

MINUTES of
AIRPORT BOARD MEETING
March 10, 2022
6:00 p.m. via ZOOM

I. **CALL TO ORDER:** Chair Al Clough called the meeting to order at 6:02 p.m.

II. **ROLL CALL:**

Members Present:

Dennis Bedford	Jodi Garza	Jerry Kvasnikoff
Al Clough	Jerry Godkin	Chris Peloso

Member Absent:

Dan Spencer

Staff/CBJ Present:

Patty Wahto, Airport Mgr.	Chris O'Brien, Airport Equip. Operator
Scott Rinkenberger, Dep. Airport Mgr.	Wade Bryson, CBJ Assembly Liaison
Phil Adams, Airport Superintendent	Sherri Lane, CBJ Law
John Coleman, Airport Business Mgr.	Mark Fuelle, CBJ Fire Department
Mike Greene, Airport Project Mgr.	

Public:

Kathleen Samalon, General Aviation	Ken Nichols, DOWL
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III. **APPROVAL OF MINUTES:** *Jerry Kvasnikoff moved approval of the minutes of the February 10, 2022, Board meeting. The motion passed by unanimous consent.*

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

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

VI. **UNFINISHED BUSINESS:**

A. **Hangar Flooding.** Operations Committee Chair Dennis Bedford said there was a long discussion. A lot of proposals were made. Currently they are looking at the grade and slope. Until that information is received, there is not a whole lot that can be done. Staff is working on it. Airport Manager Patty Wahto said there was a lot of participation.

VII. **NEW BUSINESS:**

A. **Airport Manager's Report:**

1. **Deputy Airport Manager Retirement.** Scott Rinkenberger has announced that he will be retiring. Mr. Rinkenberger said this was a bitter sweet decision. Collectively he has 35 years of public service, from the Marine Corps, State Trooper in Colorado, to Department of Defense work. His wife and he decided it is time to hit another gear

AIRPORT BOARD MEETING

March 10, 2022

Page 2

in life and transition into the rest of his life. This decision was made with a great amount of deliberation and sleepless nights. His wife is being considered for a position in Tucson, Arizona. It has been a pleasure to work here. It has cultivated into friendships that he believes will endure for the rest of his life. He is looking forward to retirement.

2. Airport Fund Balance (AFB) and Capital Revolving Account Balance (Attachment #1). There has been no change on these documents.

3. CARES/CRRSAA/ARPA Fund Balance. The table is a good summary of what it has been used for and plans for use. This gives the estimated amounts for FY22 and includes tenant relief for FY23, and then FY23 and FY24 budget. This was updated to show the numbers that were passed at the February 10 Airport Board meeting. There will be some changes for insurance increase and any other changes that come up will be adjusted.

CARES/CRRSAA/ARG Act Use		2/2/2022
30,590,133	Grant awards*	
(727,145)	FY20 Operational Expenses	
(3,427,111)	FY21 Operational Exp incl tenant relief; yearend	
(602,375)	FY21 Airport GO Bond debt service	
(662,625)	FY22 Airport GO Bond debt service	
(203,028)	TWY Regulator Upgrade (appropriated)	
(1,610,000)	Bag Belt Replace - Est; + \$50K design (10/21)	
(600,000)	Parking Lot Design (max) - Estimate	
(92,885)	Bagwell Gas Detect/Alarm - est; + \$42,885 design	
(115,000)	SREB Circulation Pump Upgrade	
(175,000)	Sand/Chem bldg Back-up Boiler system	
(50,000)	Forklift vehicle	
22,324,964	Balance	
	<i>Proposed Use</i>	
(1,200,000)	FY22 Tenant Rent Relief (est)	
(2,084,900)	FY22 Operational Expenses (est)	
(1,200,000)	FY23 Tenant Rent Relief (est)	
(1,491,800)	FY23 Operational Expenses (est)	
(1,377,700)	FY24 Operational Expenses (est)	
	GO bond debt service FY23/24 TBD	
	Parking Lot Construction - TBD	
14,970,564	<i>Proposed/estimated balance FY22 end</i>	
	*\$98,347 concession relief requirement	
Note: Add'l Concession grant \$393,387 signed 1/3/22, not incl in total		

AIRPORT BOARD MEETING

March 10, 2022

Page 3

4. CARES Project List - Non-Federally Eligible (Attachment #2). Ms. Wahto said there is no change. It is being kept in the packet in case anything needs to be referenced to discuss projects or amounts and to have it handy.

5. Summer Flight Schedules. The air carrier schedules look to resume back to pre-COVID numbers of flights. Alaska Airlines will ramp up for additional flights in a few months, with additional flights in July. Delta Air Lines first flight of the season is scheduled for June 6, with the first outbound on June 7. Air North is planning to resume their service in the middle to third week in June. This will probably use Gate 2 and they will try to schedule so that it is not in the middle of the busiest time. Board Member Jodi Garza asked if the Alaska Airlines 2:30 a.m. departure would create any issues. Ms. Wahto replied that it will not. It will not be a problem for the Airport itself. It will be for the Transportation Security Administration (TSA) because it will essentially be a 24-hour airport. When TSA changes their hours of operation, it will change our agreement for operations at TSA for the Airport's reimbursement program. Instead of a 21-hour operation, the Airport may get an additional three hours out of the TSA.

6. 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:
 - *Title 49 (Jordan Creek) Variance Request*. Mr. Rinckenberger said he is in the final stages of shoring of narratives for the application of the variance and a development permit application. The Airport is trying to find some associated documentation from 2014 and before. The Airport is filing for two separate variances: one for inside the perimeter to deal with wildlife and associated wildlife management situations; and one for outside the fence, which is the Jordan Creek greenbelt area that is adjacent to the Glory Hall property. The plan is to have them filed with the City by March 18, which will put them on the Planning Commission agenda for April 26, when there will be a hearing for the variance applications. Ms. Wahto said the Airport considered doing one variance, but they need to be separated for the main reason that if the Federal Aviation Administration (FAA) says to take down trees, they need to be two separate issues. They each have different problems. Chair Clough asked if the Planning Commission delays this and does not act in the Airport's favor and the FAA orders the Airport to do it, will there be any fall-out once the Airport complies with the order. Ms. Wahto said the whole hold up is not with CDD or the Planning Commission. It is still stuck with the Title 49 Committee. She thought the Airport will have their day in court with the Planning Commission, especially for the section inside the fence. The Airport hopes to see the safety and security sides.

AIRPORT BOARD MEETING

March 10, 2022

Page 4

- *Mask Mandate at Airports.* The mask mandate at airports has now been extended to April 18.

7. Airport Project Managers Reports (Attachment #2): Project Manager Mike Greene said the Terminal Project completion dates are being jockeyed around a bit. The project areas scheduled for completion include the main entry on the first floor level, the main stair case, the escalator, the upper ramp and the public seating area on the second floor. There is a lot of additional work that has been introduced into the project in the form of repair and replacement items in order to get the job in the position to be able to do the building balancing with the HVAC (heating, ventilation and air conditioning) system. This has been an ongoing effort and Mr. Greene's primary focus. Chair Clough asked what the budget effect is on the change orders. Mr. Greene said the percentage of change orders on the overall project is at 9.77%, and that is not bad on a \$16+M project. The majority of the change orders on the project have met the FAA's AIP (Airport Improvement Program) eligibility requirements. There have only been a handful that have not. He is still putting the numbers together. Because of the FAA participation, the Airport is in pretty good shape.

The Airport is trying to phase out the Taxiway Project. The startup and testing of the generator, load bank and switching continue. This will be the final push to wrap that up. The Airport is going to close out the ALRV (airport lighting and regulator vault) work using JNU's own forces along with an outside contractor because the Airport is not getting the cooperation with the general contractor that is needed. This is all work that is above and beyond the scope of the original contract, the Airport will not chase it through the Secon contract. This is one more large project that can be put in the closeout file.

Ms. Wahto said Mr. Greene has handed over some of the projects to Ke Mell to get her onboard with things that she can work on and become familiar with. The outbound baggage belt should be at 95% bid documents by the end of March and then hopefully advertising for bids in May and get substantial completion within the next year. Even if this goes out to bid, there will be a delay factor for lead items. This will be a winter install.

The Airport is looking for the notice to proceed from Contracts for the Bagwell Mechanical (gas detection system). Parking lot repairs have DOWL/RESPEC waiting for their Notice to Proceed.

Gate 5 Passenger Boarding Bridge is at design. Staff is working parallel with the remain-overnight (RON) parking area, as well as the 121 and 135 ramp rehab, following construction next year. The pre-work is being sent to the FAA. They have

AIRPORT BOARD MEETING

March 10, 2022

Page 5

the narratives, the data sheets, and this was the last categorical exclusion (catex) that the Airport needed to submit. Both Ms. Mell and Mr. Greene have been trying to locate a leak in the old shop. They are looking for Alaska Commercial Contractor to do investigation only. Mr. Greene said it appears to be a broken vent pipe that only leaks when there is a lot of snow on the roof or when the vent pipe gets water running down it from a very heavy rain, which makes it hard to find.

VIII. **CORRESPONDENCE:** LAB Hangar correspondence will be in next month's packet. Ms. Wahto said the issue is to ensure that based on that location the property is strictly 100% air freight forwarding and no other type of storage or freight cargo facility. In other words, nothing that comes in by marine lines or anything else can be stored there. The other issue is – is this the best place for it. The FAA compliance team weighed in that they wanted to make sure it was 100% and they were not too keen on the idea of that being on the main ramp. They said that if it is 100%, it is fine. This is still being discussed with Reliable Transfer.

IX. **COMMITTEE REPORTS:**

A. **Finance Committee:** Committee Chair Jodi Garza had nothing to report. Ms. Garza asked if there had been any follow-up from the Assembly Finance Committee. When they reached out, it was an e-mail that said there will be an expectation that the use of the funds will be to pay the bond debt as long as the funds were available. Ms. Wahto said there has been nothing further. She said they were working on a letter to sum up the position of the Board and confirms the Board's intention to use the funds. Ms. Garza wondered if this needs to be in the form of a motion. She understood that the Assembly has the final say and that the Airport is the City, but she also argued that the City is also the Airport. She did not see a benefit to the community by paying the GO (General Obligation) Bond debt. There will be no change in property tax. She did see a positive community use to the Airport using funds to upgrade the parking lot and take care of the grading issue on the M, N and O Blocks, etc. There are two or three pages of upgrades or maintenance at the airport. *Dennis Bedford moved, Jodi Garza seconded, to note the Airport Board has never officially approved the use of Airport designed CARES Act funding to service the general obligation bond debt approved by the voters for construction of the north terminal. He moved that they do so at this time.* Chair Clough said the Board is on record as unanimously opposing this action and this motion would formalize that opposition. If the motion passed, it would codify the Airport Board's position, but they certainly do not want to ram this down the Assembly/City Manager's throat. It would make it very clear where the Board is coming from. He hoped that it would be non-offensive and non-argumentative. It will just be very, very clear where the Airport Board is at. *The motion passed by unanimous consent. [Motion rescinded-see below.]*

Assembly Member Wade Bryson said he wanted to help the Airport Board achieve this. He recommended the letter communicate in affirmative language – that the Airport Board

AIRPORT BOARD MEETING

March 10, 2022

Page 6

supports keeping Airport CARES Act and CRSSA money in the Airport funds so that the Airport can properly serve the community and allow the GO Bond debt to pay for a GO Bond debt project and say what they are positively in favor of. If the letter says the Board opposes something, it gets the Assembly defensive. If it is said in the affirmative, that has a little bit more nuanced way to get the Assembly on board. He thought the Board had done a very good job at the joint Assembly/Airport Board meeting. He thought there was a very good chance.

Chair Clough said the original bond proposition was recently circulated and that proposition very clearly stated that should they both pass, or whatever passes, that the City through property tax will be responsible for paying off the bonds and interest. The voters bought into that when they voted affirmative on those projects. An argument the Board had among themselves was if the property tax was going to pay the bond debt and then the bond debt is being paid by something else, how come there isn't a mil levy reduction to go with it. Mr. Bryson said he thought that was the best argument that he had heard to stop the Assembly in their tracks. He thought that when the Board agreed to that when the Assembly needed help, it was interpreted wrong and that is why they just assumed and did it this year. He said he has not seen any documentation. He said he will also check into that with the City Attorney. He agreed with him that it was bad form when the voters say this is how you should pay for it and the Assembly is going against the will of the voters. Nobody likes that. He thought this needs to be brought more front and center. *Dennis Bedford moved to rescind the motion. The motion passed by unanimous consent.*

Jodi Garza moved the Board does not feel that repayment of general obligation bonds is an appropriate use of CARES Act funding and chooses to submit a list of what they think properly satisfies the higher and better use of the funds. The motion passed by unanimous consent.

B. Operations Committee: Committee Chair Dennis Bedford had nothing to report.

X. **ASSEMBLY LIAISON COMMENTS:** Assembly Liaison Wade Bryson said he felt the Airport Board did a great job meeting with the Assembly. Everyone is hitting them up for money right now. There is a special Saturday Finance Committee meeting at 9:00 a.m. to kick off the budget season. This will be one of the topics that they will discuss.

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

XII. **BOARD MEMBER COMMENTS:**

A. Dennis Bedford said he does not speak well extemporaneously. He will be happy to help with phrasing the letter to the Assembly.

AIRPORT BOARD MEETING

March 10, 2022

Page 7

B. Chair Clough asked how the Airport was handling the increased price of fuel. Ms. Wahto said there is so much influx right now. She has not looked to see what the impact will be. This will certainly have to be reviewed, along with the insurance prices going up. Luckily, the Airport has CARES Act money. Mr. Clough said this was another reason to keep those funds liquid for the Airport.

XIII. **ANNOUNCEMENTS:** None.

XIV. **TIME AND PLACE OF NEXT MEETING:** The next regular Airport Board meeting will be held on April 14, 2022, at 6:00 p.m. via ZOOM.

XV. **EXECUTIVE SESSION:** None.

XVI. **ADJOURN:** *Chris Peloso moved to adjourn. The meeting adjourned by unanimous consent at 7:07 p.m.*