

**Juneau International Airport Board
Finance Committee Meeting
November 6, 2018, 9:00 a.m.
Alaska Room**

I. Introduction (meeting participants).

II. Airport Fund Balance & Capital Revolving Account Balance (Attachment #1). As of August 2018, the Airport has kept an online spreadsheet of the remaining balances and amounts borrowed from both the Airport Fund Balance (AFB) and Capital Revolving Account Balance (Capital Improvement Plan (CIP) Revolving Balance) for project match, forward funding or budget balance, etc. This has been updated showing the reimbursement for the Snow Removal Equipment Facility (SREF) Sand/Chemical/Fuel Design post-grant award. The standing usable balances at this time are:

AFB: \$3,362,186

CIP Revolving Bal: \$ 744,334

The AFB balance already accounts for both FY19/20 contribution to operating budget (to balance), as well as the 3-month operating reserve (based on FY19 budget). The CIP Revolving Balance is typically used to forward fund projects until a grant or match funds are appropriated. The AFB has been used to forward fund projects or match until a grant or match funds are appropriated. The AFB also funds budget deficit or emergency repairs. The AFB exists due to over-collection of rates and fees within the operating budget. This account information is helpful when deciding how to finance projects, repairs and general airport expenses.

III. Capital Improvement Plan (CIP) Update (Attachment #2). The Airport has updated the CIP. One of the updates includes the 'Departure Lounge Secured Exit Lane' (#13). The exit lane has been on/off the CIP as either its own stand-alone project or combined with the Terminal Reconstruction for the past couple of years. It was mistakenly taken off the CIP with the last update, but is back on and discussed in Section IV, below. This provides the most up-to-date list, but is a fluid document. It is supplied as an update reference for the Finance Committee.

IV. Terminal Departure Lounge Exit Lane (Attachment #3). At the October 9, 2018, Airport Board meeting, staff presented the issues and costs of replacement for the Departure Lounge Exit Lane. The attached memo from that Board meeting summarizes the system's importance, the issues and the proposed new system. The recommendation to fund a dual exit system estimated at \$360,000 from Terminal Reconstruction account was unanimously opposed by the Board, as amended. Staff was to re-evaluate funding since the proposed Terminal Reconstruction project budget was already tight. Additionally, some Board members felt that the timeline for public discussion of this project/urgency was lacking. The project is being brought before the Finance Committee for discussion and proposed action for funding.

The exit lane between the sterile area and the public area of the terminal has created several

false alarms and needs to be upgraded in the near future. Staff tried for a Department of Homeland Security (DHS) (Transportation Security Administration “TSA”) grant as well as port grants, but was denied on both in 2016 and 2017. Staff also requested Federal Aviation Administration (FAA) Airport Improvement Program (AIP) funding earlier this year, but was told the equipment was ineligible. This project had been part of the Terminal Reconstruction as well as its own project on the Airport CIP for a couple of years. The original estimate for a dual system was \$450,000.

The exit lane is a controlled access point to the sterile departure lounge and is an important egress. A non-functional exit may require staffing the exit or potential fines if the system is breached. Staff proposes using Airport Fund Balance to purchase the equipment. The estimated cost of the new dual system plus design, staff time and construction administration is now estimated at \$380,000.

Finance Committee Motion: *“Approve the use of Airport Fund Balance to fund a secured dual-system exit lane for the departure lounge, at a cost not-to-exceed \$380,000, and forward to the Airport Board for approval.”*

- V. Elevator Concerns.** As mentioned at the October 9, 2018 Airport Board meeting, the Airport’s only public elevator was inoperable for over a week in October. We have had periodic maintenance issues over the past few years, but the October outage was the longest. This 1984-installed elevator is a heavily used elevator daily and is an Americans with Disabilities Act (ADA) access concern when it is not functional. There were a couple of components that required replacement to get it ‘running’ with the last outage, but the age of the elevator is making availability of parts scarce. The terminal reconstruction project proposes two new elevators in the new construction area, but staff is concerned that the current elevator may not continue working and may have frequent down times in the time it takes to get the proposed new elevators operational. The Airport has a maintenance contract with Otis for repairs and preventative maintenance and we are reviewing the contract to ensure any required repairs would still be covered by the contract.

Staff is now looking at having some contingency plans in place to meet ADA requirements during times that the elevator may be down.

VI. Other items for discussion.

VII. Next Finance Meeting: TBD