

MINUTES of
AIRPORT BOARD COMMITTEE OF THE WHOLE MEETING
June 18, 2020
ZOOM Meeting, 6:00 p.m.

I. **CALL TO ORDER**: Acting Chair Al Clough called the meeting to order at 6:00 p.m.

II. **ROLL CALL**:

Members Present:

Dennis Bedford	Jerry Godkin	Chris Peloso
Al Clough	Dennis Harris	Angela Rodell
Jodi Garza		

Staff/CBJ Present:

Patty Wahto, Airport Mgr.	Teresa Bowen, CBJ Law
John Coleman, Airport Business Mgr.	

Public Present:

Tom Williams, Ward Air	Kathleen Samalon, Tenant
Amy Fuller-Lyman, Alaska Airlines	

III. **APPROVAL OF AGENDA**: Chair Clough said this meeting was to discuss the CARES Act and what the Board may or may not want to do with regard to extending some kind of relief towards tenants on the airport. Staff has provided a fairly detailed report with a lot of references on that topic. *Jerry Godkin moved to add public comment to the agenda. The motion passed by unanimous consent.* Mr. Godkin said he had an e-mail from the City Attorney and Ms. Garza. The City Attorney advised under New Business that it would be a point in time for anyone to discuss whether or not they have a conflict of interest. Mr. Clough stated several issues that he has that may constitute a conflict. He is an employee of Wings Airways, but not doing much flying this year. He is also the President of Taku Aviation Services which owns the Wings hangar and leases space to Wings Airways and the medevac provider and Alaska Seaplanes. He also owns a private hangar on the field and leases the land from the Airport. He said he was not the only one on the Board with this type of association and he would rely on the City Attorney to comment on whether this would constitute a conflict. Teresa Bowen, City Attorney, said that this abatement process is being targeted more at commercial aviation users, they would ask if they are a representative, employee, or owner of a Part 135 or 121 aviation user, they would have a conflict at this stage. If it becomes a more broad-based Airport policy where many users are affected by it and not just the commercial aviation, then the subset becomes large enough that it is no longer a conflict. As she understood the agenda, it would be a conflict of interest under the Code. Mr. Clough asked if it was appropriate for him to Chair the meeting or turn the duties over to Mr. Godkin. Ms. Bowen said the duties should be handed over because under the Conflict of Interest, a person cannot participate, deliberate or vote, so he needs to hand it over to Mr. Godkin. Chair Godkin said that Ms. Bowen's e-mail said that if someone believes they have a conflict on an issue

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that is being discussed, the Board Member should leave themselves muted. Board Member Jodi Garza moved to amend the agenda to discuss tenants on the Airport and not just the 121/135 groups. No objection was made. Ms. Bowen said Mr. Clough can now be a part of the discussions, etc. Chair Godkin said he had an issue with the General Aviation (GA) as he did not feel that it is what the CARES Act was for. Board Member Dennis Bedford said he did not know if they could exclude GA, as many use their hangar for business one way or another. Board Member Angela Rodell suggested it be placed under New Business, A. under Tenant Relief Group. *The agenda as amended was approved.*

IV. **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:**

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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. 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.

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- *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

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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.

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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.

V. CORRESPONDENCE: None.

VI. 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.

VII. ASSEMBLY LIAISON COMMENTS: None.

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

IX. 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.

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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.

X. **ANNOUNCEMENTS:** None.

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

XII. **EXECUTIVE SESSION:** None.

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