

MINUTES of
AIRPORT BOARD MEETING
July 16, 2020
ZOOM Meeting, 6:00 p.m.

- I. **CALL TO ORDER:** Chair Jerry Godkin called the meeting to order at 6:02 p.m. Chair Godkin welcomed Mr. Kvasnikoff and welcomed back Mr. Bedford to the Board.
- II. **ROLL CALL:**
Members Present:
- | | | |
|----------------|------------------|---------------|
| Dennis Bedford | Jerry Godkin | Chris Peloso |
| Al Clough | Jerry Kvasnikoff | Angela Rodell |
| Jodi Garza | | |
- Staff/CBJ Present:
- | | |
|-------------------------------------|----------------------------|
| Patty Wahto, Airport Mgr. | Teresa Bowen, CBJ Law |
| John Coleman, Airport Business Mgr. | Lori Sowa, CBJ Engineering |
| Catherine Fritz, Airport Architect | |
- Public Present:
- | | |
|-----------------------------------|--------------------------|
| Tom Williams, Ward Air | Kathleen Samalon, Tenant |
| Amy Fuller-Lyman, Alaska Airlines | |
- III. **APPROVAL OF MINUTES:** *Angela Rodell moved to approve the minutes for the special meeting of May 7, special meeting of May 27, and the regular meeting of June 11, 2020. The motion passed by unanimous consent.*
- IV. **APPROVAL OF AGENDA:** *The agenda was approved as presented.*
- V. **ELECTION OF OFFICERS:** The current officers are Jerry Godkin, Board Chair; Al Clough, Vice Chair; and Jodi Garza as Secretary. *Angela Rodell moved that all three continue to serve in their current roles – Jerry as Chair, Al as Vice Chair and Jodi as Secretary. The motion passed by unanimous consent.*
- VI. **COMMITTEE ASSIGNMENTS:** Delayed until the August meeting. Chair Godkin asked Mr. Kvasnikoff or anyone wishing to change committees to contact him with their preferences.
- VII. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** Tom Williams, Ward Air, said he noticed in the Engineer's Report that there is a comment relative to the paving that SECON had done around the new hangar and that Ward Air was not pleased with the results regarding some drainage issues. He reported that SECON has come back at their request and addressed the drainage issues along the taxiway that goes between their hangar and the other red hangars. Some additional drain and culvert has been placed to connect with the existing drain and believe that the problems have been solved.

VIII. UNFINISHED BUSINESS:

A. Aqueous Film Forming Foam (AFFF) Polyfluoroalkyl Substances (PFAS) Contamination Testing Continued Site Assessment (Attachment #1 and #2). Airport Manager Patty Wahto said this has been discussed for 1.5 years. The Department of Environmental Conservation (DEC) wrote to the Airport and the City & Borough of Juneau (CBJ) at about the same time about the PFAS contamination from firefighting foam in January 2019 regarding checking where sites where known spray of the contaminant PFAS had been applied. She noted that Lori Sowa, Project Manager for PFAS, from CBJ Engineering is currently on line for additional information. The wells were drilled last fall and testing occurred on both the soil and the groundwater. There was contamination showing up in various sites. One soil sample was above the exceedance level and three groundwater samples exceeded the DEC values. The report was provided to DEC.

There are contaminated sites that would be moving forward with the recommendations of Cox Environmental, they would write a site plan recommendation. Ms. Cox would put together a site analysis plan (SAP) to DEC and then once DEC approves, additional wells will be drilled for continued testing, monitoring and quarterly reports for the next year. It would include the original wells that were drilled, with one well reset which did not have a clear sample.

Attachment #1 is the summary of the recommendations from a much larger report that went to DEC. DEC approved what was there. Attachment #2 is the next phase of tasks and the costs associated with it. The Airport is at the point that doing due diligence of finding where the parameters, delineating good soil from bad soil and groundwater, as well. The Federal Aviation Administration (FAA) will not pay for this with Airport Improvement Program (AIP) funds. The Airport is looking at insurance with the Risk Management Department to see if anything is covered. How will this be paid? Perhaps it is paid up front with the current budget in the hopes that something will come out of it from a federal level or insurance.

Ms. Sowa, CBJ Engineering, said they have done the initial round of testing at the Hagevig Fire Training center with seven wells. PFAS was found. A drinking water well search was also done. She said they are fortunate that the area is served by City water. They are preparing to add 13 additional wells to delineate the impacts to see if it has traveled off-site or not, which should be drilled early next week.

Ms. Wahto said that one of the discussions with CBJ was if this would fit in the insurance funds or coverages. The Hagevig Center may as they are in a little bit different situation as not just one entity uses it as the State has some responsibility there and possibly at the Airport as well. The other thing was setting these projects up as if they were a CIP (Capital Improvement Project) that can be tracked easier. This would still come with up-front budgeting but staff would eventually look for other ways – federal funds or

AIRPORT BOARD MEETING

July 16, 2020

Page 3

insurance – to pay the costs. She said there may be more requirements in the future after the year of monitoring. *Al Clough moved to approve the next phase of work for the Aqueous Film Forming Foam (AFFF) Polyfluoroalkyl Substances (PFAS) Contamination Site Testing - through the PFAS - Continued Site Assessment Activities budget with Cox Environmental Services, at a cost not-to-exceed \$196,831.60; and forward on to the Assembly for additional spending authority. The motion passed by unanimous consent.*

IX. NEW BUSINESS:

A. Tenant Rent Abatement Using CARES Act (Attachments #3 and #4). At the June 18 Committee of the Whole (COW) meeting, the Board got into the whole CARES Act for rent abatement – how that would look and some sort of application process that staff would present to the FAA (Federal Aviation Administration). There are commercial users and non-commercial users and subcategories. The Board Members approved the motion in the Board packet at the COW meeting, with the idea that staff would come up with the actual application. It was approved six to one to accept applications from commercial aviation tenants and subtenants for the abatement of rent for both terminal and land. Two additional letters from Airlift Norwest (a subtenant of Glacier Aviation) were received after the COW meeting and are in Attachment #3. Attachment #4 is a very simplified application, which was sent to the FAA for their review. The FAA concurred with rent abatement and the application. Ms. Wahto received a call from the Kristi Warden, Director of FAA Airports Division, expressing that she thought the Airport was doing a good thing and paving the way. This wasn't being done elsewhere. She felt it was a good way to help the tenants and that it certainly meets the intent of the CARES Act. *Angela Rodell moved that the Board approve to accept applications from commercial aviation tenants/subtenants consisting of Part 121 air carriers, Part 135 air carriers and commercial aviation support operators for rent abatement of fixed rate land lease, terminal lease and aircraft parking/tie downs at the Juneau International Airport; for an initial one-year period from July 1, 2020 through June 30, 2021; and re-assess thereafter for additional abatement period. Al Clough noted he is the president of Taku Aviation Services, which owns the Wings Hangar, a recipient of the program, he recused himself from discussion and voting. Ms. Bowen concurred with Mr. Clough's recusal. Mr. Bedford commended the staff for coming up with a simple, straight-forward application. He said perhaps it would make sense to reach out to all tenants and advise them of the application process. Mr. Williams said Ward Air is a tenant on the airport. Its sister company, RED Leasing, is the leasing company that holds the leases on the airport, yet also owns airplanes which it leases to Ward Air. He asked if the wording would cover RED Leasing, as well. Ms. Wahto said it would fit the definition. Mr. Williams thanked the Board for proposing this rent abatement. The motion passed by unanimous consent.*

B. Airport Manager's Report:

1. Deputy Airport Manager Resignation. On July 7, 2020, Marc Cheatham, Deputy Airport Manager, submitted his 30-day resignation, with his last day being August 6.

AIRPORT BOARD MEETING

July 16, 2020

Page 4

The Airport wishes Mr. Cheatham and his family the best. The Airport is working with Human Resources to recruit for his replacement.

2. Airport Fund Balance (AFB) and Capital Revolving Account (CIP) Balance (Attachment #5). Ms. Wahto said Attachment #5 reflects what was passed by the Airport Board and Assembly in the GO (General Obligation) Bond for FY21 and FY22, as well as the CARES Act to cover it. The idea is that no CARES Act has been applied yet. The Airport hasn't seen the full effect of COVID on rents and variable fees such as: landing fees, fuel flowage fees, passenger security fees, etc. With that, no CARES Act has been added in other than for the GO Bond. She expected the numbers for FY20 on will all change and be covered with CARES Act funds.

3. Runway Lighting Regulator Outages. On July 1, the Airport had a cascading event involving two of the airfield lighting regulators taking several of our airfield lights out of service. The capacitors were repaired immediately, but in consultation with electrical engineers the regulators were not operating at their most efficient level. This system is being redesigned now as we plan for the permanent relocation of the new lighting vault during the taxiway project.

4. Hot Topics. The following is a list of on-going topics that staff is working on in addition to the regular Architect and Engineering Project Reports:

- *Meeting with Senator Sullivan*. Ms. Wahto and Catherine Fritz met with Senator Sullivan on Tuesday. Discussions were held regarding the Passenger Facility Charge (PFC) cap and that it is really important now as the numbers have dropped, it becomes more important to smaller airports to raise the capital from PFCs so that the projects are not hanging out there. While there are dollars, airports might have to wait for years to get the match. It was discussed where the Airport passenger numbers are at in the first six months of the year compared to 35+ years. COVID impacts were discussed. Staff thanked the Senator for supporting the CARES Act funds. The big one that staff hit the Senator up for was the MALSR (Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights) system. He was able to watch aircraft on a day when the weather was coming in and going down. He got to watch aircraft and see what it looked like and the need for the additional lighting for lower minimums. It gave him a real look at the ground level.
- *Alaska Department of Environmental Conservation Storm Water Pollution Prevention Plan (SWPPP) Multi-sector general permit (MSGP)*. This will be submitted to DEC by the end of the month. There was a stakeholder meeting with tenants on June 11 to discuss the permit and a lot of the things that were happening with the current SWPPP program.

AIRPORT BOARD MEETING

July 16, 2020

Page 5

- *Alaska Department of Environmental Conservation Storm Water Pollution Prevention Plan (SWPPP) Multi-sector general permit (MSGP) Inspection.* During the inspection, some violations were found with regard to some reporting. All items were found and submitted on line. The close out letter was received on June 30.
- *Egan/Yandukin Intersection Improvements Project.* Ms. Wahto and Jerry Godkin were both participants in a meeting that went over many alternatives that Alaska Department of Transportation (ADOT) had for the intersection. They included roundabouts, to lights, to overpasses to just shifting the whole intersection. Each one had pros and cons. Comments were submitted by last Friday. The State has been great keeping everyone involved and it is appreciated.
- *FAA Compliance Land Use/Financial Letter (January 2019).* The Airport submitted follow-up reports and updates. The FAA attorney stated that the U.S. Fish and Wildlife (USFWS) may not require lease payments and this compliance matter has been removed from the non-compliance letter.
- *Transportation Security Administration (TSA) passenger screening checkpoint equipment* is tentatively scheduled for replacement in September/October 2020. This will be the newest and greatest equipment.
- *Financial Model and Finance Committee Review.* Ms. Wahto said staff is working with the Finance Department to see if there is money left with Elgee Rehfield to perhaps work on the model. Chair Godkin asked for this to be put on the radar. He said he will let staff work with the Finance Chair to get this ball rolling.

5. Airport Engineer Report (Attachment #6): Mike Greene, Project Manager, said the Taxiway Project is moving forward in leaps and bounds. He responded to the Board about possible savings as discussed in the June meeting. This bid was a lump sum and, with a few exceptions, the revised and expanded phase time has not changed. That does not mean staff is not pursuing changes and savings where it makes sense as the construction continues. SECON has basically doubled their manpower, paving tools, and administrative staff. There will not be savings based on a shortened period of construction. Construction will actually go through the entire two-year period. It will just simply be a reduced effort in 2021. The civil work will all be done this year, eliminating the possibility of any runway closures and civil work that would impact operations next year.

The work that will go through next year will be the completion of the new ALRV (Airfield Lighting Regulator Vault), an addition to the SREB (Snow Removal Equipment Building), will be in January 2021. The work that will actually cut over the lighting regulators and switching the controls will happen next spring as originally scheduled with the FAA. The project will go through the full two years. The project is currently in Phase S6, with S7 and S8 remaining. S6 is anticipated to be completed in the next three to four weeks due to a bad weather window. Staff is still working

AIRPORT BOARD MEETING

July 16, 2020

Page 6

with a full contingent from the design team, the construction administration inspection team, and the Airfield Maintenance and the Airfield Safety Officers. A lot of work is going into this project.

Board Member Al Clough thanked Mr. Greene for the summary. The good news is that this is the silver lining – with COVID things are getting done a lot faster with a lot less hassle and ultimately a better project without all of the complications.

Staff is pricing out the lavatory dump site to see how this might be moved into some kind of construction phase, whether piecemeal or all at once. Parking lot repairs in phases or bundles continues.

6. Airport Architect Report (Attachment #7): Catherine Fritz, Airport Architect, reported that staff continues to close out the Sand/Chemical Building. They are working hard to make sure that the building will be accepted and used this fall. The Sand Shed Removal Project has documents that are virtually ready to bid. Staff is in the process of trying to finalize an agreement with the property owners of Channel Flying so that the contractor will be able to access the property during construction as a portion of the scope of work involves building a new wall within their building because the current shared wall will be removed as part of the demolition. They have received the documents and are reviewing them. It is hoped that the agreement will be signed soon. Once that is in place, the project will go out to bid.

The Terminal Reconstruction Project has been very busy. There is an excellent design team and construction and administration services on site and everything is being addressed as it comes up. There have been a couple of small time extensions for COVID impacts and a few unknown conditions. All changes to date have been approved by the FAA for AIP funding. The schedule shows a spring 2021 initial completion for the initial phase. This will get the administrative crew into their new offices. The next piece will be the demolition of the north terminal annex and the demolition of the main stairway/ escalator/elevator inside the main door. This will take several more months. The total project completion is expected by the end of 2021.

The secure exit lane is working great. Staff has also worked with Capital Transit on relocating the bus stop. This is an idea that has been out there for several years. This is to try to get it more in line with the entry, the taxi waiting zone, etc., so that people realize that the transit is available. Transit service to the Airport has been cut off at this point due to the reduced routes because of COVID. People who want to use the bus must go to Nugget Mall or by Wells Fargo or Denali Bank on Glacier Highway. This is a good time to make some modest changes that might be able to bring the transit stop closer.

AIRPORT BOARD MEETING

July 16, 2020

Page 7

Staff is looking at replacing a portion of the bag belt system in the terminal. It is very aged equipment and is in dire need of replacement. Staff is moving forward with procurement of those particular pieces through a small purchase contract.

7. COVID-19 Testing Tents: Airport Board Member Jodi Garza asked about winter and the tents located outside of the building. Ms. Wahto said she has talked to Capital City Fire & Rescue about this and they are looking at putting up some sort of structure that will at least block them from the weather. This cannot be done inside as the building does not allow the air flow necessary to protect other people. They will continue to operate in the tents unless they have to bring in a whole new facility.

8. COVID-19 Test Employee Costs. Chair Godkin asked about the 40 employees and where the funding came from to pay for them. Ms. Wahto said the funding is coming from the State Health and Social Services funding stream as it is their mandate.

9. Passenger Levels. Chair Godkin asked where the passenger numbers are at. Ms. Wahto said the numbers are down 60 to 65 percent through June. The numbers are getting better but are not normal. The flights are heavy, but Alaska Airlines has cut the number of flights in.

10. Freight Loads. Chair Godkin asked where the freight loads are at. Ms. Wahto said Alaska Airlines continues to fly four aircraft a day. Two are freight, UPS, FedEx and mail.

X. CORRESPONDENCE: None.

XI. COMMITTEE REPORTS:

A. **Finance Committee**: Committee Chair Angela Rodell had nothing to report but will work to schedule the meeting to talk about the model.

B. **Operations Committee**: Committee Chair Al Clough had nothing to report.

XII. ASSEMBLY LIAISON COMMENTS: None.

XIII. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS: None.

XIV. BOARD MEMBER COMMENTS:

A. Al Clough congratulated staff for making the application as simple as possible, but still providing some kind of vapor trail. Also for getting the quick response from the FAA. Staff did a good job. He thanked everyone involved for bringing that into a nice, simple, easy to use form.

AIRPORT BOARD MEETING

July 16, 2020

Page 8

B. Angela Rodell said she had the opportunity to fly out of state and come back. She is still waiting for the test results, but the signage and process that the Airport set up to do that is so well marked and so easy. It is fantastic. For anyone concerned about having to come back into the Juneau Airport after being out of state and being concerned about the process, it is very streamlined, very straightforward. She did believe there were 40 people because there are so many people to answer questions and direct people. She said from her experience of landing out of state, no other place is taking the care that Alaska is.

C. Chair Godkin said he is working on the Manager's annual review. He has about got it ready to distribute. It cannot be typed until Ms. Chapin returns from vacation. He will have this on next month's agenda. The Manager is not due a pay increase this year.

XV. **ANNOUNCEMENTS:** None.

XVI. **TIME AND PLACE OF NEXT MEETING:** The next regular Airport Board meeting will be held on August 13 2020, via ZOOM.

XVII. **EXECUTIVE SESSION:** None.

XVIII. **ADJOURN:** *Jodi Garza moved to adjourn. The meeting adjourned by unanimous consent at 7:05 p.m.*