



July 10, 2018

David Epstein, Chair
CBJ Airport Board
1873 Shell Simmons Drive, Suite 200
Juneau, AK 99801

Re: CBJ Airport Terminal North Wing Plan

Dear Mr. Epstein:

CBJ Airport Staff has proposed two options to move forward to replace the North Wing of the terminal. However, there is a much better third option which will meet the needs of current operators, allow for unencumbered future expansion, provide for adequate and proximate lease space for operators' cargo and mail handling and is fully consistent with the FAA's grant assurances. The third option also ensures that no carrier is disadvantaged at the expense of other current or future carriers.

The third option the Airport Board should approve is one that places an off-street loading zone directly adjacent to the north of the end of the public terminal. The Airport should then make multiple lease lots available to carriers just north of the parking lot for freight and or mail handling operations. The attached diagram reflects the proposed area layout, although size of each element would be adjusted as appropriate.

The Airport should support this approach for many reasons. Option #3:

1. Allows for unimpeded future expansion of the Airport owned and operated public north wing by simply shrinking an Airport owned and controlled parking lot. Option #2 precludes that expansion because it allows a privately owned cargo facility to be constructed on a long term lease lot immediately north of the public terminal;
2. Allows for more flexibility of the design of a publically owned and operated terminal, ensuring the design is the most cost effective and not driven by the desires of any single carrier. Option #2 is likely to result in the Airport accepting a design that marries well to a single carrier's adjacent cargo facility;
3. Provides direct entry into the North Wing passenger terminal from off-street access. Absent an expensive concourse around a private cargo facility, Option #2 does not allow for direct access into the passenger terminal from an off-street loading area;
4. Does not mix passenger and freight and mail operations in the main terminal. Option #2 would allow the merging of freight operations with the main passenger terminal;

ATTACHMENT #8

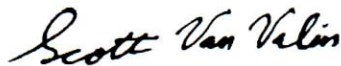
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5. Provides all current and future 135 carriers space to construct their own freight and/or mail handling facilities, with easy off-street loading access consistent with the Airport Master Plan. Option #2 could be in conflict with the recently adopted Airport Master Plan by joining freight and mail handling facilities with passenger facilities;
6. Places cargo facilities far enough away from the terminal to allow parking while loading. Option #2 places cargo facilities adjacent to the terminal which is likely to limit the public's ability to park while loading cargo; and
7. Allows carriers who want to construct freight and/or mail handling facilities to move ahead without waiting for the remodel or replacement of the North Wing. Option #2 would require coordination between the construction of a public facility and a private facility.

The North Wing should be designed to function for the long term, taking into account the cyclical and ever changing airline business. The terminal investment cannot be based on a particular airline or business model, but must be flexible and functional for the long term. As past experience in Juneau has shown, a dominant carrier today may not be the dominant carrier of tomorrow. This third approach avoids all pitfalls while encouraging the immediate development of the Airport.

We look forward to the opportunity to discuss this proposal further with the Board at its July 10, 2018 regular meeting tonight.

Sincerely,



Scott Van Valin
President
Island Air



Laura Kronsperger
Vice President
Harris Air



Edward K. Kiesel
President
Ward Air, Inc.



cc: Juneau Airport Board Members
Patty Wahto, CBJ Airport Manager
Rorie Watt, CBJ Manager
Bob Bartholomew, CBJ Finance Director
Craig Dahl, Executive Director, Juneau Chamber of Commerce
Kent Craford, Alaska Seaplanes
Kathy Smith, Alaska Airlines

Attachment: Option #3 Proposed CBJ Airport North Wing Area Layout

ATTACHMENT #8

