

MINUTES of
AIRPORT BOARD MEETING
June 9, 2022
6:00 p.m. via ZOOM

I. **CALL TO ORDER**: Chair Al Clough called the meeting to order at 6:00 p.m. He showed a picture of Delta Air Lines taking off at the airport. It was a nice thing to see. Competition is always a good thing. He welcomed Delta back.

II. **ROLL CALL**:

Members Present:

Al Clough
Jodi Garza

Jerry Kvasnikoff
Chris Peloso

Dan Spencer

Member Absent:

Dennis Bedford

Jerry Godkin

Staff/CBJ Present:

Patty Wahto, Airport Manager Chris O'Brien, Airfield Maint.
Scott Rinkenberger, Dep. Airport Mgr. Wade Bryson, CBJ Assembly
Phil Adams, Airport Superintendent Sherri Layne, CBJ Law
Ke Mell, Airport Architect

Public:

Ken Nichols, DOWL/HKM

Tom Williams, Ward Air

III. **APPROVAL OF MINUTES**: *Dan Spencer moved approval of the minutes of the May 12, 2022, Board meeting. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA**: *The agenda was approved by unanimous consent.*

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

VI. **UNFINISHED BUSINESS**: Airport Manager Patty Wahto said both items A and B have to do with electrical upgrades. These two items come from the project list that staff and the Finance Committee developed. Better estimates were requested before proceeding with these projects.

A. **Northwest Development Area (NWDA) Electrical Upgrade**. Ms. Wahto said an email Mr. Bedford sent asked again about the three-phase power as it pertains to the Northwest Development. She read into record what was said at the May 12 Board meeting: "Mr. Greene said 3-phase service is what is available from AEL&P and then they'll step it down. Whether they'll step it down at the pole or at the pond, this is their call. A much cleaner service will be provided with the 3-phase service stepped down. It is stepped down even more for the tenants on the commercial row. The 3-phase service is being requested by potential hangar owners in the northwest development." Ms. Wahto said Alaska Electric Light & Power (AEL&P) came back to the Airport with updated

AIRPORT BOARD MEETING

June 9, 2022

Page 2

numbers with inflation and there is a 15% contingency that was put onto that, with 15% contract administration, for a total project cost of \$296,400. This is a cost for a project done today. *Jodi Garza moved to approve the electrical upgrades to the NWDA including 3-phase power at a cost not-to-exceed \$296,400, funding provided by the CARES grant. The motion passed by unanimous consent.*

B. Electrical to Float Pond. This is another item on the list and is electrical for the float pond. She said that during an Airport Board Finance Committee, some tenants requested the electrical come down to their docks. This will run down the north side of the float pond road to the east so they could stub into them. It will not be run to individual docks. Tenants will still be required to pay for the stub. Board Member Dan Spencer asked if the docks were leased. Ms. Wahto said they were. Mr. Spencer asked if someone would install the electrical and fold a couple months down the line, would they recoup the costs. Ms. Wahto likened it to a hangar, the Airport has power run to a certain point and then hangar owners will pay the full amount to bring it in. In this case, the power will be run all the way down the line. Whether they fold or sell it to someone else, it is part of doing business. The Airport will let tenants know that the power installation was happening and have them contact AEL&P to install it directly to their area. Chair Clough said there are three main tenants in this area that have shown interest in power and whether or not they hook up to the power, this remains to be seen. *Jerry Kvasnikoff moved to approve the electrical installation to Float Pond west end and along north side of the float pond road (for tenant ability to tie-in), at a cost not-to-exceed \$190,000, funding provided by the CARES grant. The motion passed by unanimous consent.*

VII. NEW BUSINESS:

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

1. Runway Visual Range (RVR) Replacement. This project was started by the Federal Aviation Administration (FAA) through a reimbursable agreement of the Taxiway Project. It was to replace the two-point RVRs. The FAA started this work last summer by doing all of the underground work. They are in Juneau to replace the equipment. This should be quicker. They started today and will work for two weeks. There will be some brief outages of the total system. They will try to align them so as to not impact airlines with any aircraft RVR usage. There was a preconstruction meeting yesterday to go over the safety measures and make sure Notice to Air Missions (NOTAMs) will be issued.

2. Deputy Airport Manager. Ms. Wahto stated Scott Rinkenberger will be retiring next Friday. Mr. Rinkenberger said this is bittersweet. The last seven years, one month and 29 days that he has spent at the Juneau Airport under Patty's leadership has been life affirming. He said his wife and he have come to a crossroads in their lives that they need to shift gears. He will miss the Airport and Juneau. He is looking forward to 335 consecutive average days of sunshine in Arizona, but not so much the triple-digit temperatures. He said it has been a pleasure to work with everyone on the

AIRPORT BOARD MEETING

June 9, 2022

Page 3

staff, everybody on Airfield Maintenance and getting them situated. They were kind of a mess when he showed up. He thought there is a very tight group of professionals now and they have structure and a prescribed way to do things. He appreciated all of the support he had gotten from the Board over the years. He thanked the Chairman and the Board for the opportunity to be here. Chair Clough wished him the best of luck. Ms. Wahto said Phil Adams will be moved to the Deputy Airport Manager position and staff is recruiting to fill the Airport Maintenance & Operations Superintendent.

3. Airport Triennial Wheels-rolling Emergency Exercise. The drill will take place on Saturday, July 23rd: [Volunteers needed for airport full scale exercise – City and Borough of Juneau](#). This will be a full drill and will require many volunteers. She asked the Board to shake the trees and get some people out.
4. LAB Hangar Sale. The Lease Action Request Form was sent to the potential buyer of the hangar. The Airport has not heard back from L.A.B. or the prospective buyer. Staff will let the Board know when and if the sale goes through.
5. Block M Hangar Flooding/Topo Map. Ms. Wahto said the Notice to Proceed has been issued to DOWL to do the topography mapping in the area which the Board requested before another move is made. As soon as this is done it will be brought back to the Board and/or Operations Committee to see what the next step is to take care of the flooding.
6. MEBA Union Negotiations. The negotiations are ongoing. This is for a three-year contract FY23, FY24 and FY25. When something is approved by the members and the Assembly, staff will update the Board.
7. Airport Board Seats. There are three seats up for renewal: Ms. Garza, Mr. Godkin, and Mr. Peloso. Two have reapplied, with one new applicant. Hopefully information will be available soon as far as how this will be handled by the HRC (Assembly Human Resources Committee).
8. Airport Fund Balance and Capital Revolving Account Balance (Attachment #1). There has been no change on these documents as the FY23/24 budget has not been officially adopted.
9. Budget Impacts. Staff has been briefing the Board about changes that have occurred for the FY23/24 budget since Board approval. A few changes have occurred: the FY23/24 General Obligation (GO) bond that the Assembly approved has been added; inclusion of increases to insurance that basically doubled the insurance for special policies; potential changes due to union negotiations from

AIRPORT BOARD MEETING

June 9, 2022

Page 4

increased wages, which would also hit if the other unions (i.e., PSEA or Fire Fighters) get an increase due to contracts for Airport Police and the Aircraft Rescue and Fire Fighting; and a hit to the interest income for FY22 – instead of being positive the category is now in the red with a net result of (\$107K). All will be covered with CARES Act funds. Board Member Jodi Garza said the question is how so much of the Airport funds are at risk. She said if CARES Act funds were not available, it would have gone to the bottom line and out of the fund balance. She also questioned the communication from the Finance Department as just kind of an aside – put this number in your budget with no explanation or context. Ms. Wahto said she did ask for an explanation, but she was not sure of the portion they explained about the capital side. The grant money is drawn upon as needed. It is not sitting in the bank. Chair Clough said he found the whole thing quite confusing. He said there had been \$21K+ in income, which was a positive item in the budget. The stock market tanks, and the interest income fell far below the figure. It is a paper loss until you actually need to spend the money. He said the whole thing is quite discouraging. He said someone from the City Finance Department needs to come in and explain this. He noted the additional hit of \$86,000 that wasn't going to be spent anyhow.

Board Member Dan Spencer said the City needs to come tell the Board what they are doing. He said he looked at things like this in the past. He thought that they were not explaining it the way the Board can figure out what it is they are doing. They have an obligation to invest funds for the City. He said he was taken aback by the lateness of the notice. He was surprised that it had never come up before. If you are projecting income earnings, those change over time, too. Assembly Member Wade Bryson said he ran into a similar situation of confusion when they were at an Assembly Finance. He was just guessing that the \$86K is not actually an income loss, but an \$86K principle loss. He suggested reaching out to Mr. Rogers to get an explanation. Ms. Wahto said the email said the bottom line for FY22 would show another \$107K taken off.

Chair Clough said it was remarkable that downtown just said this is going to come out of your CARES Act funding with no discussion whatsoever to the Board. The Board does not have the opportunity to look at what they believe to be the best interest of the Airport on how to make up the shortfall. It may be CARES Act funding; it may be to cut services; it may be to raise rates. To just have the Finance Department take it upon themselves to make these decisions, he found very disturbing. If the Finance Department wants to run the Airport, they should go to the Assembly and tell them to get rid of the Airport Board, and they'll take care of it. To just pull the maneuver without any input or discussion is most troubling. Ms. Wahto suggested having Jeff Rogers or Ms. Speegle attend the July meeting to detail this out for the Board so that the Board knows what the numbers are and why. She

AIRPORT BOARD MEETING

June 9, 2022

Page 5

understood interest rates really tanked, but she did not know how it could be a negative.

10. CARES/CRRSAA/ARPA Fund Balance (Attachment #2). Ms. Wahto said this is being carried forward each month. Attachment #2 shows the balance at just under \$7M.

CARES/CRRSAA/ARG Act Use		6/2/2022
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 + \$42,885 desgn EE 123k	
(156,200)	SREB Circulation Pump Upgrade *May 22 bids	
(175,000)	Sand/Chem bldg Back-up Boiler system	
(50,000)	Forklift vehicle	
22,283,764	Balance	
	<i>Proposed Use</i>	
(98,347)	Required Concession Relief (not for other use)	
(1,200,000)	FY22 Tenant Rent Relief (est)	
(2,192,800)	FY22 Operational Expenses (est) + 107.9K int hit	
(1,200,000)	FY23 Tenant Rent Relief (est)	
(1,572,100)	FY23 Operational Expenses (est)	
(1,421,500)	FY24 Operational Expenses (est)	
(1,282,000)	*April 2022 Board Project Approvals*	
(660,300)	FY23 Airport GO Bond debt service	
(657,000)	FY24 Airport GO Bond debt service	
(5,000,000)	Parking Lot Construction -TBD -Est (in design)	
6,999,717	<i>Proposed/estimated balance FY22 end</i>	
	Proposed Electrical upgrades to NWDA (296,400) and Electrical to	
	Float Pond (190,000)	

In the center of the above chart, it shows the FY22 Operational Expenses (est) of (\$107.9K) loss which is in the \$2.192M. This was also updated last time for the increased insurance costs. The other thing that was updated was the GO Bond passed by the Assembly Finance Committee was added, to come up with the bottom line total after spending and estimated costs.

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

AIRPORT BOARD MEETING

June 9, 2022

Page 6

- *Title 49 (Jordan Creek) Variance Request.* Ms. Wahto reported that these variances had been split up between inside the fence and outside the fence when discussing this with the Community Development Department (CDD). As CDD looked back at the records for the one inside the fence, they agreed that the work the Airport was requesting to do – taking care of the trees and brush in there – was allowed under the last variance. The Airfield crew cleaned this up and made the berm lower.

The second request was outside the fence along the greenbelt. This will go to the Planning Commission on July 12. She thanked Scott Rinkenberger for putting the packet together with a lot of justification. She said CDD said it was a pretty strong case, but it will depend on what the Planning Commission has to say.

- *Runway 26 Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) approach lighting.* Ms. Wahto said the Airport has been trying to get Facilities and Equipment (F&E) money from the FAA, but staff knew that would not happen because they do not have money. Now with the special funding from the bipartisan infrastructure law bill, it can be moved forward faster. The problem is there is money, but what do you do with it. The Airport can pay for it, but the problem is with ownership. You have part of a system that is owned and maintained by the FAA (Federal Aviation Administration). Then you would have the new system that the Airport puts in that is now Airport owned. She said the Airport is looking for the mechanism within Congress to change how the system can be transferred to the FAA. Ms. Wahto has been working with the Lobbyist to draw up sample language. Staff had been working with the late Congressman Young and this was at a standpoint until they were ready for the language. The language went to Senator Sullivan's office, reviewed it and forwarded it to get it reviewed by the Senate. This is a very simple one line to add this system into the Reauthorization Bill as equipment that can be transferred to the FAA.
- *Alaska Department of Natural Resources (DNR) Land Conveyance/Easement.* This is from the Runway Safety Area (RSA) Project and the transfer of land from the State off each end of the runway to the Airport. This has been sitting out there for quite a while. Mr. Rinkenberger said staff needed to find the original surveyors who did the original as-builts and measurements for the land conveyance. It was confirmed that nothing had changed. This has been submitted back to DNR for a final review and then recording it. It is not known what further City involvement is needed. Ms. Wahto said this is overdue because the Airport is using the property. This was the last matter to finalize. All of the mitigation has been done. The recording should take place. This will be added to the City's land acquisition. There will be two titles on it – Tracts A and B. In trying to get lands accretion rights, Airport Architect Ke Mell said there are two

AIRPORT BOARD MEETING

June 9, 2022

Page 7

types of property adjacent to water: 1) meets and bounds, which is a survey bearing and a distance; and 2) meander, which means that the property description says the property ends at the edge of the body of water. If there are meander property lines and there is accretion whereby the river is depositing sediment on your side, you can claim that land. However, the property description for the entirety of the airport property is by meets and bounds, therefore, it cannot gain additional land by accretion.

- *Alaska Department of Environmental Conservation (ADEC) Storm Water Pollution Prevention Plan (SWPPP) Multi-sector General Permit (MSGP)*. The Annual Best Practices Meeting was held on May 18. One tenant attended this meeting. The meeting minutes will be published on line, but tenants are responsible for knowing everything that went into the meeting.
- *Spill Prevention and Control Countermeasure (SPCC) Plan*. The Airport should see this plan by the end of June.
- *COVID 19 Vaccines at the Airport*: The last day for vaccines administered by Capstone at the Airport is June 15th. They will be available elsewhere in town. She knew that Juneau Convention and Visitor Bureau will be ecstatic to have their space back.

12. Airport Project Managers Reports (Attachments #3 and #4): Ms. Wahto said substantial completion for the **Terminal Reconstruction Project** was reached on May 12. There is a punch list of items in deficiencies that Dawson is working on, as well as change orders related to this contract. There is work that needs to be done on the lumicor panels, which go up the stairwell. If you look at them straight-on, you can see that they stair-step. Dawson is going to attempt to fix those. Some handrails will be installed. The glass guardrail that goes around the central lighting system going from the second floor to the first floor, are being installed. They are temporary panels as the wrong glass was received. When the other panels come in, they will be changed out. The remaining floor tiles will be installed in this area and the floor will be opened up almost any day. There is additional roof work and mechanicals to start up. Some of the lights have been changed downstairs, in the departure lounge and some of the ones in the Alaska Room. This makes the lighting more uniform. The only difference is the white floor in the new section versus brown carpet in the old.

The **Terminal Fire Alarm Upgrade** has Johnson Controls finishing up the project. They have more testing of the system to go on through June. It is expected that it will be completed this summer.

The **Main Ramp Rehabilitation and Overnight Parking for Jets Project** will be a construction project for next year, along with the jet parking. The City went out for

AIRPORT BOARD MEETING

June 9, 2022

Page 8

proposals for a design team for this project. The proposals were received in May, evaluated, and it was a unanimous decision to name DOWL the successful proposer for the design for the project.

Terminal Ceiling Tile Replacement was originally estimated from \$350K to \$1M, as staff did not know if the grid would need to be replaced. The cost is \$212K, but there will be an additional cost of \$10K for the cutouts for the fire alarm system. This is substantially less than what was projected. This will be updated in both the summary and the Project List.

Ms. Mel provided updates to her report. The pre-bid meeting for the **Bagwell Mechanical Project** was last Friday but was not attended. It is hoped to receive bids on June 16th.

A stakeholder meeting for the **Parking Lot Repair Project** was held earlier today but no stakeholders attended the meeting. As the project moves forward, staff will need to carefully consider how to involve stakeholders. There was light to moderate attendance on the first meeting, but this meeting was on airlines, passengers and cargo. There will be an effort to reach out to people for this project.

Harri Plumbing received their notice to proceed on the **Snow Removal Equipment Pump Replacement Project**. The variable frequency drives have a 50-52 week lead time. The vendor is exploring alternatives, but the installation may be next summer, which means using the electric boiler to heat the SREB again this winter.

Morris Engineering received their notice to proceed for the **Sand Chemical Back Up Electric Boiler Project**. They felt confident that they can deliver documents by the end of July.

Arete Construction has completed the curb and drain repair for the **Airfield Civil Repairs Project**. The south end of Alex Holden has been backfilled. It was agreed that the work on the culvert repair should be done earlier in the summer.

VIII. **CORRESPONDENCE**: None.

IX. **COMMITTEE REPORTS**:

A. **Finance Committee**: None.

B. **Operations Committee**: None.

X. **ASSEMBLY LIAISON COMMENTS**: Wade Bryson said the Assembly Public Works Committee advanced the three Airport projects (Phase II for the South Float Pond work, the Boarding Bridge, and the Design for the Terminal Apron Rehabilitation) to the Assembly. Interviews will be held next week for the Airport Board vacancies. He said

AIRPORT BOARD MEETING

June 9, 2022

Page 9

meetings being held for PFAS should be held toward a community-wide effort as it affects many areas. Ms. Wahto said this is being held highlighting on the Aircraft Rescue & Fire Fighting foam piece of this as DEC put the Airport on notice. She said she has been working with Katie Koester with Public Works on this. Mr. Bryson agreed that Director Koester is the person to reach out to.

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

XII. **BOARD MEMBER COMMENTS:**

A. Jerry Kvasnikoff asked for an update on the Bag Belt System. Ms. Wahto said there are two things with the bag belt system. A little over a year ago, the bag belt system was having issues. The Airport looked at replacing parts and pieces. The Board asked staff to use CARES Act funds to replace the antiquated parts of the system. It has been nursed along during the design phase. In the meantime, the problem corner which is a curve with an antiquated belt system has been worked on. More parts have been located at Minneapolis/St. Paul Airport. The company who had worked here before was recently bought out by a foreign parent company. Therefore, the parent company did not have a business license in the state of Alaska. They just got the business license today. This project has been worked from a lot of different ways. This has been a thorn in the Airport's side. This is an emergency procurement, but the legalities still need to be met.

XIII. **ANNOUNCEMENTS:** Ms. Wahto noted she will be taking a few days off.

XIV. **TIME AND PLACE OF NEXT MEETING:**

A. The next regular Airport Board meeting will be held on July 14, 2022, at 6:00 p.m. in the Alaska Room and via Zoom.

XV. **EXECUTIVE SESSION:** None.

XVI. **ADJOURN:** *Dan Spencer moved to adjourn. The meeting adjourned by unanimous consent at 7:06 p.m.*