

**ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

March 7, 2018, 5:30 PM.
Municipal Building - Assembly Chambers

Joint Meeting with the Airport Board

I. ROLL CALL

Mayor Koelsch called the meeting to order at 5:30 p.m. in the Assembly Chambers.

Assemblymembers Present: Rob Edwardson, Maria Gladziszewski, Norton Gregory, Loren Jones, Jesse Kiehl, Ken Koelsch, Beth Weldon, and Jerry Nankervis (telephonic).

Assemblymembers Absent: Mary Becker

Airport Board Members Present: David Epstein (Chair), Joe Heueisen; Dennis Harris, Dennis Bedford

Airport Board Members Absent: Angela Rodell, Jerry Godkin, Martin Myers

Staff present: Mila Cosgrove, Deputy City Manager; Beth McEwen, Acting Clerk; Patty Wahto, Airport Manager; Bob Bartholomew, Finance Director; Ken Nichols, Airport Engineer/Architect II (telephonic)

Consultants on the Airport Sustainability Master Plan participating telephonically: Steven Horton of Leibowitz & Horton and John Yarnish of AECOM.

II. APPROVAL OF AGENDA

Hearing no changes, the agenda was approved as presented.

III. APPROVAL OF MINUTES

None.

IV. AGENDA TOPICS

A. Joint Meeting with Airport Board

Airport Manager Patty Wahto gave a presentation of overall Airport operations.

Finances and Projects: Ms. Wahto explained how the number of enplanements correspond to the amount of funding received from the FAA and they are hoping to increase how the enplanements are calculated as right now, one grouping of helicopters that go up with 4 helicopters at once is considered one enplanement.

Ms. Wahto gave an overview of the finances of the projects currently under construction. She noted that there is a large Capital Improvement Projects (CIP) list that is used to help identify how all the FAA funding as well as CBJ funds get allocated. She also explained the differences between discretionary funds and other funds how priorities are determined. She noted that the CIPs are crafted very carefully as the FAA prioritizes anything not related to the runaway much lower than any

of the projects used in relation to the runway areas.

Ms. Wahto said another key document to the CIP list is the Airport Sustainability Master Plan which they have been working on extensively with consultants. The draft plan will be going out for public review on March 23. She explained that it is more than just a planning document for the CIP projects but rather, it is an overall planning document for the future of the airport. Discussion took place regarding this plan being an FAA required document to be able to move forward with funding and making it eligible to help fund the various CIP projects. Mr. Yarnish, a consultant with AECOM, noted that the Sustainability Master Plan will be out for public comment for 45 days before it goes on to the FAA.

Assembly and Airport members discussed some of the recent projects including the Snow Removal Equipment Facility (SREF) as well as a new passenger boarding bridge and a FAA energy grant that will be funding new energy efficient lighting on the tarmac. Other projects coming up in the near future include apron work between Tempsco and Wings coming up for paving, the float pond valve replacement and terminal reconstruction which is currently in the design phase.

Ms. Wahto explained that the terminal reconstruction project received funds through the 2010 GO bond but it was getting held up because it was not eligible for federal funds as most of that portion of the terminal is leased commercial space. She said they have come up with an innovative solution to design the terminal such that they would demolish part of it, they would lease out land for tenants to build and lease the land and the airport would then build a concourse that connects that and rebuild the remaining portion of the north end terminal and the knuckle. She said the tenants have been excited to work with them on this and it is promising to get this done with the funding sources identified. She said the plan has the tower as a separate piece from the rest of the project and that would be done and funded by the FAA.

Ms. Wahto answered a variety of questions from Assemblymembers about the design elements in the presentation. She noted other current and future projects, including the design for the Taxiway Rehabilitation and the Runway Incursion Mitigation projects. She said there are three intersections in which there have been runway incursions in areas that don't meet the FAA geometry. Those will also be brought up in the Sustainability Master Plan. It is anticipated that the Taxiway project and two of the intersections will be done in 2019 and 2020. Other future projects include additional phases of the SREF building including the sand, chemical and fuel storage portions and more maintenance bays that were not FAA funding eligible. Another near term project is that of the main ramp where the major airlines park which will be coming up for re-pavement in the next few years at a cost of \$9.5 million.

She noted that Alex Holden Way had a band aide fix approximately 4-5 years ago and while they repaved it and raised some of the surface up to get rid of the lumps/bumps and bring it up higher, that was truly a band aide and it did not bring it up to a street standard and it does not drain properly.

Ms. Wahto said another thing to address is the parking area and parking lots. They need to figure out if there is ever going to be a parking garage where they can bring rental cars in. If they are looking at expanding the terminal in one direction, they can bring rental cars in. She said they can also look at the possibility of doing some sort of a multi-mobile facility as it would be great to have a central park and ride opportunity.

Discussion with Assemblymembers took place on how they could move forward with a parking garage option. There was note that in the past, a parking garage had been one piece of a larger project that was forwarded to the voters for approval and voted down. It will take non-FAA funds to make a parking garage a reality and while one way to fund it would be a bond, there could be a combination of other revenue sources to come up with a solution. Garages are expensive but they could look at doing something that was multi-modal and passenger friendly.

Ms. Wahto noted the Runway 26 MALSR(Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights) system which they bring up every chance they can. The MALSR system, if extended out to the full distance of 2400 feet, would give better minimums for both Alaska Airlines

and Delta. She just spoke with some FAA folks that came through from the Washington regional office and they seemed excited about it but it is on a wait and see status at this time.

Funds for the MALSR currently come from a facilities and equipment fund rather than the AIP funds but the crux of the matter has to do with who maintains it and who owns it. She said that right now, the first 800 feet are owned and maintained by the FAA so when you start mixing funds and ownership, it is not a good thing. She said that quite frankly, the MALSR system really should be an FAA system so she is trying to get them to take it out of facilities and equipment funding source. She said she has also spoke with our Washington D.C. Lobbyist Katie Katchel. Ms. Wahto and Mr. Epstein explained to the Assemblymembers the intricacies of the funding for the MALSR system. Mr. Epstein said he previously worked with the FAA on those programs and this is the equivalent to the CBJ CIP program. He said it is to our advantage to have the FAA put in the MALSR because then they maintain it. He said it falls within the same category as the tower and the VOR on Sisters Island which is the FAA's to maintain. Additional discussion with the Assembly, Airport members, and staff took place regarding this issue.

Mr. Gregory asked if it helps to be a city owned airport or if it is a detriment to be city owned. Ms. Wahto explained that overall, CBJ benefits more from being a city owned airport over those owned by the state.

Ms. Wahto touched on the many duties carried out by the Airport, and she said that while this is by no means a fully inclusive list, this is what it takes to keep the airport running 24 hours/day, 7 days/week, 365 days/year:

- Administration
- Airfield
- Terminal
- Airport Police
- Aircraft Rescue and Firefighting

There are a lot of things that go on at the airport with very few staff. She said that Scott Rinkenberger couldn't be in attendance at this meeting because it was currently snowing and they are short staffed so he was filling in doing snow removal work.

Additional major projects they are working on at this time included the following:

Front Curb Enforcement: This is something the Airport has been taking very seriously, especially in the last year as they are trying to uphold the federal law. There was a 300 foot parking restriction in front of the terminal imposed after 9-11-2001. They had to close down the short term lot for awhile and the cars were getting screened. She said they were able to do a blast analysis and some work with the TSA/FAA of the terminal and were able to obtain a waiver down to 135 feet but that was with the condition that people were not parking their cars at the curb. They cannot have people getting out, leaving their cars and going into the building. That is not considered active loading. She said there are quite a few TSA and joint vulnerability threat assessment teams that come through and they are always looking at things like that. She said it happened to be when they came through, that they saw enforcement going on and they were happy with that.

The airport is trying to move the vehicles through for public safety and they have been actively working on getting the word out through a variety of methods to keep cars moving through. They have held a lot of meetings including a had a joint meeting with TSA, JPD, Airport and they held it for the public but the public did not come. She said that Mr. Jones and his wife came to that meeting. She said it was a well advertised meeting through social media as well as the usual media outlets. She said that there have been other meetings, operational meetings, as well as Airport members being featured on radio shows to try to get the word out. She said she can't say that it is any better except for possibly certain times of the day. She believes more people are aware of and using the cell phone waiting lot and they have been promoting the 15 minute short-term parking lot more heavily.

Ms. Wahto noted that one of the solutions that the board came up with was to look at increasing the

ticket fee above the current \$25. One of the responses to that suggestion was to get more information, discuss it here and provide additional information as to how other airports provide enforcement. She said they did collect additional information in looking at other similar sized airports. Of that, one other airport had a \$35 fee, a smattering of others had fees ranging \$50-100, and the rest of them were scratching their heads asking why they weren't just towing the violators. All had fees and/or some of them just towed vehicles.

Mr. Gregory asked Ms. Wahto to remind them of the repercussions for our airport if people continue to park there. Ms. Wahto said we have to maintain security and safety at an airport so it reflects on our certificate; we are a certificated airport and that certificate could be at jeopardy. The other thing is they could withdraw the waiver and put the parameters at 300 feet which would either require the scanning of every car or they would be closed down and everybody would have to go way out to the parking lot. She said she doesn't know how much more they would do but outside of penalizing an airport, there are sanctions and she hopes nothing seriously ever happens but there is always that chance.

Ms. Weldon said she had two complaints just that morning from two different groups saying they were being chased out by the enforcers while they were actively loading/unloading car seats.

Mr. Harris said that from the perspective of an individual who has sat in the taxi zone for the past 10 years and observed the patterns, there are three types of violators: 1) those that sit and wait for someone, 2) those who think the law does not apply to them and are going in to drop something off inside and leave the car. and 3) those who don't realize that when they have a disabled person that they can call ahead and get permission to pick someone up or have AK Airlines come out with a wheelchair. Additional discussion took place about the messaging that is getting out there and what additional messaging might be helpful. Ms. Wahto said they will continue to work on this issue and provide more information and education to the public, including a possible flyer when a ticket is given and/or when an airline ticket is purchased.

Ms. Wahto said she can reach out to the airlines to see if they would be willing/able to include messaging in their materials. She will also pursue other opportunities to provide education to the public.

TSA Pre-Check: Ms. Wahto said another exciting thing come up soon is a trial period for TSA pre-check. It is expedited screening and they are encouraging people to sign up for it. There is an \$85 fee to sign up but it is good for 5 years. The website for anyone wanting to sign up is <https://universalenroll.dhs.gov/programs/precheck>.

Ms. Wahto explained that going online, there is an expedited pre-check application and then you take your documents into a local office to finalize the process. Additional discussion took place regarding the role of the airline staff in helping to launch this trial program and it is their hope that as many of the traveling public will sign up as possible as the response to this trial period will factor into TSA's determination of whether or not this will be a regular option in Juneau. TSA hasn't said how long they will be running this trial program but Ms. Wahto said she hopes they will continue it through tourist season to get a true picture of how it would look for Juneau.

JNU Snow/Ice Removal: Ms. Wahto then gave some of the Winter Snow/Ice statistics including the fact that they have a little more than 8 million square feet of area to take care of which is the equivalent of 47.6 miles of a 2 lane highway. Scott Rinkenberger had prepared a video that wasn't working on the main projector screen but members were encouraged to watch the video on the Clerk's computer at the conclusion of the meeting.

Airport Sustainability Master Plan: John Yarnish, a consultant with AECOM, was on the telephone and gave a presentation on the Airport Sustainability Master Plan.

Mr. Yarnish noted that much of the programs/projects Ms. Wahto mentioned previously come about as a result of this master planning process. They are at the end of their master planning process and

are at the stage of taking the plan out to the public for comment and review.

He said one of the recommendations of the plan is for the FAA to relocate the Air Traffic Control Tower outside the terminal building. The Airport Layout Plan is the official document that comes out of the master plan that shows the big picture to the FAA and others as to what the airport will look like in the future if all the projects are developed. The FAA refers to this document every time the Airport puts in for funding to do some improvements. He said the plan is plotting a good future for airport improvements to keep pace with the demand and although demand changes from year to year, this is a good solid document. The next step to look at is how to pay for those improvements.

Master Plan Financial Interpretation Analysis: Steve Horton, a consultant with Leibowitz & Horton, provided an overview of the financial documents found in the COW packet. Mr. Horton explained that some of their main objectives were to map the available funding sources and match those with the CIP projects. For the short term, they were identifying the funding sources for specific projects. In the mid-term, the second five years of the plan, there is a lot more uncertainty as to which projects could be done in what time and a lot of uncertainty related to how the funding is to be done. In the end, they do several iterations of a financial plan to the point that they can fund as much as they can and achieve a positive cash flow at the end of every year.

Mr. Kiehl asked about the \$39.427 million shown on slide 13 of the presentation under the CBJ Capital/Debt. column. He said he didn't recall any substantial conversations about city bonding or capital contributions on that scale. He asked for additional background/info on that item. Mr. Horton and Ms. Wahto addressed a series of questions relating to that slide and that funding column labeled CBJ Capital/Debt. Ms. Wahto explained that column was more of a catch all cell to note those projects which didn't have other funding sources identified, mainly the terminal and land side operations that would not qualify for FAA funds. Assemblymembers expressed their concern with the large amounts identified in that area and that those had not been discussed by the Assembly and/or approved by the voters.

Ms. Wahto answered questions on how discretionary funds are prioritized and determined by the FAA. Ms. Wahto explained that this plan reflects a snapshot in time and that while numbers can change, the projects are still out there such as the need for doing the terminal and some of the land side improvements but which category they go in and how they get diced up can change over time and some have already been changed.

Mr. Koelsch said when he looks at this document, he agrees with the Finance Chair that if this is a future obligation, or something that they would consider in the future, it would be good to go with realistic numbers and to plug in the known numbers and sources. Ms. Wahto agreed with that and said that this was a huge change from where they were two months ago and those adjustments can be made now that they have a better idea of the approach they will be taking with the north end terminal and knuckle projects.

Ms. Wahto then asked Mr. Horton to review the statistical information and noted that they have not changed since the last presentation to the COW or the Airport Board.

Additional discussion took place regarding the passenger facility charges as well as other revenue options. The passenger facilities charges hasn't been raised in about 15 years and they hope that will be revisited by Congress.

Mayor Koelsch recessed the meeting at 7:18 and resumed after the break at 7:25 p.m.

Economic Impact Study 2017: Following the break, Ms. Wahto distributed copies of a document relating to the Economic Impact Study that was completed in 2017. She mentioned that the document was also available on the Airport's website. She pointed out the bottom line which shows the economic impact of the Airport to this community annually is now at \$174 million. In doing a quick comparison between the 2000 and 2017 Economic Impact Studies, the 2000 study showed an economic impact of \$41 million, whereas the 2017 study shows the airport having an economic impact of \$174 million.

When asked why the significant change, Ms. Wahto explained that there had been a hiatus time during which the Environmental Impact Statement (EIS) was being worked on and once that was completed, there were significant construction projects able to get underway. In addition to the construction projects there are more enplanements, there is more business, more travel, more freight and fish business and there is just a lot more going on in total.

Ms. Wahto set out the next steps in the Airport Sustainability Master Plan process as follows:

- They will present this same information to the full Airport Board the following week.
- They will then follow through with any updates to the plan and present those to the board and the Assembly COW.
- It will then go out for public review and FAA review on March 23.
- There will then be 45 days of comment and they hope to bring up for finalization to the board in June for approval.
- Lastly it will come back to the Assembly for final approval in July.

Mayor Koelsch thanked the Airport for their presentation. He asked Assemblymembers if they had any additional comments/questions.

Mr. Gregory thanked the Airport Board and the staff for putting Juneau's best foot forward and making it a very welcoming experience for the traveling public to come through the airport.

Mr. Jones said he had a lot more questions regarding the north terminal renovation and would like a more in depth briefing on that in the future. He expressed concern with them holding a public informational meeting on a Friday night at the airport where parking is often a concern. Ms. Wahto explained that this is was a kickoff meeting and they will continue to do more outreach to the public, Assembly and Airport board and continue to offer validated parking tickets when holding meetings at the airport.

Mr. Kiehl said he was interested in seeing more information on the leasing revenues approach they are taking on the north terminal project and would like to see additional information on that proposal as it develops.

B. Ordinance 2018-01 An Ordinance Amending the Airport Operations Code Relating to Parking, Standing, and Stopping for the Active Loading and Unloading of Passengers and Providing for a Penalty.

Clerk's Note: this ordinance was not taken up for consideration directly, however please see the comments above for discussion about the parking enforcement issue.

V. ADJOURNMENT

There being no further business to come before the body, Mayor Koelsch adjourned the meeting at 7:33p.m.

*Respectfully Submitted,
Beth McEwen, Acting Clerk*