

MINUTES of
AIRPORT BOARD MEETING
December 7, 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	Merrill Sanford, CBJ Assembly Liaison
John Coleman, Airport Admin. Asst.	

Public Present:

Ella Rogers, Glacier Restaurant	Dick Rountree, R&L Leasing
Jim Wilson, Coastal Helicopters	Larry DePute, General Aviation
Jim Hanson, Coastal Fuel	Tony Yorba, Jensen Yorba Lott

III. **APPROVAL OF MINUTES:** *Gordon Evans moved, Fred Gaffney seconded, the adoption of the November 9, 2005, minutes as presented. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA:** Airport Manager Allan Heese asked to move Item VI.C., Terminal Expansion Projection, under Unfinished Business to the beginning of the agenda to allow Tony Yorba to participate. *The agenda, as amended, was approved by unanimous consent.*

A five-minute break was held.

V. **PUBLIC COMMENTS:** None.

VI. **UNFINISHED BUSINESS:**

C. **Terminal Expansion Project Update:** Chair Ron Swanson said he recontacted most of the committee that was on the original Terminal Committee and seven or eight people indicated they would serve on the new committee. He also contacted Rosemary Hagevig and Bruce Abel about being part of the committee. A meeting has been scheduled for December 15.

Airport Manager Heese suggested the Board should identify key points for the committee to discuss. Examples may include:

1. Does the Airport want to pursue a GO bond or the next opportunity for sales tax?
2. There's a possibility of lobbying the state and federal governments for funding support.
3. The approach that the Committee and Board would like to take as far as marketing the project.

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4. Are there mini-projects that should be pursued before the major project?

An agenda should be built to make the most of the Committee's time.

Fred Gaffney said the Assembly had discussed finding out why the voters voted the way they had. Assembly Member Merrill Sanford said the McDowell Group has been hired to do a survey of the community. A draft is currently being written, with a final due out the following week. Joe Heueisen and Pete Carlson said they were called but there were only questions about the pool. Gordon Evans suggested looking into the GO bond and federal and state funding as the sales tax is too far out. Tom Williams said that the scale of the project should be discussed. He said some sort of commitment should be requested from the Committee in the marketing of getting community support.

Chair Swanson said that Mary Lou Gerbi has been contacted to write some articles on the airport. This will be sent to the newspaper and perhaps some radio spots. She will be writing press releases with some flair. Mr. Gaffney said the story needs to include why the airport needs to be improved, what the problems are, etc. Gordon Evans said the emphasis needs to be on the spring and summer crowding. Chair Swanson noted that the free parking going away will be another item for the press releases Ms. Gerbi will be doing.

Tony Yorba, Jensen Yorba Lott, felt the important thing for the Airport is to show the community and potential financial organizations that there is progress and direction, i.e., the new bag belt, extension of the terminal, or the mechanical room upstairs. Another direction would be putting the design forward. This would develop a schematic to begin to flush out the design of the building and to help establish the process and maybe find less expensive ways to achieve the same goal. He said the Board needs to give the Committee some things to talk about and reach a consensus on the best way to go.

Fred Gaffney nominated Eric Forrer for Committee Liaison. Chair Swanson appointed Mr. Forrer and Joe Heueisen to the Committee.

Airport Manager Heese said that moving terminal projects forward in the CIP list would take some work to try to figure out how to finance them. Something else will have to be set aside in order to do terminal projects. An earmark of \$1.5 million for 2005 was in the budget for terminal enhancements. If this money was used for design, the FAA would like to see the building begin within a couple of years of the design. Mr. Heese said the CIP list will be presented to the Finance Committee and then to the Terminal Enhancement Committee at the meeting on December 15. The CIP list does not include any terminal work.

A. **Operations Committee:** Chair Heueisen reported that the Committee discussed the following items:

1. **Water/Sewer Project Activity:** The planned water/sewer expansion project is complete, but there was approximately \$34,000 remaining in funds. The Committee asked staff to investigate the possibilities of installing "centralized" bathroom facilities at the east and west sides of the airfield. Chair Swanson suggested Pete Carlson look at the facilities at the Shrine as possible examples of what the Airport might build.

2. **Airside Traffic Enforcement:** There has been an increase in vehicular infractions on the taxiways and ramps. Management would like to get some control on this. Staff will discuss this with downtown and bring their suggestions back to the Board. It had been noted that the markings are not as significant as they might be. It was suggested that the infractions be taken to the employers when employees are not following the rules.

3. **JPD Impound Lot:** The impound lot adjacent to the Fuel Farm has had numerous break-ins and thefts. Many people were in attendance to discuss this item. Originally, the City Manager wanted this to go very slow, but after further conversations, it was decided to do some brushing inside the fenced area and to add razor wire. The Police Department is taking this on itself to get this going. They will be explaining what will be happening to the residents of the area. Airport Manager Heese said that things have changed since the meeting. He reminded the Committee that a potential tenant has been in the works. This was noted when JPD was looking at the area for their vehicle storage. The potential tenant has now stated they want to move forward with a lease in the fuel farm. They tentatively agreed to the original two lots – Lots 4 and 5 (which border along Berner's Avenue and would require removal of much larger brush and trees), but now are looking only at Lot 10. A conceptual plan has been requested from the tenant that will satisfy the potential tenant's needs, satisfy any clearance requirements from Duck Creek, and any clearance requirements from the AEL&P transformer substation. If they cannot satisfy the requirements for Lot 10, then they will be back looking at the original lots. If that occurs, trees will need to be cleared, the fence relocated, and the berm will need to be cleared out. They would like to get started in January.

Committee Chair Heueisen said that Ladd Street is the most desirous area to have brush cleared. Mr. Heese said that the plan is to present JPD's intentions to the Board, notify the neighbors in the area, and then bring it back to the Board at their January meeting.

Jim Wilson, Coastal Helicopters, said that in light of what happened to LAB, he is more concerned about the nuisance problem that this facility may be creating. This is not an airport-related entity. Tom Williams noted that the lease is five years long and the Airport receives \$15,000 per year. He thought that a solution should be reached and make a reasonable decision. If the Airport can lease an additional spot for additional revenues, it does not make sense to boot someone out if the other problem can be solved.

In discussing the tanks currently in the fuel farm, Dick Rountree noted that the tanks in the fuel farm are double walled and safer. One of the things that the neighborhood bought off on was the upgrade of the tank farm. Merrill Sanford said that the new high school fence line is located way back in. A large green belt was left between the residents and Adair/Kennedy field. Nothing can be done with the green belt once it is

established. Mr. Sanford said that staff has been directed to put the fence on the property line for the new high school and leave a green belt on the inside of the fence.

4. **Mitigation Plan Resolution:** Mr. Heese said that in September, the Board passed Resolution 2005-02 which limited mitigation work done within five miles of the Airport. If any mitigation occurs within five miles, it would have to be done in such a way that there is no wildlife hazard associated. Outside of five miles, anything would go. Since then, the FAA loosened its requirements for mitigation lands. They now say the Airport is obligated by advisory circulars and grants to be concerned about off-airport hazards any how. No new constraints will be attached as a result of mitigation; the Airport must just comply with the existing guidance. The Committee re-evaluated the FAA's restated position and the Resolution and directed staff to provide suggested changes to the Resolution. This removes the restriction of any preservation within five miles; however, it does retain the restriction of no enhancements of any wildlife hazards within five miles. The changes are mainly in the last "Whereas" paragraph and items under Section 1.

Tom Williams said that a quote of what the FAA has said should be included in the Resolution. This would keep the FAA's feet to the fire so they don't change their mind. *Gordon Evans moved, Fred Gaffney seconded, and asked unanimous consent to amend the suggested resolution to have the last paragraph read, "Whereas, in correspondence dated November 15, 2005, a copy of which is attached hereto, FAA has clarified . . ." The motion passed by unanimous consent. Gordon Evans moved, Fred Gaffney seconded, to approve the amended resolution and asked unanimous consent. The motion passed by unanimous consent (Attachment #1).*

Airport Manager Heese reported that he had suggested the mitigation would be on the order of \$3 million (+/- 10%). He was basing this on the basis that if one unit of wetlands was impacted, one unit of wetlands elsewhere would have to be preserved, which would have cost roughly \$3.2 million. However, the resource agencies pretty much unanimously said that since the draft proposal is preserving and not creating, you have to preserve more units than are being impacted. They cited projects of ratios as high as 7:1 or 10:1 have been used at various places around the country. The resource agencies feel they are being very generous at holding the Airport to 2:1. The way that it was explained is that the current Presidential Administration has stated a policy that there will be a net increase of wetlands during this administration. The Airport is not creating any new wetlands. In fact, there is a loss of wetlands by however many acres the Airport is doing. Because the area being preserved is already wetlands, it is not like it is non-wetlands and it will become wetlands. In order to comply or at least satisfy the intent of the net increase in wetlands, they get to determine how much has to be preserved.

When discussing the high cost, it was noted that this is for 73 acres or the total project. The number is based on an acre cost of \$30,600, which is still an uncertain number. A certified appraiser is trying to get a price per acre of land comparable to what is being

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impacted. Tom Williams agreed to buying acreage from the CBJ rather than give the dollars to the resource agencies. Mr. Heese said he did not think the FAA would give money to turn around and buy land from the CBJ. It would be considered an in-kind contribution to the project. Assembly Member Merrill Sanford said this project has come to a point where the Airport needs to get the City Manager and Lands Department involved. He would support the Assembly to get land swaps done. Chair Swanson said Mr. Heese would need to check with the FAA first.

When asked which resource agencies were involved, Mr. Heese replied the following agencies have participated: Federal Agencies - FAA, Corps of Engineers (not active at this time), National Marine Fisheries, EPA, and U.S. Fish & Wildlife Services; State Agencies - Fish & Game, Natural Resources, and Environmental Conservation; and a private, non-profit organization called Southeast Alaska Land Trust.

A five-minute break was held.

B. **EIS Update:** Airport Manager Heese reported that this past month's activity has centered on four main areas:

1. Additional field work was accomplished in early November to answer questions/comments from the public comment period last summer.
2. Changes to Board Resolution 2005-02. See Item VI, A, 4 above.
3. Continued work on the mitigation plan. See Item VI, A, 4 above. Out of the \$6.2 million, most of this cost will be eligible for FAA participation; however, the ineligible portion will be in the vicinity of \$.5 million and will need to be paid out of non FAA and non-PFC funds. Perhaps this is where a land swap could be used, but this will have to be researched. The Airport will also have a match requirement for the remaining \$5.7 million (or 5%) which we anticipate paying from PFC revenues or possibly other undetermined funds. This issue will be brought up soon with the Board Finance Committee.
4. Development of a Request for Proposals for Survey and Analysis of the Float Pond. There is a need for a geotechnical and bathymetric survey of the Float Pond prior to completion of the EIS and development of designs for the dredging of the Pond and placement of the fill from the pond. We anticipate this survey will cost on the order of \$200,000. This work would give us good information on the volume and quality of the material in the Pond and help us design the end profile of the Pond after dredging to ensure stability of the underwater slopes and appropriate depths (i.e., not too deep nor too shallow).

Jim Wilson asked if the EIS will be delayed. Airport Manager Heese replied that the biggest item is the question about EMAS or no EMAS. This has not been resolved by the FAA to the Airport's satisfaction. Because the Airport is waiting for guidance from the FAA on the de minimus impacts, there has been very little work by the prime consultant to move forward on preparing the final EIS pending the outcome of that guidance and how that guidance will be applied to the Airport's project. The FAA has decided that it may not be them but that they need to go through a formal rule making process prior to the publication of the de minimus

guidance. If the Airport waits for that rule making to take effect, we could be waiting one to one and one-half years.

The Airport has some other items they are trying to work on that will hopefully preclude the need for all of that. If that is successful, then potentially the final EIS and record of decision may be published in May or June of 2006. The de minimus part is only applicable to the 4(f) lands. Chair Swanson asked if the other projects (that are not 4(f)) could be split out to get a record of decision sooner. Mr. Heese said the most recent communication from the FAA to the Airport and to the prime consultant is to resume work on the final EIS under the guidance that they have been given to date, which is the refuge is 4(f) and those lands have to be avoided if there is a reasonable alternative; therefore, EMAS would be the chosen alternative. In that scenario, the Airport could potentially challenge that and say they will not do anything on that because the de minimus guidance will show a different outcome. The runway safety area project would not proceed, but other projects could go forward.

C. **Terminal Expansion Project Update:** Discussed as the first item under Unfinished Business.

D. **Finance Committee:** Committee Chair Pete Carlson said the Finance Committee will be meeting on Thursday, December 15, at 9:00 a.m. in the Aurora Room. This meeting will cover many items. Tom Williams asked if the parking lot fees will be discussed at this meeting. Mr. Carlson said it would be discussed. Mr. Evans said that the rates should not be adopted until several weeks to a month of notice to the public. He personally opposes taking away free parking.

VII. **NEW BUSINESS:**

A. **PFC Amendment:** The FAA has given the Airport a grant for an extension to the EIS of \$750,000. The match has been collected for that out of PFCs. The Airport now needs to amend the PFC for \$19,737 as matching funds for this grant. The AIP grant and State match have previously been appropriated; the PFC amendment had to go through a consultation and public comment period. *Pete Carlson moved, Fred Gaffney seconded, to appropriate \$19,737 PFC funds to the "RSA EIS" project account. The motion passed by unanimous consent.*

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

12. Joe Heueisen asked about the pond weed problem. Mr. Heese said staff was successful in reducing the problem somewhat, but anticipates the weeds will be back next year. Airfield Maintenance crews have developed and constructed a tool to remove the weeds, but it is very labor intensive. Late next year or the following year, the Airport will be in a full-bore dredging operation which will be designed to remove most or all of the weeds.

VIII. **ASSEMBLY LIAISON COMMENTS:** None.

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IX. **PUBLIC COMMENTS:**

A. Ella Rogers, Glacier Restaurant, noted that Debbie Brown's son is home on leave from Iraq. The Board asked her to encourage him to attend the military plaque dedication. (This refers to Item 1 of the Manager's Report.)

B. Jim Wilson, Coastal Helicopters, noted that funds generated through the annual night flights will go to either Neurofibromatosis or to the Flying Lions Site Group and begin around 4:00 or 5:00 p.m. on Friday.

X. **BOARD MEMBER COMMENTS:**

A. Chair Swanson said a committee had been formed call the Goals & Objectives Committee. Tom Williams has asked for a meeting. The members will be Chair Tom Williams, Gordon Evans, and Fred Gaffney. The reason for this committee is to do something similar to what the Hospital does in the way it rates it staff manager. You set the goals and objectives and then you rate the manager as to how well he did or did not meet the goals. Tom Williams would like to hold a meeting in the second week in January, maybe an hour ahead of the regular Board meeting on Wednesday, January 11.

B. Eric Forrer reported from the committee of one regarding the Avian Flu. The State of Alaska was given a failing or near-failing grade as far as their ability to respond to something like a massive health crisis, as was the federal government. There are people who are paying attention to this matter, such as the City/Borough Crisis Manager, the local public health services, among others. KTOO had an extremely good program that consisted of a major research agency who was researching this flu and the nature of flu and disease.

The original question was on shutting down the airport in the case of some kind of health crisis. The question has part of an answer ... both the City Manager and the Crisis Management individual can have extraordinary powers and they had the authority to close the airport. There are responses from casual to tipping on the edge of crisis. In discussing this further, Mr. Forrer felt that both the Board and the Airport Manager have the authority to close the airport because if they felt something like that was necessary, they would do it and then face the consequences. Airport Manager Heese said he would suggest that the Board would direct the Airport Manager to close the airport. We would not want the Board members calling the Airport Manager and telling him what to do. He asked where the City Manager's authority comes from to close the airport. It would either have to be established by City code or charter and that has been reserved for the Airport Manager, not the City Manager, and that goes through the Board to the Assembly unless the Assembly has given the City Manager that authority in some other manner.

XI. **ANNOUNCEMENTS:** None.

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

A. The Finance Committee meeting will be held on December 15, 2005, at 9:00 a.m. in the Aurora Room.

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- B. The Terminal Enhancement Committee meeting will be held on December 15, 2005, at 1:30 p.m. in the Aurora Room.
 - C. The Military Plaque dedication will occur on December 15, 2005, at 2:30 p.m. on the second floor of the terminal building.
 - D. The next regular Airport Board meeting will be held on January 11, 2006, at 7:00 p.m. in the Aurora Room.
- XIII. **ADJOURN**: *Gordon Evans moved, Eric Forrer seconded, to adjourn the meeting. The meeting adjourned by unanimous consent at 9:05 p.m.*

ATTACHMENT #2

JUNEAU INTERNATIONAL AIRPORT MANAGER'S REPORT

December 7, 2005

1. Military Appreciation Plaque to be Installed December 15 at 2:30 p.m. A few months ago, the Airport began gathering names to place on a military plaque in recognition of the local service men and women currently serving in Iraq. After a few delays with ordering military branch emblems, the plaque is finally ready for dedication. A short dedication ceremony will take place immediately following the Terminal Expansion Committee meeting. The Airport will coordinate with CBJ, media and the families of those serving to dedicate this plaque at that time. The plaque will be located on the second floor of the Airport in the public area prior to the entrance of security screening. Of interest, Juneau is represented through every branch of the military.
2. LAB Theft Causes Concern. The Airport was recently notified that LAB had a couple of their aircraft broken into sometime over the past couple months. JPD, FAA and the FBI have been called in to investigate. The two aircraft had navigation equipment removed including expensive Capstone equipment. The estimated value of all the equipment stolen is well more than \$100,000. One aircraft was inside LAB's brown hangar, the other aircraft was outside the hangar (hangar location is adjacent to Gate E on the west end). At this time we have no further information, but the investigation continues.
3. Airborne Port-a-Potty Causes Aircraft Damage. On the afternoon of November 23, the Airport was notified that a GA aircraft parked in the west end tie downs had sustained damaged due to repercussions of the high winds. Apparently, the wind blew one of the Alpine portable toilets into the wing tip of the aircraft. There is no estimate on the damage costs at the time of this agenda. Both CBJ Risk Management and Alpine have been informed and will work with the aircraft owner on repairs.
4. Gate 2 Activity to Increase. Alaska Airlines is making significant upgrades to their fleet which serves Juneau. The main changes are in the phasing out of any B-737-200 aircraft in either the Combi- or straight cargo-configuration, being replaced with -400s. The impact on us is increased wear and tear on parking locations on the ramp due to the increased weight of the newer aircraft. In addition to the increased weight of the aircraft, they will begin using a Cochran loader, a specialized piece of equipment used for handling igloos on and off the aircraft. This piece of equipment is itself very heavy and could cause increased deterioration of the ramp where it is operating and where it is parked. This was tested earlier in the day and should work very well. Further tests will be done in the future.

These two changes will affect where they park aircraft and how they work around them. The current thinking is to park all Alaska Airlines Combi- and cargo-configured aircraft at Gate 2 at the terminal. The change is that, whereas, in the past only Combis were parked there, they will now be doing all mail, cargo and freight at that position. The Cochran loader will then be stationed full time near Gate 2. We already have a concrete hardstand which should accommodate the aircraft weight; however, we will need to expand the hardstand to accommodate the loader.

This project is being considered within the context of our Capital Improvement Program development.

This item is being discussed here to notify the Board about the change of operations, as this puts cargo operations at the terminal which is normally reserved for passenger operations. The advantages to this change are that it will preclude the need for another dedicated concrete hardstand somewhere on the field, it will concentrate the operations involving the Cochran loader at one location, and it will reduce vehicular traffic needing to cross the main ramp from the terminal to the Alaska Airlines cargo building. We are continuing to investigate this change to ensure it will work with all operations and be an overall improvement, or determine if the disadvantages outweigh the advantages. Further information will be provided during the CIP discussions.

5. Alaska Airlines Enplanements. The November enplanements are up 2.3% from 2004 to 2005. The year-to-date figures are 3.4% ahead of 2004. The enplanements are approximately 7,000 ahead of 2001 numbers. Deplanements have increased by 3.6%. When terminal projects are reviewed, both enplanements and deplanements use the terminal. Both sides have a significant increase.
6. Terry Stone has had severe back problems for quite some time. He had surgery the day before this meeting. He is in good spirits but a lot of pain. Hopefully he will mend completely and rapidly. He will be out of commission for quite some time.
7. Vehicle Accident. A vehicle accident occurred the prior evening. There was severe freezing rain and Airport employees were trying to get the runway condition up above nil braking. The piece of Airport-owned equipment used to check the braking action went off the end of the runway. The driver of the vehicle is ok. The vehicle sustained \$1,000 to \$1,500 damage. The procedures for this testing are being reviewed to try to prevent this type of accident in the future. The vendor replied that this is not an unusual situation.
8. Lobbyist Visit Forthcoming. The CBJ's lobbyists in Washington, D.C., Mr. John Roots and his team, will be in Juneau on January 11 or thereabouts to meet with city officials, Assembly and staff, to discuss legislative priorities for the upcoming year. This is an opportunity for us to make funding requests and other issues at the federal level which we want the lobbyists to work on for us. The CBJ Manager's Secretary is setting up the schedule for this visit. I will keep you posted as to the date and times of meetings pertinent to the Airport.
9. Annual Certification Inspection Soon. Mr. David Wahto, FAA Certification Inspector, will be here the week of December 12, 2005, for our annual FAR Part 139 compliance inspection. Main points for the inspection include our maintenance and safety programs, including wildlife hazard management, ARFF, training, and runway safety compliance.
10. Security Inspection Pending. We have been notified by the local TSA security inspectors that they will be doing an inspection sometime within the next few days to weeks. Actual date of the inspection is yet to be determined.

11. Construction Projects:

- A. Delta-1 Ramp construction. No activity has occurred in this area since the last report as this project has been put on hold for the winter months. We will be starting this project up again in the spring as early as possible.
- B. Taxiway extension. The project to extend the two taxiways is nearing closeout status. This project began during the summer of '04, got shutdown for last winter, and is finally nearly complete. This has been a very difficult project for a variety of reasons, some of which are changes in the electrical subcontractor, changes in the vendors of electrical components, changes in FAA specifications during the project, and unforeseen technical difficulties due to a changeover from incandescent to LED lighting on the taxiways. Although we are within the previously reported amounts for the overruns on this project, we will likely be coming to the Board in the next couple of months to appropriate grant and PFC application amendments.
- C. Customs office upgrades. This work is coming right along. Sheetrock is up but not yet sanded and primed or painted. Some electrical work also remains. Completion date is still uncertain at this time.