

AIRPORT BOARD
AGENDA

6:00 P.M., THURSDAY, JULY 14, 2022

ALASKA ROOM and ZOOM:

<https://juneau.zoom.us/j/82856995400?pwd=YUNLd2p1OFI3TnY3NUUpKa3BRQmFidz09>

or

Dial: 833-548-0276, Meeting ID: 828 5699 5400

TO TESTIFY: CONTACT PAM CHAPIN, 586-0962
BY 3:00 P.M. ON JULY 13, 2022

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF MINUTES: Regular Monthly Meeting of June 9, 2022
- IV. APPROVAL OF AGENDA
- V. ELECTION OF OFFICERS
- VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS
- VII. PRESENTATION – DOWL ON PARKING LOT OPTIONS
- VIII. UNFINISHED BUSINESS
 - A. **Interest Income Loss Explained – Jeff Rogers, CBJ Finance Director.** At the June 9, 2022 Airport Board meeting, staff alerted the Board to the loss in FY22 Operational Revenues from a negative hit to the interest income for the City & Borough of Juneau (CBJ). Instead of \$21,300 in interest income, it is down (\$86,600), for a total impact of (\$107,900). Airport CARES funding is covering the loss. However, the Airport Board requested an explanation of how a negative revenue in interest income (negative interest rate?) could happen and how this proportionate share hit the Airport. Staff was told that the loss stemmed from reserve and capital account interest losses. Jeff Rogers, CBJ Finance Director, will be present at the Board meeting to explain this and answer any questions.
 - B. **Bagwell Gas Detection/Alarm System.** At the May 12, 2022, Airport Board meeting, staff advised the Board that the estimated cost that the Board approved in the spring of 2021 (\$93K - design \$43K and system replacement \$50K) would be much higher for system install. The design was awarded earlier this year and after full inspection, cost estimates have come in which are higher than the earlier estimates. Reasons for the increase are:
 - Cost for materials, equipment and labor have all gone up considerably.
 - The work scope for this project is larger than the initial estimate.

- This project is standalone (not part of the terminal project) and would need to mobilize crews from various trades.

There are 7-8 different sub-contractors needed for the project, that are no longer on-site able to do small tasks in a different part of the terminal. Now each contractor has to mobilize/demobilize separately for different tasks when they could have been able to send a worker already on-site over to the bagwell project. Travel costs for out-of-town specialty subs were not included in the previous estimate, but now included in the updated estimate. This is coupled with a poor bid environment, increased labor costs and supply/shipping uncertainties. Early estimates completed prior to design, did not consider site conditions and additional plumbing and sprinkler work; as well as minimal code ventilation and pressurization with additional fan units, ductwork and electrical. The engineer’s estimate as of June 2022 was \$123K. Only one bid was received by Schmolck Mechanical as shown below.

| BIDDERS | TOTAL BID |
|--|---------------------|
| Schmolck Mechanical Contractors | \$195,400.00 |
| <i>Engineer’s Estimate</i> | <i>\$122,948.00</i> |

This project is required for air quality safety. Staff recommends concurrence with bid award and to increase the cost for this project to \$195,400 based on the bid.

Board Motion: *“Approve the bid award for the Bagwell Gas Detection System to Schmolck Mechanical Contractors in the amount of \$195,400, funding provided by the Airport CARES funding.”*

IX. NEW BUSINESS

A. **Airport Manager’s Annual Evaluation:** The Airport Board will conduct a survey among members regarding the Airport Manager’s work during the past year. The annual evaluation will be held under executive session at the August 11 Airport Board meeting.

B. **Airport Manager’s Report:**

1. Airport Fund Balance (AFB) and Capital Revolving Account Balance (CRAB) (Attachment #1). The Airport Fund Balance reflects what is reported to/adopted by the Assembly, and align with the CBJ Comprehensive Annual Financial Reports (CAFR). The report also reflects updated/revised FY21/22 budget amounts based on the February 18, 2021, Airport Board meeting, including the proposed use of CARES Act funds to cover the projected operational budget deficits. The CRAB reflects the approved use of the additional \$108K for funding the Float Pond Phase 2 Design work until the grant is awarded after bidding. Note, while the Assembly recently adopted the budget, this has not yet updated to reflect FY22 Projected and the FY23 /24 budgets.

2. CARES/CRRSAA/ARG Fund Balance (Attachment #2). The breakdown of CARES Act/CRRSAA funds used and proposed to be used/proposed to-date is detailed below. This is an update based on June Board motions and bids. Attachment #2 shows the updated spreadsheet of the projects and expenses for the CARES Act funds. The list shows the projects and funding already in use, as well as projects for consideration. At this time, the Airport is looking at approximately \$7M still available and looks to the Board for approval on additional projects. The spreadsheet provides further detail for the table (below).

| CARES/CRRSAA/ARG Act Use | | 7/1/2022 |
|---------------------------------|--|----------|
| 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 | |
| (238,400) | Bagwell Gas Detect \$43k desgn+construct 195.4k pend | |
| (165,000) | SREB Circulation Pump Upgrade *May 22 bids | |
| (175,000) | Sand/Chem bldg Back-up Boiler TBB July 2022 | |
| (50,000) | Forklift vehicle | |
| 22,129,449 | 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) | |
| (660,300) | FY23 Airport GO Bond debt service | |
| (657,000) | FY24 Airport GO Bond debt service | |
| | <i>*April 2022 Board Project Approvals*</i> | |
| (100,000) | Terminal Seating | |
| (75,000) | Terminal Lighting | |
| (350,000) | Terminal Ceiling | |
| (20,000) | Man Lift | |
| (35,000) | Fuel Station Access Control & Generator | |
| (20,000) | TSA Bag Screening Floor | |
| (32,000) | SREB Wash Bay Protection | |
| (296,400) | NWDA Electrical Upgrades | |
| (190,000) | Float Pond Electrical Upgrades | |
| (5,000,000) | Parking Lot Construction -TBD -Est (in design) | |
| 7,009,002 | <i>Proposed/estimated balance FY22 end</i> | |

3. Airport Superintendent Position. After conducting interviews, the Airport has selected Andres Delgado as the new Airport Superintendent. Mr. Delgado currently

works as a Marketing Coordinator/Assistant Operations Manager in Bakersfield, CA for Lloyds Aviation. He oversees crew with flight operations with aircraft, fueling and various airfield compliance from Part 139 certification to airport security. Andres also helped develop the Safety Management System (SMS) program for them. He is finishing up on his BS degree in Aviation Administration. Andres will begin work at JNU on July 25, 2022. Phil Adams will continue to provide support and training during Mr. Delgado's onboarding.

4. Airport Triennial Wheels-rolling Emergency Exercise. The Airport will hold its live, wheels rolling drill on **Saturday, July 23, 2022**. The live drill is required every third year to be in compliance with the Airport's Operating Certificate. Volunteers are welcome, please see: [Volunteers needed for airport full scale exercise – City and Borough of Juneau](#). Phil Adams is overseeing this live drill and planning leading up to the event. It has been well-advertised with additional notices to be issued just prior to the exercise.

5. Ramp and Remain Over Night (RON) Design Project, Jetbridge 5 Design Project and Float Pond Access Road/Embankment Construction Grants. These projects will require Board approval for grant funding appropriation and contract award for the ramp project. Staff is still working on contract negotiations for the design projects before coming to the Board for approval, and Federal Aviation Administration (FAA) grant application. The process will also require Assembly approval and appropriations of grants. Due to timing of FAA grant awards, a special Board meeting may be required later in July and August. The design work for each of these projects is estimated at \$1.75M for the ramp project and \$200K for the jetbridge project. The float pond access road/embankment construction project is estimated at just under \$2.5M. In order to make this federal fiscal year grant awards, special meetings outside of our Board meetings will likely be required. This is for planning purposes.

6. LAB Hangar. The tenant has informed staff that the hangar sale is scheduled for the end of July. The Airport is still waiting for a description of the potential buyer's activity/use; this is needed prior to drafting a new lease, so that the Authorized Use section can correctly reflect the proposed activities. The Airport recently resent this information.

7. Outbound Baggage Belt (Corner) Repair. While the Airport has been working design for an updated outbound baggage belt system, a corner unit went down in May. It has taken a lot coordination to work on getting a corner unit replacement part located and finally installed June 29, 2022. Special thanks to the Terminal crew and the Airfield crew who helped install the new unit, as well as helped handle screened baggage to bypass this broken unit until it was fixed.

8. Bag Claim Floor Tile. The Airport has requested a price to continue the tiling on the first floor into the baggage claim area. The area currently has older brown carpeting which is continuously dirty from baggage and direct access with curbside loading. The area is also darker and looks disconnected from the new section of the

terminal. The estimate for the tile and install is \$170-\$200K and staff would work the funding for this through the Terminal Project local match (not FAA eligible).

9. Block M Hangar Flooding/Topo Map. Staff has provided the notice to proceed for DOWL to perform the topo mapping around the Block M hangars. This was the first step the Board requested before other steps are considered. An update was emailed to the tenants in this area on June 2, 2022. On June 27, 2022, a hangar owner on the west end reached out to state that they had flooding issues too. These are the northern most hangars on the west side. Staff will be looking at this flooding issue as well.

10. MEBA Union Negotiations. A tentative agreement has been reached between the City and Marine Engineers' Beneficial Association (MEBA). This will go out for a vote to members, and if approved, to the Assembly for ratification. Once union vote is finalized, the details of the contract may be released. This will be for a three-year contract – FY23-25. If approved, pay rates would go into effect as of July 4, 2022 (the first day of the new fiscal pay schedule).

11. Insurance Underwriter Meeting. CHUBB Risk Engineering will be in Juneau starting July 11, 2022, for a review and audit of Airport facilities, programs, construction projects, airport compliance (including annual certification inspections) and any insurance claims.

12. 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:

- **UPDATE** - *COVID-19 Vaccines at Airports.* Capstone Clinic's last day administering vaccines at the airport was **June 30, 2022.**
- **UPDATE** - *Title 49 (Jordan Creek) Variance Request.* Title 49 Variance and Permit Applications, along with supporting documentation, were submitted to CBJ Community Development Department (CDD) on March 15, 2022. CDD reviewed the two requests and determined that the request for tree/shrub removal inside the Airport perimeter was already part of an original variance. The Airport has completed the cutting/removal of the trees, and adjusted the berm for easier maintenance. CDD has scheduled the second variance request for outside the fence along Jordan Creek (requesting limbing and vegetation removal along Jordan Creek on Airport property) to the **Planning Commission.** That meeting has moved and is **NOW SET FOR JULY 28, 2022 at 7 p.m.** The variance request highlights safety, security and law enforcement. Staff report will be available July 18, 2022 at <https://juneau.org/community-development/planning-commission> . Comments will be received until July 22, 2022. Results of the hearing will be posted online on July 29, 2022.
- **UPDATE** – *Runway 26 Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) approach lighting.* Senator

Sullivan submitted language changes for the FY23 Reauthorization Bill that would allow the transfer, ownership and maintenance of approach lighting systems to the FAA upon completion. The language would add MALSR equipment to the list of allowable lighting equipment, and allow the transfer of this to the FAA even if paid for through Airport Improvement Program (AIP) funding. This is now pending final Senate and House approval.

- **NO CHANGE** – *Alaska Department of Natural Resources (DNR) Land Conveyance/Easement*. During the Airport Runway Safety Area (RSA) Project, the ends of the runway shifted and required additional land (safety area) at each end of the runway. Additionally, the installation of the Runway 8/26 approach lighting (MALSF (Medium Intensity Approach Light Systems with Sequenced Flashing Lights)/MALS (Medium Approach Light System)) requires easement into State wetlands. Two tracts of land at each end are still in the process of finalizing survey work and conveyance to the Airport. Staff is working on this with DNR to close out this portion of the project. Staff confirmed with DOWL surveyors that there was no change in the original survey documents and that no deviation between proposed work (in permit) and as-built exists. Therefore, the Airport moved into the conveyance process, which is currently in its final DNR review. Airport staff and DNR expect that the final review and recording will occur later this month. A third tract of land (west end) that is currently used for FAA approach lighting is easement only. The cost (mitigation ratio) is cost prohibitive at this time.
- **NO CHANGE** - *Alaska Department of Environmental Conservation (ADEC) Storm Water Pollution Prevention Plan (SWPPP) Multi-sector General Permit (MSGP)*. Continuous work on testing and tenant paperwork requirements; and update to program.
- **NO CHANGE** - *Spill Prevention and Control Countermeasure (SPCC) Plan*. The Airport reviewed the draft SPCC plan comments on April 28 and should have the final draft in hand for review sometime in July. This is an ADEC requirement.
- **NO CHANGE** – *PFAS Testing and Monitoring*. Cox Environmental continues with their quarterly testing of groundwater, survey the test wells to determine flow direction, including two private wells within the test radius. More samples were taken in June 2022.
- **NO CHANGE** – *Egan/Yandukin Intersection Improvements Project*. ADOT has narrowed down design alternatives for the project. Please visit ADOT website for the project at <http://dot.alaska.gov/eganyandukin>.
- **NO CHANGE** – *Juneau Douglas North Crossing Project – PEL Study*. Alaska Department of Transportation (ADOT) has started the North Crossing project, for a second crossing over the channel between Juneau and Douglas. The Airport has been asked to participate in the Technical Advisory Committee meeting due to

protecting aircraft approach corridors coming down the channel. The next meeting will be held July 19. Please visit the ADOT website for the project www.jdnorthcrossing.com or make comment to the project email JDNorthCrossing@dowl.com.

- **NO CHANGE** – FAA Compliance Land Use/Financial Letter (January 2019). Staff continues to work on the remaining compliance items and will bring items back to the Board for action as necessary. Staff continues toward acquisition of the Loken/Channel Flying property which was noted as a non-compliant through-the-fence operator.
- **NO CHANGE** – *FAA Disabilities Compliance and Title VI Review*. Staff will be following up the plan and self-evaluation programs now that the terminal has substantial completion.
- **NO CHANGE** – *Passenger Facility Charge (PFC) cap increase* JNU continues to discuss the increase of PFC with our DC Lobbyist and Congressional Delegation to keep it in the queue.
- **NO CHANGE** – *Capital Improvement Program (CIP) and Passenger Facility Charge (PFC) 10*. With FFY20 FAA AIP terminal grants covering the entire amount of FAA-eligible terminal construction, PFC (PFC9) collections may be abbreviated with less match required. Staff is monitoring the amount needed for the terminal project (match and bond interest to assess when to start PFC10 application process).
- **NO CHANGE** – *TSA passenger screening checkpoint equipment*. This project has been put on hold due to construction requirements for the larger equipment. TBD.
- **NO CHANGE** – *Maintenance Programs* (roofs, heat pump equipment, baggage systems, etc.). Staff continues to look at a tracking system for all building component preventative maintenance programs. At this time, staff is collecting current basic system, and needs. Staff continues to look at maintenance contracts for specialized systems similar to what we do with airfield lighting and controls.

13. Airport Project Manager Reports (Attachments #3 & #4)

X. CORRESPONDENCE:

XI. COMMITTEE REPORTS

A. **Finance Committee:**

B. **Operations Committee:**

XII. ASSEMBLY LIAISON

XIII. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

XIV. BOARD MEMBER COMMENTS

XV. ANNOUNCEMENTS

XVI. TIME AND PLACE OF NEXT MEETING:

A. Airport Board, 6:00 p.m., August 11, 2022, Alaska Room and ZOOM

XVII. EXECUTIVE SESSION

XVIII. ADJOURN