to proceed upon contract notification.

- V. **Other Items for Discussion**

- VI. **Next Finance Meeting: TBD**

ATTACHMENT #1

EXPENSE SUMMARY

3/24/2016

	FY 15 APPROVED	FY 15 ACTUALS	FY 16 UPDATED	FY 16 PROJECTED	FY 17 PROPOSED	FY 18 PROPOSED
PERSONNEL	2,733,800	2,438,400	2,639,700	2,502,300	2,754,000	2,789,500
SUPPLIES	731,900	777,800	706,800	845,200	758,600	724,000
SERVICES/CHARGES	2,604,300	2,427,400	2,855,600	2,836,100	3,276,700	3,320,500
TRAVEL/TRAINING	27,900	15,000	23,600	20,600	32,800	30,300
CAPITAL OUTLAY	104,800	205,200	0	0	0	0
DEBT SERVICE	0	0	0	0	0	0
TOTALS	6,202,700	5,863,800	6,225,700	6,204,200	6,822,100	6,864,300

ATTACHMENT #2

REVENUE SUMMARY

3/24/2016

	FY 15 APPROVED	FY 15 ACTUALS	FY 16 UPDATED	FY 16 PROJECTED	FY 17 PROPOSED	FY 18 PROPOSED
STATE/FED REVENUE	352,200	236,732	526,100	268,600	288,700	288,700
FUEL FLOWAGE FEES	654,214	822,663	691,582	829,000	791,200	791,200
LANDING FEES	1,737,100	1,865,125	1,679,600	1,885,000	1,903,000	1,921,000
USER FEES/SECURITY FEES	423,500	487,549	532,700	523,900	631,700	635,300
RENTALS	2,582,000	2,662,774	2,766,600	2,739,800	2,739,800	2,739,800
INTEREST/PENALTIES	30,000	37,249	18,800	43,300	26,100	26,100
FINES/MISC./OTHER	190,400	208,117	193,100	190,400	190,400	190,400
TRANSFERS/CBJ/MPF	0	0	0	0	0	0
AIRPORT FUND BALANCE	0	0	0	0	0	0
TOTALS	5,969,414	6,320,209	6,408,482	6,480,000	6,570,900	6,592,500

ATTACHMENT #3

EXPENSE vs. REVENUE SUMMARY

3/24/2016

	FY 15 APPROVED	FY 15 ACTUALS	FY 16 UPDATED	FY 16 PROJECTED	FY 17 PROPOSED	FY 18 PROPOSED
EXPENSES	(6,202,700)	(5,863,800)	(6,225,700)	(6,204,200)	(6,822,100)	(6,864,300)
REVENUES	5,969,414	6,320,209	6,408,482	6,480,000	6,570,900	6,592,500
DIFFERENCE	(233,287)	456,409	182,782	275,800	(251,200)	(271,800)
AIRPORT FUND BALANCE APPLIED	0	0	0	0	0	0
TOTAL OVER/(SHORT)	(233,287)	456,409	182,782	275,800	(251,200)	(271,800)

ATTACHMENT #4

JNU FY 17/18 REV Detail

ARPRTRV Biennial Budget		FY17 & FY18				3/15/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
		Actuals	Budget	Actuals	DeptReqst	DeptReqst
Airport Non-operational		-----	-----	-----	-----	-----
Account	Description					
4800-0000	Interest income in Lawson	-10465	-18800	-19300	-26100	-26100
4800-0402	AR interest and fines	-1948	-1500			
4870-0000	Proceeds from disposal of assets	-26784		-24000		
	Grand Total	-39197	-20300	-43300	-26100	-26100

ARPRTRV Biennial Budget		FY17 & FY18				
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
		Actuals	Budget	Actuals	DeptReqst	DeptReqst
Airport Administration		-----	-----	-----	-----	-----
Account	Description					
4013-0000	State shared revenues	-76047	-90000	-76000	-76000	-76000
4300-0036	Fingerprinting Fees	-11350	-5000	-12000	-12000	-12000
4300-0037	Badging Fees	-41930	-35200	-40000	-40000	-40000
4300-0038	Taxi, Bus Access Fees	-32177	-24000	-32000	-32000	-32000
4340-0007	Water Services	-12039	-11100	-12000	-12000	-12000
4340-0008	Sewer Services	-22180	-20200	-22000	-22000	-22000
4700-0000	Cash over/short	6				
4720-0000	Bad debts	-4395				
4799-0000	Miscellaneous revenue	-12435	-10000	-5800	-5800	-5800
	Grand Total	-212547	-195500	-199800	-199800	-199800

ARPRTRV Biennial Budget		FY17 & FY18				
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
		Actuals	Budget	Actuals	DeptReqst	DeptReqst
Terminal Operations		-----	-----	-----	-----	-----
Account	Description					
4300-0030	Jetway Use	-49000	-93000	-72000	-72000	-72000
4300-0039	FAA Tower/Equip Rm	-80540	-80700	-80600	-80600	-80600
4300-0040	Advertising Display	-56451	-60000	-56000	-56000	-56000
4300-0041	Customs Fees		-100	-100	-100	-100
4420-0000	Fee revenues (rental car concess)	-419593	-390000	-420000	-420000	-420000
4420-0002	Vending revenue	-21044	-24000	-21000	-21000	-21000
4450-0001	Minor Violations	-921	-2800	-2800	-2800	-2800
4550-0000	Facility rental revenue	-11367		-1200	-1200	-1200
4550-0001	Federal Terminal Lease (TSA LA)	-72644	-62500	-76200	-81300	-81300
4550-0003	Parking Lot Lease	-410988	-440000	-415000	-415000	-415000
4550-0004	Air Carrier Terminal Lease	-641860	-667000	-656600	-656600	-656600
4550-0005	Rental Car Storage	-109800	-110000	-109800	-109800	-109800
4550-0006	Other Terminal Leases	-205003	-190700	-208600	-208600	-208600
4550-0007	Rest., Bar, Flight Kitchen	-24000	-124000	-84000	-84000	-84000
4550-0008	Gift Shop	-40912	-41000	-41000	-41000	-41000
4550-0009	Staff Parking Fees	-25860	-45100	-26000	-26000	-26000
4799-0000	Miscellaneous revenue	8992	-700	-500	-500	-500
	Grand Total	-2160991	-2331600	-2271400	-2276500	-2276500

ATTACHMENT #4

JNU FY 17/18 REV Detail

ARPRTRV Biennial Budget		FY17 & FY18				
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
		Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
560500301	Airfield Maintenance Shop					
4300-0029	Fuel Flowage Air Carrier	-680251	-583000	-688000	-594400	-594400
4300-0031	Air carrier Landing Fees	-1773774	-1679600	-1795000	-1815500	-1815500
4300-0032	Commercial Aircraft Parking	-87960	-39900	-90500	-90500	-90500
4300-0033	Transient Fees	-19				
4300-0043	Small Aircraft Parking	-33393	-78000	-40300	-40300	-40300
4300-0044	Fuel Flowage GA and Taxi	-66591	-108600	-66000	-121300	-121300
4300-0045	Fuel Flowage Non-Signatory	-75822	-77100	-75000	-75500	-75500
4300-0046	Landing Fees Non-Signatory	-91351	-194300	-90000	-87500	-105500
4300-0048	Air Carrier Security Fee	-317177	-321700	-321000	-428800	-432400
4549-0001	Fuel Sales	-51251	-35000	-35000	-35000	-35000
4550-0000	Facility rental revenue	-1250	-1200	-11300	-11300	-11300
4550-0010	FAA-CWO Lease	-12000	-12000	-12000	-12000	-12000
4550-0011	Airfield Ground Leases	-618083	-626000	-623000	-623000	-623000
4799-0000	Miscellaneous revenue	-10511	-2500	-2000	-2000	-2000
	Grand Total	-3819433	-3758900	-3849100	-3937100	-3958700

ARPRTRV Biennial Budget		FY17 & FY18				
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
		Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
560500501	Airport Security					
4037-0001	TSA LEO Reimb	-88040	-102200	-116400	-131400	-131400
	Grand Total	-88040	-102200	-116400	-131400	-131400

ARPRTRV Biennial Budget		FY17 & FY18				
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
		Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
560500601	Debt Service					

ARPRTRV Biennial Budget		FY17 & FY18				
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
		Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
560500701	Reserves					
GRAND TOTAL REV				-6480000	-6570900	-6592500

JNU FY 17/18 EXP Detail

3/24/2016

FY18

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ATTACHMENT #5

JNU FY 17/18 EXP Detail

AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560500201	Terminal Operations	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
5110-0000	Salaries	294276	371400	345200	398500	401700
5111-0000	Overtime	11465	14000	5200	10000	10000
5116-0000	Accrued leave	50538				
5120-0000	Benefits	211735	225700	268400	231000	232000
5121-0000	Benefits - OT			1700	3000	3000
5130-0000	Workers compensation	9696	9700	9700	12300	12300
	Total Personnel	577710	620800	630200	654800	659000
	Commodities & Services					
5200-0000	Business travel	1891				
5202-0000	Training				500	500
5342-0000	Maintenance contracts		30000			
5344-0000	Building Repair			3500		
5390-0000	Contractual services	123602	38000	70000	93000	93000
5370-0000	Spec & Prop	29655	38200	38200	44000	44000
5494-0000	Loss contingency	1461	1000		1000	1000
5340-0000	Repairs	37095	25000	30000	27500	26000
5310-0000	Telephone	3317	5000	5000	5000	5000
5332-0000	Electricity	157644	190000	170000	170000	170000
5333-0000	Fuel oil & propane	69567	150000	80000	100000	110000
5334-0000	Refuse disposal	12995	17000	19000	19000	19000
5335-0000	Water service	3072	4500	4500	5000	5000
5336-0000	Wastewater service	11069	14500	16000	17000	17000
5380-0000	Dues and subscriptions	249				
5480-0000	Office supplies	701				
5490-0000	Materials and commodities	124708	101000	90000	97300	87300
5496-0000	Minor equipment		6000	7000	8000	10500
5498-0000	Minor Software	105				
	Total Commodities & Services	577131	620200	533200	587300	588300
	Capital Outlay					
7500-5881	Depr Building	2480172				
7500-5882	Depr Equipment	285609				
	Total Capital Outlay	2765781				
	Total Expenditures	1154841	1241000	1163400	1242100	1247300

ATTACHMENT #5

JNU FY 17/18 EXP Detail

AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560500301	Airfield Maintenance Shop	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Administration					
5110-0000	Salaries	655501	1060800	767300	1035700	1060300
5111-0000	Overtime	97965	130000	90000	120000	130000
5116-0000	Accrued leave	86191				
5120-0000	Benefits	401462	593400	503300	523800	531200
5121-0000	Benefits - OT			16000	36000	39000
5130-0000	Workers compensation	14400	14400	14400	18300	18300
5140-0000	Engineering workforce	583	-399800	-149500	-309100	-318200
	Total Personnel	1256102	1398800	1241500	1424700	1460600
	Commodities & Services					
5200-0000	Business Travel			3200	3000	3000
5202-0000	Travel and training		1100	500	500	500
5342-0000	Maintenance contracts	1280				
5390-0000	Contractual services	160537	140000	140000	172000	190000
5392-0000	Management and consultant fee	9353	134100	149000	180600	182600
5397-0000	Bank card fees	610		100	100	100
5322-0000	Advertising	852				
5320-0000	Printing	95				
5370-0000	Spec & Prop	76296	76300	76300	87900	87900
5375-0000	General Liability				2700	2700
5340-0000	Repairs	8641	45000	45000	50000	43500
5341-0000	Electronic repairs	2880				
5344-0000	Maintenance - buildings	2004	2000	2000	2000	2000
5360-0000	Equipment rentals	7280	8500	10000	10000	10000
5362-0000	Fleet replacement reserve	30000	30000	30000	30000	30000
5310-0000	Telephone	4949	5000	5000	5000	5000
5332-0000	Electricity	64521	75000	65000	70000	75000
5333-0000	Fuel oil & propane	15731	25000	10000	15000	15000
5334-0000	Refuse disposal	795	3000	1200	1500	1500
5335-0000	Water service	9135	10500	10500	11000	11000
5336-0000	Wastewater service	39348	40000	40000	42000	42000
5480-0000	Office supplies	1117	1000	300	2000	500
5490-0000	Materials and commodities	739675	408100	600000	455600	445100
5492-0000	Gasoline and oil	-11651	160000	100000	150000	150000
5496-0000	Minor equipment	5546	5000			
	Total Commodities & Services	1168994	1169600	1288100	1290900	1297400
	Capital Outlay					
5510-0000	Vehicles and equipment	140616				
5690-0000	Constructions	64611				
	Total Capital Outlay	205227				
	Total Expenditures	2425096	2568400	2529600	2715600	2758000

ATTACHMENT #5

JNU FY 17/18 EXP Detail

AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560500401	ARFF	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Commodities & Services					
5202-0000	Travel and training	9858	900			
5205-0000	Contractual training	245	18600	16900	28300	25800
5390-0000	Contractual services	573195	571200	571200	928500	944300
5340-0000	Repairs	23458	4000	3800	3800	3800
5344-0000	Maintenance - buildings	1953	1000	1000	1000	1000
5345-0000	Building maint division charges	10639	16000	13200	13400	13400
5310-0000	Telephone	1600	1600	1600	1600	1600
5332-0000	Electricity	8376	9200	8800	9300	9300
5333-0000	Fuel oil & propane	12939	17100	3000	6200	6200
5334-0000	Refuse disposal	1992	2100	2200	2300	2300
5335-0000	Water service	272	400	500	500	600
5336-0000	Wastewater service	964	1100	1700	1800	1800
5380-0000	Dues and subscriptions	10	100	200	200	200
5488-0000	Uniforms and safety equipment	181				
5490-0000	Materials and commodities	1825	2000	2000	2000	2000
5492-0000	Gasoline and oil	5818	4600	2800	3900	3900
5493-0000	Chemicals	7628	5000	5900	7500	7500
5496-0000	Minor equipment	5231	7800	7800	22900	7800
	Total Commodities & Services	666184	662700	642600	1033200	1031500
	Total Expenditures	666184	662700	642600	1033200	1031500
AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560500501	Airport Security	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Commodities & Services					
5390-0000	Contractual services	521958	670900	736100	737800	738700
5391-0000	Janitorial services	6000				
5392-0000	Management and consultant fee	4000	4000	6000	6000	6000
5370-0000	Spec & Prop	12696	12700	12700	14700	14700
5340-0000	Repairs			200		
5310-0000	Telephone	2751	5000	3000	3000	3000
5481-0000	Postage and parcel post	6				
5480-0000	Office supplies	1184	1000	500	500	500
5490-0000	Materials and commodities	7919	2000	16000	4000	4000
5496-0000	Minor equipment	815				
	Total Commodities & Services	557329	695600	774500	766000	766900
	Total Expenditures	557329	695600	774500	766000	766900

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JNU FY 17/18 EXP Detail

AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560500601	Debt Service	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Administration					
	Commodities & Services					
	Capital Outlay					
	Debt Service					
	Transfers Out					
	Reimbursable Expenses					
AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560500701	Reserves	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Administration					
	Commodities & Services					
	Capital Outlay					
	Debt Service					
	Transfers Out					
	Reimbursable Expenses					
AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560500801	Airport Landside	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Commodities & Services					
5350-0000	Landscape division charges	24996	25000	25000	25000	25000
5332-0000	Electricity	1359	2800	2800	2800	2800
	Total Commodities & Services	26355	27800	27800	27800	27800
	Total Expenditures	26355	27800	27800	27800	27800
AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560500950	Federal Grant Land Acquisit	ionActuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Administration					
	Commodities & Services					
	Capital Outlay					
	Debt Service					
	Transfers Out					
	Reimbursable Expenses					

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JNU FY 17/18 EXP Detail

AIRPORT	Biennial Budget FY17 & FY18					3/24/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560501001	Temsco Rd Rehab	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Administration					
	Commodities & Services					
	Capital Outlay					
	Debt Service					
	Transfers Out					
	Reimbursable Expenses					
AIRPORT	Biennial Budget FY17 & FY18					3/15/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560501101	Engineering Activity	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Administration					
	Commodities & Services					
	Capital Outlay					
	Debt Service					
	Transfers Out					
	Reimbursable Expenses					
AIRPORT	Biennial Budget FY17 & FY18					3/15/2016
		FY15	FY16 Amd	FY16 Proj	FY17	FY18
560501201	Shop Roof Replacement	Actuals	Budget	Actuals	DeptReqst	DeptReqst
Account	Description	-----	-----	-----	-----	-----
	Administration					
5110-0000	Salaries	186				
5120-0000	Benefits	103				
5140-0000	Engineering workforce	105				
	Total Personnel	394				
	Commodities & Services					
5390-0000	Contractual services	8500				
	Total Commodities & Services	8500				
	Total Expenditures	8894				

Total Budget	5838808	6225700	6204200	6822100	6864300
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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 WHICH SUPERCEDE AND REPLACE THOSE REGULATIONS ADOPTED BY THE ASSEMBLY JUNE 3, 2013:

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

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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 \$.17 per gallon.
 - (B) Aircraft with maximum certificated gross weight of more than 12,500 lbs. shall pay fuel flowage fee of \$.155 per gallon.
 - (2) Non-signatory.

All Non-signatory aircraft shall pay a fuel flowage fee of \$.215 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: \$2.38 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.

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(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: \$2.98 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:

<u>Space Type</u>	<u>Rate</u>
Counter (North Wing) plus 7 feet	\$25.16
Counter (East Wing)	\$31.69
Office (North Wing)	\$22.88
Office (East Wing)	\$25.52
Office (Old Tower, Ops)	\$25.52
Office (AK Maintenance)	\$25.52
Baggage Claim (Public)	\$25.52
Storage/Bag Make Up (Covered Bag Well)	\$20.34
Storage/Frt Rm (North Wing)	\$20.34
Canopy Storage (North Wing)	\$12.71
Hold Room/ Departure Lounge	\$31.69

(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

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- (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.
- (C) Terminal Space rent shall be charged at 25% more than the published Signatory rate.

(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	\$500
(B)	Main Ramp, >12,500lbs	\$500
(C)	Air Taxi (small box)	\$75
(D)	Air Taxi (large box)	\$100
(E)	Hard-surfaced parking areas	\$60
(F)	Gravel-surfaced parking areas	\$50
(G)	Privately-owned seaplane floats (North & South)	\$90
(H)	Airport-owned seaplane floats(North & South)	\$150
(I)	Privately-owned seaplane floats (West Finger)	\$150

Seaplane floats fee based on 8 months of use/fees annually.

- (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 6,001 lbs. (Non-commercial)	\$10 per day
(B)	Under 6,001 lbs. (Commercial)	\$25 per day
(C)	6,001 lbs. to 12,500 lbs.	\$75 per day
(D)	12,501 lbs to 100,000 lbs.	\$175 per day
(E)	100,001 lbs. and over	\$500 per day
(F)	Jetway 5 Air Carrier gate (Non-Signatory)	\$500 per use

All aircraft parking spaces are designated one aircraft per space. Any additional aircraft parked in/near/around a parking spot, or any aircraft not within an aircraft designated space will be assessed the daily transient rate for size/type of aircraft/operation.

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.

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- (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) Land Lease Rates (all rates per square foot, annually):

(A)	Non-Commercial Airfield Land Lease	\$0.47/sq ft/year
(B)	Commercial Airfield Land Lease	\$0.57/sq ft/year
(C)	SIDA Airfield Land Lease	\$0.80/sq ft/year
(D)	Landside Non-Aviation Land Lease	\$0.71/sq ft/year
(E)	Undeveloped Land Lease	\$0.19/sq ft/year

- (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) \$75 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.)

	<u>1-7 PAX</u> <u>Rate</u>	<u>8-16 PAX</u> <u>Rate</u>	<u>17 or MORE</u> <u>Rate</u>
Annual	\$150.00	\$200.00	\$250.00

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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 \$10,000, 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.

	<u>1st Vehicle</u> <u>Rate</u>	<u>Each Additional Vehicle</u> <u>Rate</u>
Annual	\$150.00	\$25.00

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

	<u>1st Vehicle</u> <u>Rate</u>	<u>Each Additional Vehicle</u> <u>Rate</u>
Annual	\$230.00	\$35.00

- (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
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- (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
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- (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:

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- (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 \$ \$40 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.

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- (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: \$50 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 (\$25) & Deposit (\$50)	\$ 75
(B) Renewal (Annual)	\$ 25
(C) Re-issuance for worn or damaged	\$ 25
(D) Lost badge	\$200
(E) Contractor Deposit	\$200
(F) Proximity Gate Card	\$ 10
(G) Non-Airport ID	\$ 25

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): \$10 per card / issuance
- (3) Non-airport identification media : \$25 per card / issuance

(p) **Airline Fee for Airport Security Screening.** Each Air Carrier shall pay ~~\$1.08~~ (\$1.43)/per screened, enplaned passenger for that Air Carrier's passengers subject to security screening and enplaning, at Juneau International Airport.

The Non-signatory rate for Airline Fee for Airport Security Screening shall be at a rate of 25% more than the established signatory rate for Airport Security Screening Fee.

(q) **Lease Action Filing Fee.** For any Lease Action Request (Assignment, New Lease, Extension/Amendment, Collateral Assignment, Cancellation) at the Juneau International Airport.
\$100/per Lease Action Request

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.

“Landside Non-Aviation Land” means that area of the Airport which is outside the airfield perimeter fence, and designated for any non-aviation related use.

“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.

“SIDA Land” (or Security Identification Display Area) means that area of the Airport which is designated for SIDA activities/business, pursuant to 49 CFR 1500 series.

“Transient Aircraft” at the Airport means an aircraft that is not assigned to a permanent parking space, that is not subject to a written parking agreement with the Airport, that is not parked in its assigned permanent parking space, or that is double parked in an aircraft parking space.

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

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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 _____, 2016, 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: _____

Joe Heueisen, 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: _____

Amy Mead
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

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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 shall be the seventh day after the date of filing with the clerk, per CBJ 01.60.330.

Date: _____

Laurie J. Sica, Clerk