

**Juneau International Airport
Finance Committee Meeting
April 9, 2013, 1:30 p.m.
Alaska Room**

I. Introduction (meeting participants).

Approved Fee Changes. The Finance Committee approved the following fee changes:

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| 1) Parking Lot Rate Increase* | \$ 143,100 |
| Short Term 16-60 | \$ 3.00 |
| Long Term 0-120 | \$ 5.00 |
| Long Term Day | \$14.00 |
| 2) Taxi/Bus Access | \$ 7,400 |
| See Regulation changes-attached | |
| 3) Aircraft Parking/Tie-down See Regulation changes-attached | |
| Large Air Carrier | \$ 10,100 |
| Small aircraft | \$ 20,400 |
| 4) Rental Car Storage/Pkg. | \$ 22,500 |
| See Regulation changes-attached | |
| 5) Badging Fees | \$ 15,200 |
| See Regulation changes-attached | |
| 6) Employee Parking Fees | \$ 3,500 |
| 7) Land Lease Rates (<i>see Proposed Fee Changes, below</i>)* | |
| 8) Float Pond Tie-down (<i>see Proposed Fee Changes, below</i>)* | |

*The Finance Committee approved Land Lease Rates and Float Pond Tie-down rates at the March 28 meeting, however, both these rates were re-opened for discussion and amended rate increases.

Proposed Fee Changes (Attachment #1). The Finance Committee has discussed, but not formally motioned or approved the following changes to Airport Rates and Fees. These rates and fees amendments to be effective July 1, 2013, unless otherwise stated.

- 1) **Land Lease.** Pursuant to discussions at the April 4 meeting, the following amended motion is proposed:

Motion: “*Finance Committee recommends that the Airport Land Lease Rates be amended and established as follows; to begin July 1, 2013, except at noted:*

“*Undeveloped Land Leases @ \$0.19/sf/year,*

“*SIDA Land Leases @ \$0.80/sf/year,*

“*Landside Non-Aviation Land Leases @ \$0.71/sf/year,*

“*Non-commercial Airfield Land Leases @ \$0.47/sf/year,*

“*Commercial Airfield Land Lease @ \$0.57/sf/year to be phased in as follows:
\$0.47/sf/year beginning July 1, 2013, then
\$0.52/sf/year beginning January 1, 2014; then
\$0.57/sf/year beginning July 1, 2014.*

“*Further, this motion establishes the new categories of Land Leases, as outlined herein, and replaces the current categories of land leases currently outlined in the regulation. Request unanimous approval of this motion.*”

- 2) **Terminal Lease Rates.** As discussed at the April 4, 2013, meeting, the Finance Committee proposed only a one-year CPI increase of 2.2%, for Terminal Lease Rates. The following motion is proposed:

Motion: *“Finance Committee recommends that the Airport Terminal Lease Rates be set as follows to begin July 1, 2013:*

<i>“Counter (North wing) plus 7 feet</i>	<i>@ \$25.16/sf/year,</i>
<i>“Counter (East wing) plus 12 feet</i>	<i>@ \$31.69/sf/year,</i>
<i>“Office (North wing)</i>	<i>@ \$22.88/sf/year,</i>
<i>“Office (East wing)</i>	<i>@ \$25.52/sf/year,</i>
<i>“Office (Tower/Ops/Admin)</i>	<i>@ \$25.52/sf/year,</i>
<i>“Office (AK Maint)</i>	<i>@ \$25.52/sf/year,</i>
<i>“Baggage Claim</i>	<i>@ \$25.52/sf/year,</i>
<i>“Bag Make-up/Storage (east)</i>	<i>@ \$20.34/sf/year,</i>
<i>“Storage/Frt Rm (North wing)</i>	<i>@ \$20.34/sf/year,</i>
<i>“Canopy Storage (North)</i>	<i>@ \$12.71/sf/year,</i>
<i>“Departure Lounge/Hold Room</i>	<i>@ \$31.69/sf/year.</i>
<i>“Request unanimous approval of this motion.”</i>	

- 3) **Float Pond Tie-down.** As mentioned by the Airport Manager at the April 4 meeting, the following amended motion is proposed:

Motion: *“Finance Committee recommends that the Airport Float Pond Tie-down Rates be amended and established as follows; to begin July 1, 2013, except at noted:*

<i>“Privately Owned docks North & South side</i>	<i>@ \$90.00/month to be phased in as follows: \$67.50/month beginning July 1, 2013, then \$90.00/month beginning July 1, 2014;</i>
<i>“Airport Owned docks North & South side</i>	<i>@ \$150.00/month to be phased in as follows: \$105.00/month beginning July 1, 2013, then \$150.00/month beginning July 1, 2014;</i>
<i>“Privately Owned docks West Finger</i>	<i>@ \$150.00/month to be phased in as follows: \$105.00/month beginning July 1, 2013, then \$150.00/month beginning July 1, 2014;</i>
<i>“Further, this motion establishes the new categories of Float Pond Tie-downs, as outlined herein, and replaces the current categories of Float Pond Tie-downs currently outlined in the regulation. Request unanimous approval of this motion.”</i>	

Additional Proposed Fee Changes. Staff recommends the following changes to Airport Rates and Fees:

- 4) **NEW: Filing Fee for Lease Action Request--\$100:** 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., and Law Dept. This takes a considerable amount of time and resources. This rate is comparable to what other airports charge. Estimated annual revenue would be \$1,000.

Motion: *“Finance Committee recommends that the Airport establish a new ‘Filing Fee for Lease Action Request’ for any new lease, assignment of lease, extension/amendment of lease, collateral assignment of lease or cancellation of lease at the rate of \$100 per request. Request unanimous approval of this motion.”*

- 5) **NEW: Airport Security Screening Fee.** The cost of airport security has increased, but the reimbursement by TSA has continued to decrease with the possibility that the Federal government will terminate these grants in the near future. Much of the security is dedicated to the screening checkpoint and the SIDA areas by regulation, but is also required on the airfield for general aviation and small commercial. It is recommended that a *per-enplaned*, screened passenger fee be established. Estimated annual revenue would be \$260,000.

Motion: *“Finance Committee recommends that the Airport establish a new ‘Airport Security Fee per Enplaned Screened Passenger’ to be assessed on all passenger screened and enplaning at Juneau International Airport at \$1.00 per enplaned, screened passenger. Request unanimous approval of this motion.”*

- 6) **Aircraft Parking & Tie-down Rates.** Clarification on tie-down rates for commercial operator (air taxi) boxes. Staff recommends removing “main ramp” from the small box and large box categories since there are other air taxi tie-down areas on the airfield that have boxes painted for aircraft. This would not affect the areas that are leased by the square footage; only ‘tie-down’ areas.

Motion: *“Finance Committee recommends that the Airport amend the current Aircraft Parking & Tie-down Rates by removing ‘main ramp’ language to those air taxi categories; so the two categories are now ‘Air Taxi (small box)’ and ‘Air Taxi (large box)’.* Request unanimous approval of this motion.”

- 7) **Fuel Flowage Fees.** The following fuel flowage fees are proposed to increase:

Motion: *“Finance Committee recommends that Airport Fuel Flowage Fees be amended and established as follows:*

“Signatory Aircraft with a maximum certificated gross weight of 12,500 lbs. or less \$0.185/gallon

“Signatory Aircraft with a maximum certificated weight of more than 12,500 lbs. \$0.16/gallon

“All Non-Signatory Aircraft \$0.235/gallon

“Request unanimous approval of this motion.”

8) **Landing Fees.** The following landing fees are proposed to increase

Motion: *“Finance Committee recommends that Airport Landing Fees be amended and established as follows:*

*“Signatory Aircraft 12,500 lbs. and over, for each 1,000 lbs. or any fraction thereof \$2.38/per
1,000 lbs.*

*“Non-Signatory Aircraft 12,500 lbs. and over, for each 1,000 lbs. or any fraction thereof \$2.98/per
1,000 lbs.*

“Request unanimous approval of this motion.”

FY 13/14 Budget. (Attachments #2 through #4). The Airport must finalize the projected FY 13 budget and the updated FY 14 budget. With the approval of the Parking Lot rate increases, and the Rates and Fees increases outlined in the Regulation (and as approved by the Finance Committee including above rate increases), the budget presented requires final approval including the use of \$22,800 in Airport Fund Balance funds to balance FY14. Upon approval, the budget would be forwarded on to the Airport Board for final approval, and subsequently forwarded on to the Assembly for adoption.

Motion: *“Finance Committee recommends approval of the projected FY 13 and updated FY 14 budgets, as presented, including the use of \$22,800 in Airport Fund Balance funds to balance FY 14; and forward on to the Airport Board and subsequently to the Assembly for adoption. Request unanimous approval of this motion.”*

- II. Regulation Process. (Attachment #5)** Staff has prepared a draft of 07 CBJAC 10.020 Airport Rates and Fees Regulation. The draft Regulation incorporates all the rates and fees changes made from the past few months Finance committee meetings in order to balance the FY 14 budget. This would then be forwarded on to the Airport Board to begin the public comment period, as part of the Regulation process. As a reminder, the Parking Lots Rates are a concession rate and not part of the Regulation process. A separate motion was already approved at the March 28, 2013, meeting, to forward the new rates for approval by the Airport Board.

Motion: “Finance committee recommends the changes to the Airport Rates and Fees Regulation 07 CBJAC 10.020, as amended, and to forward on to the Airport Board for approval; and begin the public process/comment period, and subsequent submission to the Assembly for adoption.”

- III. Other items for discussion.**

- IV. Next Finance Meeting, if required (Water/Sewer rates meeting): TBD**