

MINUTES of
AIRPORT BOARD MEETING
June 8, 2005
Aurora Room, 7:00 p.m.

I. CALL TO ORDER: Chair Ron Swanson called the meeting to order at 7:00 p.m.

II. ROLL CALL:

Members Present:

Pete Carlson	Fred Gaffney	Ron Swanson
Gordon Evans	Joe Heueisen	Tom Williams
Eric Forrer		

Staff/CBJ Present:

Allan Heese, Airport Manager	Virginia Harris, Airport Planner
Patricia deLaBruere, Arpt Business Mgr.	Catherine Wilkins, CBJ Engineering
John Coleman, Airport Admin. Asst.	

Public Present:

Kathy Smith, Alaska Airlines	Jim Wilson, Coastal Helicopters
Laurie Craig, Public	Max Mertz, Public
Bob Jacobsen, Wings of Alaska	

III. APPROVAL OF MINUTES:

A. Pete Carlson moved, Joe Heueisen seconded, the adoption of the May 12, 2005, minutes as presented. The motion passed by unanimous consent.

B. Pete Carlson moved, Joe Heueisen seconded, the adoption of the Special Airport Board meeting of May 18, 2005, minutes as presented. The motion passed by unanimous consent.

C. Committee of the Whole meeting minutes of May 18, 2005, and June 3, 2005, will be presented for approval at the July 13, 2005, meeting.

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

V. PUBLIC COMMENTS: None.

VI. UNFINISHED BUSINESS:

A. EIS Update: Meetings, comments and discussions regarding the EIS during the previous week have helped begin framing the Airport Board comments that will be submitted to the FAA. More discussion regarding the various alternatives for the different projects is needed to help in clarifying Board comments and moving them to a final form. Specific questions remain about the Runway Safety Area alternatives and may warrant further discussion.

Chair Swanson said that the Assembly will take up Resolution 2271 (which is the request to the State of Alaska for land, which has been compromised for a footprint for EMAS, without the EMAS in it until Cordova installs one, plus five years to see how EMAS works in a rainforest environment). The Airport has asked to have the original resolution that came before the

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Assembly the first time with the addition of the compromise. He will contact the Mayor for further discussions on this item. Airport Manager Allan Heese said that the Airport would not meet the standards with the compromise, but the FAA does give modifications to the standards if they choose to. If a modification is not given to the standard, the airport would be in noncompliance.

Kathy Smith said that airports in the Lower 48 are just beginning to move on the runway safety areas and are moving slowly. This resolution would have the airport moving forward but not any more slowly than other airports. She felt the state of Alaska is pushing the runway safety areas harder than other states. When discussing EMAS, Ms. Smith felt the FAA was in cahoots with the EMAS producer. Chair Swanson said the DOT Commissioner has said that there will be no EMAS installed in the state of Alaska.

Mr. Heese asked for Board confirmation that the original resolution that requested the land is the way the Board wants to go. That there is no desire to change from that, but add the compromise as stated. Chair Swanson discussed Resolution 2271 and said if the most refuge-intensive projects are approved by the FAA, there will be 18.4 acres of refuge land impacted by all of the projects – not just the runway safety area but the wildlife hazard, the MALSR lights, etc. What the Board requested from the Assembly is that the State of Alaska transfer title to the City of 18.4 acres of refuge land with the provision that depending on the FAA's Record of Decision, the City will return that portion of the refuge that is not used. The Assembly has added the compromise that says they support the compromise of the footprint of EMAS with no EMAS in it.

Terry Stone said that he thought that the work done for the wildlife hazard portion could remain State land and still perform the work necessary (without transferring the land to the City). Mr. Heese replied that he would feel more comfortable having the land in ownership so that there is no question about crossing the Airport boundary onto the refuge to chase birds away, but it is certainly a possibility. If the land for the wildlife management is not part of the resolution, some type of permission will need to be acquired prior to doing wildlife hazard management. Fred Gaffney said that the proportions of land for runway safety area, wildlife hazard management, etc., need to be available to present to the Assembly. Mr. Heese said that Bill Wilmoth, the former USDA Wildlife Specialist the Airport has been working with, said that the Airport staff does not have permission to go off airport premises to haze animals. Permission would ultimately have to come from the person who signs the hazing permits. There are two issues: the permit to fill the area and the additional permit to haze, harass or take wildlife.

Tom Williams said the resolution should specifically request 18.4-18.5 acres unless the State will authorize the Airport to manage a portion of that area for wildlife hazard management and then it can be reduced by that amount or unless the compromise for the EMAS area is in place. Chair Swanson said he would be meeting with the Mayor the following day and restated that the Board is asking for 18.4 acres. He said he would mention to the Mayor if that is not politically possible, the resolution should include easements and permits to allow wildlife control in Refuge-owned land.

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Kathy Smith, Alaska Airlines, asked if this resolution would allow the EMAS issue to be dropped. Chair Swanson said that it would not as this is 4(f) land and it will have to go through that process.

Eric Forrer moved, Gordon Evans seconded, the following resolution:

“WHEREAS, the technical information about Engineered Material Arresting System (EMAS) supplied by the FAA does not establish that the technology works in all circumstances, and

WHEREAS, technical information supplied by the manufacturer of EMAS establishes that the material is still being analyzed by testing contractors, and there is no track record of the technology's behavior in anything approaching a temperate rain forest similar to Juneau's climate, and

WHEREAS, after damage to EMAS due to an aircraft overrun, the runway safety area is compromised until repair can be accomplished, probably not a possibility in winter, and

WHEREAS, repair costs will be borne by the airport simultaneously with the costs of litigation to establish the responsible party, and

WHEREAS, frequent inspections of over five miles (one end) or over 10 miles (two ends) of calked seams are required to maintain watertight integrity of the installed system, and

WHEREAS, snow removal with special equipment would be required, and

WHEREAS, the cost of installing, maintaining and replacing EMAS is significantly more than the cost for a traditional extended runway safety area, substantially increasing operational costs at the Juneau International Airport, and

WHEREAS, these increased operational costs will ultimately have to be paid by the traveling public and the air carriers serving the public at Juneau,

THAT, THEREFORE, the Airport Board of Juneau, Alaska, declares EMAS in its present form and at its present cost to be an unacceptable and unworkable alternative to runway safety requirements at the Juneau Airport. The Airport Board declares that EMAS is neither a prudent nor feasible option for meeting the FAA's standard for runway safety areas at the Juneau Airport.

The Airport Board of Juneau Alaska further declares that the installation of EMAS at Juneau will unacceptably circumscribe the operating and maintenance budget unrelentingly for the foreseeable years of the existence of EMAS and that consequently the Airport Board cannot commit any of its budget to either installation or maintenance of EMAS.

Passed [presumably] this 8th day of June, 2005.”

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Gordon Evans noted in #6, he preferred “prevents buildup of excessive layers of ice.” He felt that in the two or three instances where it is referred to as “Juneau Airport” should read “Juneau International Airport.” He noted “THAT, THEREFORE” should read “NOW, THEREFORE.” Mr. Evans noted spelling errors in #5, “calk” should be “caulk”; #6 - “equipment” should drop the first “t,” the second line of the first therefore clause, “requirements” should have an “i” in it. The next line “forseeable” should be “foreseeable”; “existence” should be spelled with an “e” instead of an “a”; and “instalation” should have two “l’s.” Joe Heuelsen noted the second Whereas clause should have a “b” in “establish.” Tom Williams said that “the” should be added before “Juneau International Airport”; and the second to last line in the next paragraph, the second to last line at the end says “to either installation or maintenance” should read “to either the installation or the maintenance.” Airport Manager Heese said in the 7th Whereas clause, he suggested adding the words “capital and” between increasing “substantially increasing” and “operational costs.” Tom Williams asked to add “and ice” after “snow removal” in the 6th Whereas clause. The motion to adopt the resolution (see Attachment #1 - corrected version) as it was amended and corrected passed by unanimous approval. It was suggested that the resolution be distributed to the Mayor and the FAA for inclusion into the EIS, both separately and as part of the Airport’s comments.

Chair Swanson said that a compromise needs to be drawn regarding the land transfer issue. Mr. Heese said the City Attorney is working on the wording for Resolution 2271 to incorporate the compromise. Any wording that the Board comes up with may be a duplication of effort or ignored. Chair Swanson said the compromise position needs to be passed by the Board and not by the City. The compromise is that the Airport fill the footprint for EMAS, the same size for EMAS installation (which is not just the EMAS but the whole 600'x500') and fill it with suitable runway fill for a runway safety area (not EMAS) and after the installation is in Cordova for five years in a temperate rain forest, the Board will reassess whether EMAS (after it has been on the ground for five years in Cordova) is good for Juneau or a traditional runway safety area would be the better option. If EMAS works after five years in Cordova, some dirt will be removed and the EMAS installed. If the whole runway safety area is needed, if the FAA wants to run another four years and \$4 million, that will be four more years before it has to be done. Mr. Heese noted a technical correction of the EMAS footprint only. The west end will necessitate other things that have to be relocated. The language needs to incorporate the fill for those associated items – the float pond road, the fence, and whatever wetlands access goes around the end of the runway. Gordon Evans moved, Pete Carlson seconded, to adopt the concept of the compromise to be flushed out later this week. The motion passed by unanimous consent. Terry Stone was concerned that undershoot landings need to be included in the compromise. Chair Swanson said that battle can be fought down the line.

Eric Forrer said he needs more text from Board members on the DEIS. He started on a page of preface, but needs more information. He would like to get it done shortly so people can mull it over. Toward the environmental community with regard to EMAS, one of the tools to any Board member is figuring out the right question. The question he wished to ask is why, in a lengthy environmental impact statement, the environmental budget of EMAS is never discussed. It is a piece of technology that is offered with no comment. The cost of EMAS is \$10 million, at a 34% corporate tax rate, means \$29 million in taxable corporate income has to exist to

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create the \$10 million. With an average of 5% on corporate activity, \$580 million in gross corporate economic activity has to occur in the American economy to provide the \$10 million to provide one end of EMAS. This times two means that \$1.16 billion has to occur in America to afford EMAS. With the \$20 million cash, what is proposed to be done with it? It is proposed to mine sand and gravel, to mine chemicals to make cement, to manufacture paint and caulk, and transport hundreds of tons from New Jersey to Juneau and burn fuel in the Airport's equipment in the installation process, etc. He asked the environmental community to analyze the technology and to join the Board in opposing it. It is an environmental wolf in sheep's clothing.

Fred Gaffney said that some of the testimony had included a request to avoid light pollution. He also noted Steven Zimmerman of the Audubon Society had supported habitat modification and suggested to activate a wildlife hazard advisory group. Mr. Gaffney felt this was a good idea. He said this type of group may go a long way in achieving the Board's goals of modifying habitat, as well as incorporating members of the community into an advisory capacity for the Board. He is willing to chair such a group. Chair Swanson said that Mr. Gaffney could write up the particulars and they will discuss it at the next Board meeting.

Mr. Heese said the Airport does have a wildlife hazard work group that is established in the Wildlife Hazard Management Plan. He thought that this may be an expansion of the current participants. He said that whatever the makeup is of the group, they need to rely heavily on those most knowledgeable on the workings of the airport and the wildlife on the airport, specifically – that is the Airfield Maintenance crew. The Airfield Maintenance crew's opinions, if asked for at all, has been severely minimized; whereas, other people's anecdotal information seems to have been given much more weight. If this group does expand, they must give the Airfield crew a heavy say in what goes on. It is not just about birds – it's about birds, airplanes, operations and airport safety. The Draft EIS seems to have overlooked this. If this is mandated through the NEPA process, it will severely tie the hands of the Airport if it wants to try to change anything.

The mechanism used to date: the airport writes a wildlife hazard management plan and the FAA approves the plan. If the FAA did not think the wildlife hazard management was sufficient, then they should not have approved the wildlife hazard management plan – not by bringing it into the Draft EIS or a NEPA process. He has that same concern in other parts that deal with the wildlife hazard management. This is the first airport that has had the wildlife hazard management plan included in an EIS. He said as soon as a record of decision addresses hazing or wildlife management plan and the Airport tries to change it in reaction to the very dynamic nature of what goes on at the airport, will permission have to be asked of the FAA or does it have to go through a NEPA process. He felt this was a dangerous path. Terry Stone suggested not moving forward on any item noted in the Draft EIS as it will be seen as approving the item.

A five-minute break was taken.

B. Terminal Project Update & Discussion: Airport Manager Heese said that there had been a miscalculation in the terminal project cost, which has revised the total project cost by a

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significant amount. Based on the idea that only \$11 million will be coming from the Assembly, the Board needs to discuss the parking issue. Tony Yorba, Jensen Yorba Lott, said he said they had been asked to provide a plan B, which helped to defray the increase in the cost by reducing the scope of work primarily by providing a site plan that uses surface parking that eliminates the parking structure. This has been done while maintaining the preferred plan in terms of the terminal and the layout of the street. The rental car parking is being expanded and they rearranged the bus drop off. The existing sand storage building will be removed to accommodate additional rental cars. The surface parking area has been redesigned. The documents prepared by the design team suggest that in the year 2025 that approximately 760 stalls would be necessary on the site – employee, rental, long-term and short-term. The layout currently presented provides approximately 600 stalls. A canopy structure/walkway has been designed in the parking areas. The current cost of the parking is \$10 million.

Bob Jacobsen, Wings of Alaska and Terminal Planning Committee, said that he felt quite slighted that he is just hearing of an increase in the terminal costs. He and other committee members have been speaking to the Assembly members to help them along and had not been kept informed of the increase. Tony Yorba said that he would give background on how they arrived at this point and address the dollars. In contractual task 4 during the project committee work, a preferred concept plan was established. The project committee approved a revised plan that was pegged at \$58 million. That information was given to the financial consultant, who was asked to establish a financial plan for the project. Somewhere in the consultant's work, he misinterpreted what was communicated in the project budget and left out the 40% project markup that is required to cover all of the various project incidentals besides the actual construction costs on the terminal, which added up to about \$10 million. This was not picked up through all of the meetings held, until a presentation was being prepared for the Chamber of Commerce when one of the Airport Board members asked for a simple project budget that eliminated Option A and C and showed Option B. When that budget worksheet was being worked with, Mr. Yorba could not make it correlate with what was in the financial plan. He did the presentation and was out of the office all the next week. He worked another three days with the financial people, design team and Airport management. It was verified with the financial consultant that 2007 dollars were being used both for the construction and for the rest of the financing.

Mr. Yorba worked out a plan that removed the parking structure and a service parking concept. The financial planner determined that the 2007 dollars could not be used, but opted to use the 2011 dollars. Option A would move up to \$75.5 million - with the parking structure. The current option would cost approximately \$60 million. He was confident they could pare the project down to meet the approved \$58 million budget, which would mean that the covered walkway would have to be dropped and possibly some adjustments to the building. The Board needs to address two issues: 1) is this satisfactory; and 2) how to address that the City & Borough of Juneau (CBJ) has not shown a willingness to participate in the 50% share of the project. An update on the financial plan will be presented in the next couple of days that will show how to achieve the level of work depending on the contribution from CBJ.

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Joe Heueisen said that the Board had initially planned to request 50% of the \$58 million project from sales tax. Someone on the City staff decided that \$10.9 million (excluding the parking garage) would be sufficient. Surface parking then began in the process and about that time an error was discovered. Someone from the City has now suggested that the Airport should be on a general obligation (GO) bond so that they can fully fund the recreation center. Mr. Jacobsen suggested that a simple e-mail to all committee members would have been sufficient to keep them informed when the error was found. Chair Swanson said that a Committee of the Whole meeting (with public notice) was held on June 3 to try to decide what to do about the increase. Kathy Smith, Alaska Airlines, said that the public notice did not mention the problem with the increase and she felt this should have been noted to the committee. Mr. Heese said that technically the committee had been disbanded after the Board accepted their recommendation; however he recognized and appreciated that some committee members were still working in support of the project..

Chair Swanson said the Mayor had suggested placing the entire 50% request of \$30-\$35 million in a GO bond and step out of the 1% sales tax. Max Mertz said that he had heard a rumor of putting this on a GO bond in April. He felt that this would kill the Airport project. He said that some of the Assembly members want to put the Airport project out of the 1% sales tax because they do not believe there is local support for the Airport. He recommended that this project remain on the sales tax. Tom Williams said that the Airport is tourism oriented and should be supported by tourism dollars. He thought that the community center would have a better chance of passing under a GO bond and being fully funded. Gordon Evans moved, Joe Heueisen seconded, to adopt the original plan of the Terminal Planning Committee with a parking garage and tell the liaison to ask for \$37.8 million, of which \$20 million to be funded by the 1% sales tax. The Board does not support a GO bond for this project. The motion passed by unanimous consent.

A five-minute break was taken.

VII. NEW BUSINESS:

A. Airport Manager's Report: This item was deferred until after public comments.

VIII. ASSEMBLY LIAISON COMMENTS: None.

IX. PUBLIC COMMENTS:

A. Kathy Smith, Alaska Airlines, said that the conference in Anchorage was a good conference.

B. Bob Jacobsen, Wings of Alaska, said that depending where the Airport ends up with the City's contribution, he wondered if an unofficial meeting of the terminal committee might be held after the CBJ Finance Committee meeting.

C. Laurie Craig said she is a little troubled about the way the terminal is turning out. She thinks the terminal improvements are needed.

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VII. NEW BUSINESS:

A. Airport Manager's Report: Airport Manager Heese reviewed the Airport Manager's Report (Attachment #2).

X. BOARD MEMBER COMMENTS:

A. Gordon Evans said he would like to receive hard copies of agendas and minutes each month. Ron Swanson agreed. Agendas and minutes will be sent out each month to all Board members.

B. Chair Swanson said that new signs along the dike trail are found obtrusive by some people. These signs obstruct the view. The no trespassing signs are very large and blocking the view.

C. Tom Williams asked why the restaurant and bar close down at 8:00 when there are two flights remaining? Airport Manager Heese said he would discuss this with the Restaurant Manager.

D. Pete Carlson attended the Alaska Airports Conference in Anchorage. He felt this was an excellent conference. He strongly suggested that the next one include attendance by someone from the Airfield Maintenance crew.

XI. ANNOUNCEMENTS: None.

XII. TIME AND PLACE OF NEXT MEETING: The next regular Airport Board meeting will be held on July 13, 2005, at 7:00 p.m. in the Aurora Room.

XIII. AIRPORT MANAGER'S ANNUAL REVIEW: Joe Heueisen moved, Gordon Evans seconded, that in light of the appropriate State of Alaska statute that the Board go into executive session to discuss the Airport Manager's annual review. The motion passed by unanimous consent. The Board came back into general session at 11:18 p.m.

XIV. ADJOURN: The meeting adjourned by unanimous consent at 11:20 p.m.

ATTACHMENT #2

JUNEAU INTERNATIONAL AIRPORT MANAGER'S REPORT June 8, 2005

1. Virginia Harris and I spent three days in Anchorage over the period of May 23 through May 26 attending a FAA-sponsored conference. Topics covered included wildlife management, land use planning, construction administration, airport records updating, EMAS suitability for runway safety areas, and grant application and award procedures. It was a very good information exchange and good opportunity for networking with other aviation professionals from around Alaska.
2. Several meetings regarding the Environmental Impact Study were conducted during the days of May 31 through June 2. These included a meeting between the Board and the Assembly, two public open houses and two public hearings, and several meetings with consultants and resource agencies. The public comment period ends on June 30.
3. The Chamber of Commerce has invited the Airport to make a presentation at their luncheon meeting next week, June 10, regarding the DEIS. Board members are encouraged to attend to hear the presentation and take part in the discussion.
4. Alaska Airlines will be undertaking some improvements in their areas over the next few months. First is a remodel of the interior of their cargo facility; staging of materials will be inside the fence near their building. Next is installation of storage lockers near the baggage claim area. These lockers will be for their exclusive use for storage of unclaimed luggage. Last is removal of the existing flight information displays in the terminal and replacement with newer, more up to date, video monitors and displays. The first project should begin almost immediately, the other two will follow over the next two to three months.
5. You may have noticed some construction equipment sitting near Egan Expressway at the wetlands observation point. This is for the construction of a 100+ foot tower that is part of the low level wind shear alerting system. This tower is hoped to be up and contributing information to the system by the end of July 2005, which would begin a year-long evaluation to determine if the system is providing the hoped for benefits.
6. Construction Projects:
 - A. Terminal Access Road Rehabilitation. Construction is complete. The project will be closed out over the next few months.
 - B. Taxiways extensions. Paving began Monday, May 2 and was completed shortly thereafter. The taxiway interlinks will be re-designated, which will be coordinated with tenants and FAA. Due to slow deliveries of sign parts and panels, this designation change will not occur until late June to early July. Public notice and meetings will be held to notify all users and help them understand the changes before pilots begin to operate under the new designations. The interlinks are now open for use with a temporary designation for the taxiway near Coastal Helicopter.

- C. Delta-1 Ramp Expansion. The bids opened May 13th and work should be completed this year. Staff expects the FAA grant to be awarded by June 7th with Assembly appropriation on June 13. Notice to Proceed would be expected within the month after that.
 - D. Fencing Upgrades. Final inspection will follow the contractor's notification of completion.
 - E. Airfield Maintenance Shop Water Line. Cameron Plumbing has finished the installation.
 - F. Crest Street Reconstruction. Crest Street and Gate K near the fire hall are deteriorating due to the heavy use through that area. We plan to construct a concrete pad at the gate to improve the surface for the gate sensors. This is hoped to be done this summer or fall. We are considering the reconstruction of the road at some later date.
 - G. Part 121 Ramp Reconstruction. We are re-evaluating this project in the context of the condition of the total ramp and available funding over the next few years. Options are that this project may be postponed or the work scope changed. Part of the concern is that funding for subsequent phases is uncertain. Therefore, we think there is a need to take a harder look at main ramp (both Part 121 and 135 ramps) conditions and priorities.
7. Airport enplanement statistics for May 2005 was up 15.5% above May 2004. Year-to-date the enplanements are up 5.55% above 2004 and approximately 3% above the enplanements for 2001.
8. A runway patch was done last Friday night. Other than an Alaska Airlines flight arriving during construction, it was accomplished before the rain started. Reports are that is a pretty good patch.
9. The compass rose has been repainted, reestablished and operational at Echo Intersection.