

MINUTES of
AIRPORT BOARD MEETING
May 8, 2018
Alaska Room, 6:00 p.m.

I. **CALL TO ORDER:** Chair David Epstein called the meeting to order at 6:00 p.m.

II. **ROLL CALL:**

Members Present:

Dennis Bedford	Jerry Godkin	Joe Heueisen
David Epstein	Dennis Harris	Angela Rodell

Staff/CBJ Present:

Patty Wahto, Airport Mgr.	Scott Rinkenberger, Airport M&O Sup't
Marc Cheatham, Dep. Airport Mgr.	Keith Walker, Fire Department
Catherine Fritz, Airport Architect	

Public Present:

Kent Craford, Alaska Seaplanes	Tom Williams, Ward Air
Mark Pusich, PDC Engineers	Evelyn Rousso, McCool Carlson Green
Kelsey Childers, Harris Air	Michael Carlson, McCool Carlson Green
Scott Currier, Island Air Express	Tony Yorba, Jensen Yorba Lott Inc.
Shannon Morgan, Island Air Express	Mike Wilson, Coastal Helicopters
Sharon Van Valen, Public	

III. **APPROVAL OF MINUTES:** *Dennis Harris moved approval of the minutes of the April 10, 2018, Board meeting. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA:** *Jerry Godkin moved to approve the agenda for tonight. The motion passed by unanimous consent.*

V. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** None.

VI. **UNFINISHED BUSINESS:**

A. **Terminal Reconstruction Project Update:** Airport Architect Catherine Fritz introduced Michael Carlson and Evelyn Rousso from McCool Carlson Green (MCG) out of Anchorage. They are the design team leaders. Private meetings were held in the morning with Island Air and Alaska Seaplanes. Preliminary cost estimating was done during the last month and reconciliation of various concept ideas. A lot of that was reviewed, but there a lot of things that are not meshed well at this point. It is hoped to be brought to the Board sometime in the near future.

In the meeting with Island Air, they expressed concern about the concept the Airport has been moving forward with since last fall, which is tearing down the old building and moving forward with privately developed buildings on leased airport land. They expressed a lot of concern and would like the Board to consider an alternative approach to the project.

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A meeting was held in the afternoon with Alaska Seaplanes and their architects that they have hired to help develop the concepts that they were moving forward with – the privately developed building on leased airport land. Alaska Seaplanes is still committed to this if that is the way the Board wants to move forward. They know this is a very large investment and anxious to work with staff on working on the details of what the Airport can and cannot afford for infrastructure. They also understand that if the project needs to take a different approach, they are willing to look at what they have now and how it might be improved in a different way to meet their needs for the foreseeable future.

The architects will go home tonight and regroup. There are at least a dozen different ideas about what parts and pieces the Airport may be able to afford for the available funds and maintain the opportunity for either private or public development on lands that are currently to the north of the terminal building.

Airport Manager Patty Wahto said a handout (Attachment #3) from Ward Air/Island Air/Harris Air was given to the Board. Scott Currier, part-owner of Island Air Express, based in Klawock, said they currently fly scheduled service into Juneau out of the Harris Air shared space in the north terminal. He said they support and understand the need for the north terminal reconstruction. It needs to be done as expeditiously as possible. He has been involved for the last month. One of the challenges is that there are a lot of unknowns – what are the cost and the design criteria. Any of the operators that are going into this space would be asking the same questions. They have been asked what they need, their master plan of the business plan going forward. This is really unknown, other than they would like the ability to grow and work within a space that they have the ability to grow. The current space they occupy is sufficient for what they need. Their strategic plan for Juneau is to provide service to Juneau. And to start in the last three or four months and evaluate what their needs will be in ten years from now is pretty much impossible.

In evaluating all of this, one thing that troubled them is the cost of entry – meaning as a new operator coming into the airport, what is the cost of entry? Based on some of the numbers they worked through with the Airport Architect and the Manager, it appeared to be somewhere of \$.5 million or there about. In a strategic plan for a small business, \$.5 million is quite an expenditure. A lot of challenges they have as small operators is financing. They have aircraft that are expensive to acquire and maintain and the cost of operating out of an airport is something they looked at when they first evaluated this. There were published lease rates and they looked at that for what they could acquire for space and the operational cost. Learning more about this with Patty and Catherine, it became quite apparent that this was going to be prohibitive for their cost of entry within a time period that this was going to commence – he believed the first quarter of 2019 is the demolition period – to put architectural plans together to be able to make business-phased decisions on the capital cost that has to go into this and how does it fit into the business plan of operating at Juneau. It was a lot to absorb.

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As they started to go through their list of concerns, they found there were similar concerns by other operators. It limits the ability of the 135 operators to expand their presence. It complicates the transition of terminal space to other carriers. Nothing is forever ... from what he understands of the history of the airport, operators have come and gone. What happens to the space when someone leaves. It is empty. It may be under receivership of the bank. It may be under a sale for someone that wants to use it for something other than airport operations. For them to say they are going to make an investment in the property and have something with terminal value, how do they evaluate that into a business plan. If something changes, what do they do with the asset? It could probably be discussed further and some guidelines could be done of what it would be.

A couple of other concerns are that it forfeits a significant amount of critical revenue that will probably be necessary to run the airport. The current annual lease rate of \$.57 per square foot compared to what the lease of \$20.00 per square foot aggregate of what they are leasing. There is a big difference there that they feel may be a revenue generating opportunity for the airport that may be overlooked during this process.

He said he noticed the transparency in the public process. He was not sure how some of the things have been communicated collectively through all of the operators or potential operators up to this point. What does it mean to be a 135 operator at the Juneau Airport. If you are going to come to the Juneau Airport, be prepared to pay \$.57 a square foot and figure out what you have on top of it. Unlike a rural airport, this is an international airport. Something that they would like to see as operators is to have a contiguous construction of a facility that fits the culture or the look of the international airport. Some of that has not been described. He felt the operators need to come together and work collectively to see what their needs are and work with the Manager and the Architects on what they can afford to build versus what needs to be built to look like the Airport wants it to look or the community wants it to be.

They suggested contacting and interviewing all 135 operators, which he thought was ongoing, but collectively with all of the operators. They would like to meet with Alaska Seaplanes to find out their needs. There is an operational plan to demolish the airport (a MOPO – maintenance of plan operations), while they get relocated. Where will they go? How will they operate? Who will bear the cost? These are questions that need to be worked through to responsibly move forward.

He worked with the architects today and discussed the cost of construction at an airport versus typical construction costs. It is a lot higher than he would expect, but not surprising based on an airport atmosphere. It will be quite a bit more expensive than if building on a rural airport. Maybe by everyone getting together, the cost can be minimized by building a community building versus what are our needs are and what are they going to build. Some items to be understood include are how the labor laws work in the airport – is it prevailing wage? This can make a huge difference on what their costs are.

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He thought there was a potential for this to be an income producing proposition if the City were to partner with a PPP (public private partnership). There are many different ways to enter into these partnerships, some of which he is familiar with. He offered his assistance to try to find a PPP that would work with the airport of this size and scope of work. He has a background in construction of water/wastewater treatment plants and PPPs are very common within infrastructure upgrades that need to have financing that is beyond the capabilities of the municipal entity.

Tom Williams, Ward Air, said the foremost reason they are signatories to the letter is that they are concerned that this and the public terminal basically being controlled by private interests. This is the public policy issue. There are a number of other obvious things – specifically, the cost of entry into this airport and the whole idea that this terminal has the potential for generating revenue that should not be simply ceded to any of the private entities. This came about because he was in the Chamber of Commerce meeting and there was discussion as to whether or not there would be some funds available for preparation. He suggested there will be a need for monies going to the North Terminal. He got a lot of push back and spoke with Patty about the concept and was filled in on what the issues were. He talked to Mr. Craford on that and got a lot of push back on that whole concept. He is trying to get more City money and Mr. Craford felt it was an impossibility. He encouraged the Chamber to at least pursue it.

He was not aware of the possibility of a PPC, at that time. He thought a PPC solves a lot of the issues that are their concerns. Their concerns are not merely the operational concerns, because they are not currently in the terminal. Their concerns are that by ceding ownership of the terminal itself (or this portion), the Airport loses control to manage or to adjust without potential buy-outs. He thought it was a poor public policy because it limits the Airport in what they can do down the road. Certainly situations change – the 135 operators have changed dramatically over the 15 to 16 years that he has been at the airport. There is no reason to think that they will not change over the next 10 to 30 years. That is the reason it felt it was important that the Airport own and operate the facility.

Some of the issues were echoed by a former DOT member who dealt with airports. That is why the State DOT does not encourage/support the private ownership in international airports. With regard to the legal challenge, Patty assured him that that was not a likelihood. Mr. Williams said it was kind of curious, when they were having a land conflict, they received a letter from an attorney that challenged their reservation of a particular land – land between them and Alaska Seaplanes. They said for them to lock up the land was essentially a violation of the Grant Assurances. Certainly, if that is the case for that (an agreement has since been reached), they thought there was a potential legal issue relative to locking up prime real estate and not making it available. He said he was not saying there is, but there is certainly a possibility that if you make the cost of entry so difficult that you essentially stifle competition, there could be an issue there.

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One other issue he noted, when he testified last fall when moving ahead with this project – and he is still fully supportive of trying to move ahead and get this done – there was no pre-disclosure that they had been talking for a year and a half about this concept of private ownership. They were encouraged to support it by the Chamber of Commerce. But the concept that he testified to was a concept similar to the SREB (Snow Removal Equipment Building), which was to shrink it, get it to what you could do or go find additional funding, as opposed to simply turning it over to the private sector. When it was finally publicly announced (or the first knowledge that he became aware that this was being considered) was at the November 2017 Board meeting. This was a proposal.

As time has gone on, he believed it is much more prudent in the long-run for the City and how we get there may be difficulty, but it may not be difficult. He recently discovered that there are PPPs (public private partnerships) that may be able to work this out if it is limited to just what needed to be done once it is determined what all the operators need. He thought in the long-run, it will be a source of revenue as opposed to a minimal source of revenue for the Airport. The terminal is unique from the other properties because it is a publicly owned facility that caters to people who want to provide a service.

Ward Air used to be in the terminal. They moved because that was the business plan they decided to adopt. That is not to say that they might not be interested in coming back in to partner with Harris Air or Island Air or anybody else. The issue is making sure that with the Airport having control of it and making sure they can accommodate competition.

Board Member Jerry Godkin said he received the attachment a little after 5:00 p.m. today. He said meetings have gone on for the last six months. He wished this had been brought forward a long time ago. There has been a lot of man hours of staff put into this to do a lot of this stuff. What probably rings the loudest in his ears is a spokesperson for Harris Air going yeah, yeah, yeah. He still remembered the lady sitting there and testifying that this idea was good. There is a lot to digest. It is not like the Airport hasn't found other solutions to other projects. He wished something like this had been culminated some time ago and not here after so many hours have been put in by countless staff.

Mr. Williams replied that he did not believe the hours have been wasted as they may have answered a variety of questions. Some of the questions on the back have answers. The question is if all of those answers have been adequately transmitted to all of the operators. It may be a simple matter to knock a bunch of those questions off the list. He thought there were still questions relative to the financial impact. Earlier today it was stated that the terminal today, as it is configured, as a cost center actually generates more money that by agreement goes out to the airfield. If the proforma shows that the loss of revenue from the terminal rents covers the expense of operating that very expensive wing, then it certainly is not going to put funds out to the airfield and will, indeed, affect everyone else. Those are the sorts of questions that need to be answered with some financial analysis. Maybe it is out there and a thorough job has been done of that. He did not know. If it has, it needs to be disclosed to the operators and to the Board just to see what the impact of this

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approach is. Sometimes people get enamored with a particular approach and say this is a good solution and get charging down the road with it without considering everything. Maybe it all has been considered, but it needs to be adequately and clearly communicated.

Airport Board Member Dennis Harris asked if Mr. Williams had done any kind of analysis. Mr. Williams replied that he had not done any specific analysis. He has had some discussions as Mr. Currier has in generating some rough numbers without a great deal of detail. However, in his discussion with Mr. Craford, he indicated the amount of revenue they paid over the last seven years. It raised the question with him, if that is the actual revenues that Seaplanes has been paying, exclusive from the revenues that Harris and Island Air have been paying, then there is a potential for a significant revenue loss on the back of a paper analysis. He thought it was very important and incumbent on the Airport before you get any further down the road to show those numbers. He understood to essentially have private operators such as Seaplanes or Harris Air or Island Air, if they so choose, to essentially provide the funding and bail out this process. He thought the Airport needs to look at the quick solution to solve the problem.

Airport Board Member Angela Rodell said a public private partnership is what is being proposed here in working with private operators with CBJ. Her experience throughout doing public private partnerships is that in order to generate the return that a private entity will need to make on this will require ceding some operational control. She heard contradictory information. The markup that an investor will need will be significantly more than chances are with what the private operators are going to be able to raise. She thought a lot of work has to be done on this, but everyone needs to recognize that they are already talking about a public (called CBJ) and private (the private operators) working out a partnership to develop the north terminal. Public private partnerships take many different forms – and one of them has already been proposed and discussed here today.

Mr. Williams agreed with Ms. Rodell that this is a public/private partnership. The question is who owns the facility down the road. That is his only concern. If there is cooperation between the current owners for investment and they can raise the funds and ultimately it is a rent to own type of situation, where ultimately the Airport will obtain ownership of the development – that would meet his concerns.

Kent Craford, Alaska Seaplanes, said since the north terminal is contributing to the revenues and cost deferment on the rest of the Airport, that must mean they are subsidizing Ward Air. In all seriousness, he said whatever the Board decides to do today or down the road with the north terminal, he said they started meeting with staff to discuss this concept in the fall of 2017. At the Board meeting in November 2017, he and a representative from Harris Air supported the idea. He said that at that time, there were only two Part 135 commuter tenants in the north terminal.

However it goes, he wanted to make sure everyone knows this was an open and on-the-record process. There was an Airport Board meeting, an update, Public Meeting #1,

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Public Meeting #2, as other parties and stakeholders expressed interest they were invited to the table (as evidenced by meetings that Island and Ward Air had), and maybe some of the other operators have changed their minds through the course of this. There is nothing wrong with that. He said that they are willing to look at other options today including just putting lipstick on the existing building and letting it ride for a few more years. It would save them a whole lot of money. The reason they got to this point last fall is because they have been involved in this process and they have been invested in the airport for quite a long time.

They have known for quite a long time that in this funding environment, there is no viable option for the CBJ to take upon itself the redevelopment of the north terminal – at least as the designs had been laid out. In fact, in 2012 on the morning after the general obligation bond passed, he went upstairs to congratulate Jeannie Johnson. The first words out of her mouth were, “It’s not enough money.” Every time we get a little more money, the goal posts keep moving further and further out. We said we’ve got to look at something different. It is a public private partnership. Maybe there’s another P that can be tacked on, but this is a public agency private entities (not one master lessor). The Airport listed the potential for seven lots of which Alaska Seaplanes wants at least three, which leaves four to be occupied by other operators. He thought this process had been in the spirit and interest of the public here, and especially their customers because it offered the best opportunity to get something done after so many years. He understands and respects their competitors who are expressing concerns. He just hoped that the plan is not to do nothing.

VII. NEW BUSINESS:

A. Airport Manager’s Report:

1. Badging Office Staff: The Airport hired Daisy Hamby, who started on April 23. Marc has been working with Daisy to get her up to speed. The badging office is open five days a week, Monday through Friday, 8:00 a.m. to 2:00 p.m. During the busy time when a lot of seasonal employees and contractors come for a badge, Marc and company have been helping out quite a bit; otherwise we would be more than a couple of weeks out. This is a busy, busy time of year.

2. TSA PreCheck Update. Deputy Airport Manager Marc Cheatham said TSA (Transportation Security Administration) PreCheck was done for a month. A meeting was held with David McDemott, AFSD (Assistant Federal Security Director), and Peter Duffy, Acting FSD. This test showed that the numbers are good for TSA PreCheck but are still only 40-50%. Their benchmark is 60%. The mornings could use more TSA PreCheck and he is working with the airlines for staffing. Delta Air Lines has volunteered to do the 4am-5am slot, and Alaska Airlines will staff the 5am-7am slot. The proposal is to open it up from 4-7 and then keep the one-hour block in the afternoon. It is looking good; however, TSA wants to have a little leniency to control the TSA PreCheck (to extend it or reduce it) as they see fit. If the standard lane gets too long, then it becomes a drag. Testing is currently being done again. The updated numbers will be provided. It is hoped that the increase at 4-7 will bring up the numbers. Please tell

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everyone about TSA PreCheck. Ms. Rodell said it worked well when she traveled ... just like any TSA PreCheck. They have moved the times to hopefully capture more TSA PreCheck passengers.

Mrs. Wahto said they sat down with TSA to go over some of the timing and numbers on this. While they like to keep the passenger check times down, there may be 55 minute wait times in Juneau during peak times, which means people will miss flights. Alaska and Delta are notifying passengers to get to the airport early. Mr. Cheatham said the 7-8 bank included three Alaska Airlines jets and one Delta jet. The throughput for the standard lane is 150 people, and that is 300 people per hour through the two machines. The jet traffic equates to 600 passengers, which is just not feasible ... unless everyone is TSA PreCheck and zooming through. He encouraged everyone to get TSA PreChecked. As the summer progresses, expect delays.

3. Airport Engineer Report (Attachment #1): Mrs. Wahto said comments are due by May 18 for the Airport Sustainability Master Plan. She had not seen any comments to date. They should be written or by e-mail. The Runway Safety Area Phase 2C is the paving of the Northeast and some of the Northwest Quadrant. The documents are being prepared for bid. These projects should be moving, along with the lighting project on the main ramp and some winter projects, as well as the snow removal equipment acquisition.

There are a few tenant, but not Airport-related, construction projects – one is with Coastal Helicopters. Their contractor is doing a great job and keeping the Airport involved every day with daily reports. Things were going along until a weather-delay occurred, but they should be back next week. They will be moving in and doing work on the building. The other one that is occurring is crane operations at the Mendenhall Waste Water Treatment Plant to install new infrastructure.

She has been in contact with HR (Human Resources) on the status of hiring an Engineer or possibly going out for a consultant contract engineer. She has also contacted the new City Engineer Director. Ms. Fritz has been burning the candles on both ends to try to keep up. Ken is continuing to work on a part-time basis. As we move into these projects, the Airport has to have an engineer. This is becoming more and more of a necessity.

Airport Architect Report (Attachment #2): Airport Architect Catherine Fritz reported F&W is back on site, mobilizing and getting ready for the wash-bay addition to the SREB. They have also been able to pick up some of the work that did not get completed under the main project due to not knowing if the wash bay was going to move through – specifically the siding and those areas that were not finished. The exterior painting will occur on the SREB this spring as it was too cold to paint last year. There is some interior paint touchup that will also be done as the panels were too cold. It is hoped to have concrete poured soon. We are waiting for the building permit. They just got contract approval today for Contract Administration, so everything is in line for what should be a

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good summer. The wash bay equipment has been ordered. It is being manufactured right now and everything should pull together nicely.

She thought everyone was aware of the MCG project with the terminal reconstruction. She noted that the Airport is so close to having SHPO clearance. There has been some back and forth between the State Historic Preservation Office (SHPO) and the Federal Aviation Administration (FAA) regarding the report that was done on the historical cultural resources of the north end building site area, but the Airport is very close to having that process concluded, which will give the Airport NEPA clearance and be eligible for the grant for the design work.

It is very exciting to see the surveyors on the Passenger Board Bridge (PBB) site today marking off the areas and make it clear what asphalt needs to be cut to prepare for that work. They will be on site tomorrow starting to mobilize their job trailer and equipment in the proximity of Gate 2. There have been some concerns expressed by Alaska Airlines and some from Delta about how operations are going to work around Gate 2 because they have a lot of flights and days with many aircraft remaining overnight. Staff is looking at temporary plans to make sure that their operations can continue as needed.

There was a small, but important project in April, which was to look at the pet relief area, also known as Service Animal Relief Area (SARA). This is driven by the Americans with Disabilities Act and is an FAA requirement that says you have to have one. The new requirements require that you have one indoors on the secured side of your airport unless you go through a process of bringing the parties together – TSA, service animal users, and other people like that to determine if there is an alternative that might work for the airport. Fortunately, the parties felt strongly that there was an alternative that will work for Juneau's Airport. The current location is going to be affected by the construction of the north end anyway and so they are asking the Airport to consider relocating the facility behind the tour bus canopy. This will work very well as it is already used as an informal pet use relief area because of its immediate proximity to the building. Staff believes that relocating it down there will solve the usage areas now and everyone was in unanimous agreement that it will be sufficient for Juneau to not require an indoor facility.

The Airport hoped to have the old building next to FedEx down by now. Unfortunately, it has a lot of lead paint on the siding so there will have to be a hazardous abatement process of that siding. Similarly, the hazardous assessment has been done for the terminal, so staff knows where there is lead and other material contamination that will need to be handled with care. It's basically everywhere. As the plan is developed to handle the demolition/replacement/renovation in the old terminal, the hazardous materials will be addressed as the project proceeds.

VIII. **CORRESPONDENCE:** None.

IX. **COMMITTEE REPORTS:**

A. **Finance Committee:** Committee Chair Angela Rodell said the Finance Committee has not met and has no plans to meet. If it becomes appropriate at some time to talk about a financing plan for the north terminal, they stand ready to have those meetings.

B. **Operations Committee:** Committee Chair David Epstein said that with the departure of Mr. Myers, he is the defacto chairman of the committee and they will have a committee meeting one week from Friday.

X. **ASSEMBLY LIAISON COMMENTS:** None.

XI. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** None.

XII. **BOARD MEMBER COMMENTS:**

A. Dennis Harris said if he recalled correctly, the proposal for leasing land and having Part 135 Operators build their own waiting room, counter space, and everything, he felt a little blindsided and he commented at the time on several things. One was the aesthetics of the space. He remembered seeing the original drawings where there was a high ceiling. He thought that concept was much better than what the Airport is talking about now. Perhaps the Manager can remind him why revenue bonds cannot be issued to build such a concept. It seemed to him that something like terminal expansion where revenue will be coming in and high revenue if the Airport owned the facility would be an ideal opportunity to sell the bonds. That's what revenue bonds are intended for. The market interest rates are still relatively low compared to what they were 20 years ago. Before things get worse and the Fed keeps raising rates, it seems the earlier the bonds are sold, the better the Airport would be. He accepted what the rest of the Board and staff felt was the way to go with great reservations and he still has great reservations about it. He still would rather the Airport own and build the building. He believed there were a number of questions that need to be answered and he hoped that the staff would work together with all of the Part 135 Operators and see if anyone else from Haines or Skagway or some other community is interested in operating out of Juneau as a Part 135 Operator to see if there is some way for the Airport to build the facility themselves. He said it has always seemed to him that that is what revenue bonds were intended for, which is to build facilities that generate revenue and which the revenue would help pay for the cost of the bonds. He looked forward to an answer from staff.

Mrs. Wahto said revenue bonds were discussed with the City & Borough of Juneau Finance Director Bob Bartholomew last year. Part of the problem with the City and revenue bonds is 1) what is out there to support it as far as the revenues, and 2) the ability to take out a bond for the gap in this was not a significant enough amount that the rate would be good or worthwhile to get the revenue bonds. Mr. Bartholomew was going to talk to someone about these, but he did not think it would be an option for the Airport. Mr. Harris asked staff to recontact Mr. Bartholomew and consider doing the whole project as revenue bonds.

Mrs. Wahto said the funding is very complicated, whether the next phase 2 is built in its entirety or break it up just because of how it gets diluted with the ability to use Federal funds, AIP (Airport Improvement Project) dollars, PFCs (Passenger Facility Charge) versus the bond (which the Airport has). If the Airport is going to take that route, how will the Airport enter into repaying the bonds? It got very complicated, as well as the fact that there may not be enough revenues to support the bonds for the duration that they would be needed. Ms. Fritz said the \$6.9 General Obligation (GO) Bond has been sitting there and available, approved by the voters, for use by the Airport. She wasn't sure why the Airport would want to displace the GO bond with a revenue bond. In terms of the AIP grant and the PFC funds, the PFC funds are essentially grant funds – they do not have payback requirements and the AIP is a grant. Why would the Airport use revenue bonds for something that it is receiving grant money to do? The delta is the difference of what the Airport has available funding for and what it needs funding for.

There are a lot of new ideas that have been floated over the last year and even the last eight hours. She said everything is back on the table. All issues will be looked at – the needs (which is called the scope), the budget (which includes revenue to support the budget – how much it costs and how to pay for it), and then a timeline (when it can be accomplished). It was never staff's intention to displace tenants before there was a viable plan that all had agreed to and that everyone was prepared for. Mr. Harris said he just didn't understand it. He thought perhaps staff has something already written up on it.

Jerry Godkin said for the record, when they asked Mr. Bartholomew about bonds, the City was already well extended on bonds and they were reluctant to increase their debt with bonds and they were not supportive of that at the time. Maybe things have changed over the last few months, but that is what he recalled. Mrs. Wahto said that Mr. Godkin's recollection is correct on bonds that the City would take out, not General Obligation Bonds. She thought they were talking about specific Airport Revenue Bonds. The Airport Revenue Bonds are another type of bond, as opposed to a general bond from the City that the City would pay.

XIII. **ANNOUNCEMENTS:** None.

XIV. **TIME AND PLACE OF NEXT MEETING:** The next regular Airport Board meeting will be held on June 12, 2018, at 6:00 p.m. in the Alaska Room.

XV. **EXECUTIVE SESSION:** None. An executive session should be planned for the June meeting for the Airport Manager's evaluation session.

XVI. **ADJOURN:** *Dennis Harris moved to adjourn. The meeting adjourned by unanimous consent at 7:12 p.m.*