

MINUTES of
AIRPORT BOARD MEETING
December 14, 2011
Alaska Room, 6:00 p.m.

I. **CALL TO ORDER:** Chair Jerry Godkin called the meeting to order at 6:06 p.m.

II. **ROLL CALL:**

Members Present:

Pete Carlson
Tamara Cook

Jerry Godkin
David Epstein

Ron Swanson (via phone)
Steve Zimmerman

Member Absent:

Butch Laughlin

Staff/CBJ Present:

Jeannie Johnson, Airport Manager
Patty deLaBruere, Deputy Airport Manager
John Coleman, Airport Business Manager
Catherine Fritz, Airport Architect
Jerry Mahle, Airport M&O Superintendent
Tom Carson, Airport Engineer

Marc Cheatham, Airport Special
Projects Officer
Ruth Danner, CBJ Assembly
Keith Walker, CCFR
Beth McEwen, Deputy Clerk

Public Present:

Sarah Day, Juneau Empire

Ella Rogers, Glacier Restaurant

III. **APPROVAL OF MINUTES:** *David Epstein moved, Pete Carlson seconded, the adoption of the November 9, 2011, regular monthly meeting minutes. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA:** *Steve Zimmerman moved, Pete Carlson seconded, to approve the agenda. The motion passed by unanimous consent.*

V. **PUBLIC COMMENTS:** Airport Manager Jeannie Johnson said a letter had been received from Hummingbird Hollow Gift Shop owners Jim and Brenda O'Donnell. Chair Godkin said this would be taken under correspondence.

VI. **UNFINISHED BUSINESS:** None.

VII. **NEW BUSINESS:**

A. **Comments Regarding Public Notice and Publication of Board Regular Meeting Agendas (Attachment #1):** Airport Manager Jeannie Johnson said that a member of the public has asked for additional notification methods for enterprise boards on agenda items. She said it takes a lot of work to publish the Assembly meeting agenda. Assembly Member Ruth Danner said it is an honor to be the Board's Liaison and she appreciated getting top billing on the agenda. This particular request is not specifically directed to the

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Airport Board. She didn't think that the individual that brought this forward had done any kind of a survey of what the individual enterprise boards are doing to notify the public of what is currently occurring. She noted that all of the boards are excellent at posting their agendas on the internet. The person is very active on the League of Women Voters and she likes the public to have access and know what is being discussed. She picked on the enterprise boards as a way to be a little bit mindful of the costs in terms of time and printing in the newspaper. Ms. Danner said this individual would have been just as happy to ask for every agenda of every community organization because she wants the public to be able to know what their government is doing. The individual is interested in enterprise boards as they have larger budgets, larger responsibilities and serve everyone in some capacity. She hoped that a representative from each board will be in attendance to fill the public in on the business they are covering and if it is possible to get more information out.

Ms. Danner said it takes time to get things to an Assembly meeting. She said the Board has to do its work first and then get it on the Assembly agenda. She was unaware of how long it takes to get things published in the newspaper before she started getting into this business. She said this would require the Board to know two weeks in advance of the meeting to know what the action items or significant things that would be discussed in order to get them into the paper in time. Ms. Danner envisioned noting the main topics for a Board meeting and a reference to the Airport's website.

When asked if others had commented on this issue, Ms. Danner said she had heard this before. No one else has written or come in regarding this issue. She said there is one enterprise board that had a notorious reputation for some time of doing things and people not knowing about it. She said the public at large is frequently surprised by things that go before the Assembly. This is one more effort to give the public the opportunity to know what is going on. Board Member Ron Swanson said as soon as the Board has an agenda, it is posted on the internet. He said he could not see a reason to publish the whole agenda in the newspaper when it is available on the internet. He said that at the beginning of each meeting, the Board has approval of the agenda or additions or corrections to the agenda. No matter what is put in the newspaper, he would hate to give up the fact that the Board can change some agenda items because someone says it wasn't in the paper so you can't discuss that. The flexibility needs to remain.

Deputy City Clerk Beth McEwen said the City is required to publicly notice all of the public meetings. As part of the City Clerk's office, their duty includes public notice, which includes advertising the Airport Board meetings. When the regular meetings are scheduled, they are included in the "Your Municipality" ad. The Board's public notice requirement is met through this advertising. She noted that this topic will be before the Assembly Human Resources Committee on January 30, 2012. Alaska State Statutes state that the usual customary practice is what the Board is required to meet legally. Currently, the usual customary practices are outlined in the memo and published under "Your Municipality." If the ad time is not met, the City is required to do a public notice with a minimum 24-hour notice. If the practice is changed, that would become the City's usual

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customary practice and would need to be adhered to. The Assembly agendas are printed in full, but it does not mean that the agenda cannot be changed at the meeting. The Assembly Committee of the Whole meetings are advertised with "agenda items include," and it delineates items. Other items may be added. Ms. Johnson suggested adding the web address on the ad. The Airport does not have a budget to publish the entire agenda. If one line is added for each enterprise board, it would make it easier for 99% of the general public. She said she was very concerned that the Airport Board continues to conduct business in a nimble fashion. If someone has something to come before the Board after the ad, a piece of business might have to be delayed for another month. Ms. McEwen noted that the City's website is listed at the top of the ad.

Ms. McEwen said Assembly meetings are held every three weeks. It takes at least two weeks to start getting items into Law or Finance. Then a staff meeting is held at which the City Manager determines whether something is ready to go before the Assembly. The materials and background information have to be compiled. They are printed, distributed and posted to the web. Amongst all of that, the Assembly meetings are held on a Monday night. The Tuesday prior to that is when the "Your Municipality" ad is sent in. Everything has to be finalized by a week prior to the Assembly meeting. For notices of public hearing for ordinances that are going into their second reading, they actually get noticed as a "Notice of Public Hearing" the day after they are introduced or three weeks before the hearing date.

Board Chair Godkin said any written comments by Board Members may be sent to Ms. McEwen. He would need to know the position of whoever is going to go to the meeting. Originally, he had agreed to the advertising, but did not realize the ramifications. Airport Manager Johnson said she plans to attend the meeting and will be happy to take the will of the Board or share some of the discussions that have occurred. Assembly Member Danner said that significant things happen at the Hospital, the Airport, Docks & Harbors, and Eaglecrest. If someone is interested in the new cruise ship dock, it would be nice to say they are going to talk about the cruise ship dock.

Mr. Swanson said he thought this subject was much ado about nothing as the meeting date, time and place of Airport Board meetings are published. He thought the Airport Board is well within both the State guidelines and the City Charter by doing what is currently done. He thought the Airport Board is doing fine as it is. Chair Godkin agreed that the Board is meeting or exceeding the expectation.

Ms. Danner asked if cost was an issue. Ms. McEwen replied that the City negotiates the price with the Empire every couple of years. It is time for that negotiating to occur in the near future. She said that the cost is incurred under their budget at this time. If full agendas are published, the cost may have to be charged back to the department or board. The ad is charged out by the inch. The Clerk's annual budget is currently \$20,000 for annual publications. Chair Godkin suggested that e-mails may be sent to the Clerk's office, with a copy to the Airport Manager and the rest of the Board.

B. Airport Manager's Report:

1. November 21st and 22nd meetings with FAA Airports Division and Alaska State DOT Commissioner: Ms. Johnson had a series of meetings in Anchorage with John Lovett, Brad Garland, Mike Edelmann with the FAA to discuss the Airport Improvement Program projects, what those look like out into the future and what the funding might look like out into the future. The Snow Removal Equipment Facility (SREF) was discussed. A meeting was held with Byron Huffman about the SREF and he believed the Airport is on track. Because of the way Congress is funding the FAA, the project will need to be phased. The FAA has insufficient funds to give the Airport everything that is needed.

A meeting was also held with DOT Commissioner Marc Luiken and Deputy Commissioner of Aviation Steve Hatter regarding the SREF. Last year the State delegation requested \$1 million for the SREF in the budget. It was approved when it got to the Governor, but it was vetoed. A tour was given to Deputy Commission Hatter and he understands how the Airport needs this project. He said it is the worst he has ever seen. She asked them to help her with the next request for money to complete the project. This money does not come out of DOT's budget, but is a capital appropriation. She reminded them that the Governor is the Governor of all Alaska airports, not just DOT airports. They understand that and have pledged their support for our request of \$3.1 million for the match. This has also been forwarded to the City Manager.

The other issue she discussed with DOT is E36, which is a de-icing chemical. The Airport currently uses urea. EPA is about to make a decision of doing away with urea and making airports use E36. This would be very costly for the State to go with this product. She said she got DOT involved with a discussion with the Governor's representative in Washington, D.C., and with the City's lobbyist. It appears EPA is going to approve this change, as soon as it is approved, between DOT, Juneau International Airport, and any other little municipal airport that wants to come on board, the group will go to the delegation and ask for an Alaska exception to this law. It will increase the Juneau Airport budget for de-icing chemicals by 1,000 percent. The product is shipped in liquid form and is very expensive to ship.

2. Certification Inspection November 14-18, 2011 Briefing: Maverick Douglas performed the inspection. It was a good inspection. They are viewed as great tools. The training records need to be developed better and Marc Cheatham has this project nearly complete. Another item was that the pavement on Runway 8/26 is deteriorating faster than the supposed useful life. A pavement inspection will be performed in the spring, which may mean that a runway resurfacing will have to be done sooner than anticipated. In the past resurfacing, the taxiway was

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used as an alternative runway. The taxiway is not strong enough to hold the heavier jets. One of the opinions is that the taxiway would have to be rebuilt first and then rebuild the runway.

Other issues included lights and markings, which will be taken care of in Phase II of the Runway Safety Area. The radios do not work very well. We have been working with a contractor on doing the update. Because of the Runway Safety Area Project Phase I, some additional wildlife hazard areas have been created on the airport. These are fish that are accumulating in Duck Creek and at the approach end of Runway 26 in the new east slough that was constructed per the Record of Decision and the Environmental Impact Study. A mini-wildlife assessment needs to be done soon. If there is an additional wildlife hazard, it will be taken care of during the course of Phase II rather than waiting until the whole thing is finished and try to go back in and fix it. Board Member Steve Zimmerman said it may be good to include the Wildlife Hazards Working Group, also. Mr. Swanson said that at one of the meetings, a fish barrier was suggested. This would not allow fish to go up Duck Creek. Ms. Johnson said these are ideas. Nothing formal has been done. The first step is to have the USDA Wildlife Biologist do a formal study and give the report. That is how the problem is identified.

Assembly Member Danner was concerned that Duck Creek improvements have been done to encourage salmon. Airport Engineer Tom Carson said the Airport relocated Duck Creek to capture the northwest development area. When it was relocated, part of the deal was that it would be reconstructed in a specific way. This relocation enhances the stream. The east end slough was extended around the new end of the runway. This resulted in a real flat grade. The question that has been raised is does that slough around the end of the runway cause fish and fish carcasses which thereby attract birds.

3. Departure Lounge Food and Beverage: Three weeks ago, a meeting was held with Stuart Campbell and Eleanor Davenport of Icy Strait Point about the departure lounge food and beverage. A member of the Purchasing staff was also included. The rules of the existing RFP must be followed. If the requirements are changed, a new RFP must be developed. These people are quite interested. They are in the food and beverage business in Hoonah. They are a subsidiary of Hoonah Totem Corporation. They had hoped to have a proposal to the Airport by today. They have a lot of bookkeeping issues at this time of the year and were not able to do so. Mr. Campbell has stated he will have a proposal to the Airport by January 15 and said they are excited about the opportunity and want to make sure they can uphold their end if they enter into a contract with the City.

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4. Armed Guard Services RFP Awarded: The contract was awarded to the existing contractor Goldbelt. There was one other bidder.
5. Dispute Resolution Board Meeting: A Dispute Resolution Board meeting was held all afternoon on December 14. This has to do with the Runway Safety Area Project and some material in the southwest corner of the float pond and the dredge. This is a three-member panel that heard AIC's side and our side. They have given the parties until Friday to submit any additional information. They will meet and bring forward a recommendation. The recommendation is not binding, but it is hoped that all parties can agree.
6. December 22, 8AM Christmas Breakfast with the Bosses: The second annual Christmas bosses cook breakfast for the staff will happen on December 22. The employees' families are certainly invited. We would like to invite the Board. Ms. McEwen reminded her that possibly only three members attend at a time with a break in between so it is not considered a serial meeting.
7. Snow Removal on the Float Pond Road: Board Member Swanson said during the heavy snow during November he traveled to the float pond and it had been very nicely plowed. He asked why manpower is being wasted plowing roads to a frozen float pond. Ms. Johnson replied that the roads are being cleared by AIC. Once AIC shuts down for the winter, she was not sure what the plan was. Airport Maintenance & Operations Superintendent Jerry Mahle said that plowing will occur to the dump site and keep the float pond road down to the river open. The south side will not be plowed. Everything maintained in that area is being done by AIC.
8. Airport Engineer Report (Attachment #2): The dredge operated in November. It pumped to the northeast development and stockpiled material in the south end of the west finger. This stockpile will be trucked to the northeast development area in the spring. A total of 18,600 cubic yards were dredged. AIC began working on the Jordan Creek culverts by installing a 14' arched culvert between the taxiway and the runway and extending on the south side an additional distance out with an arched culvert so the lateral RSA can be widened. The trick is managing the water in Jordan Creek, which is something of a challenge. AIC finished the storm drain on the south side parallel to the taxiway and over half of the storm drain running north toward Yandukin. AIC will now focus on Jordan Creek. The goal is to get the culverts in place prior to April 15. In November, AIC installed various culverts around the project areas. An interim access road that allows float planes to get to the river launch ramp was completed. AAA Fencing finished all punch list items. North Pacific Erectors finished the final details on the trash rack that crosses Duck Creek by the pedestrian bridge. Throughout the month, Juneau staff worked closely with FAA's design team, who is designing the 08 and 26

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MALSR work. Staff also worked with DOWL's Phase II design team. A 30% design review was completed and the project appears to be on course. As of the end of November, AIC earned \$30,755,000, which is 95% of the contract as modified by change orders. The deadline for completion is March 30, 2012.

Phase II design is expected to be done by the end of April, on the street in May so that construction of Phase II will begin sometime in June. Phase II will be asphalt, preparation work for the MALSR lights, runway light work, revisions to taxiways, the threshold will be shifted 520 feet to the east on 26 and 120 feet to the east for 08, new paint, markings and signs, and the extension of the Emergency Vehicle Access Road (EVAR) to tie into the existing EVAR.

9. Airport Architect Report (Attachment #3): Airport Architect Catherine Fritz reported November was a busy month in many ways. The front entry renovation continues to gear up. This area will be torn up about the first of February. The new RFP for the gift shop was worked on. This ties in with the front entry renovation as it will decrease the gift shop area. This RFP is unique for the Purchasing Department and, therefore, work continues with Purchasing. It is hoped to advertise soon. The gift shop infrastructure is outdated. Although this area will be replaced with the north wing, something needs to be done in the interim. It will be opened up and be a more modern facility with two openings. The details will be worked out with the new concessionaire. It is optimistic that this can happen before the coming tourist season. The current work is scheduled to be done around the end of May, which would allow the renovated gift shop to open at the same time.

Staff has been working with ESS on a temporary coffee cart, which is another area disrupted by the entry renovation project. The existing casework will be moved to a temporary location, which is around the wall and where the new bench furniture is located. The contractor will renovate their space by putting in new flooring, lighting and change the shape of the space. Then the coffee shop will be moved back in or if some other type of configuration is deemed needed, it will be done at that time. Staff is working closely to figure out how that will work successfully.

The geothermal system is working well for the building. Ms. Fritz wrote a memo to the Alaska Energy Authority (AEA) as the Airport received an AEA grant for this system. The data of the diesel fuel consumption and the electrical fuel consumption was gathered. It was expected the diesel fuel will go down and Ms. Fritz continues to hope that the next electrical usage will not increase substantially because so many energy conservation and efficiency measures were done and continue to be done in the building. The preliminary data showed that the Airport has displaced 30,000 gallons of diesel, which exceeds the feasibility study. The

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cost of the diesel in the study was \$3.30 per gallon and the cost is actually closer to \$3.50 per gallon. The savings of over \$100,000+ a year are occurring. This has to be offset by increased electrical. It looks like electric is 15% higher than before the project, as are the rates. Money is being saved and less diesel used, but the details will be forthcoming. More will be shared at the next Board meeting. The energy audit on the north wing will be available soon. She thought a lot of the electrical and diesel consumption is happening in the old part of the building.

Things are going well on the SREF. The infrastructure project is ready to be bid and is expected to be sent in mid-January. The documents will call for the contractor to start on site on a specific date – tentatively set on March 12. This assumes that AIC is off site on March 1 and will give a couple of weeks of wiggle room and not have one contractor working around another. Two bid packages will be done simultaneously for a shell and an interior build-out. If the necessary funding is not received from the FAA sufficient to cover both bid packages, there will still be a product to bid in April.

Mr. Swanson said he was encouraged by the information on the heat source pump system. He said the gift shop at the airport is one of the nicer gift shops in town, maybe even the nicest. When people ask where to buy real Alaska items, he sends them to the airport. He hoped the RFP is not a cookie cutter, chewing gum and magazine gift shop in the airport. There should be some provision in there for local ownership and local Alaska items that they sell. Ms. Fritz said the scoring criteria include what kinds of products are made in Alaska or Alaska grown. It is a qualifications-based selection process. They are not bidding to get a gift shop. This is to hear what they have to offer and hear what they think will make a successful gift shop in the airport. The Airport wants it to feel modern and have what the traveler needs, but also reflect the region and culture and be attractive to local residents. The idea is that a written proposal, ideas, a business plan, experience (with experience in an airport preferred) and experience in tourism in Southeast is also desired and would be presented through the RFP. The committee will take a look at this package of information, score it, and if interviews are needed, they could be scheduled. Then a preferred bidder would be chosen at which time the Airport Manager would negotiate terms of the contract. This is how other specialty services for which bidding isn't appropriate are chosen. Ms. Fritz noted that the new square footage of the gift shop will be within 50 square feet of the current size.

- VIII. **CORRESPONDENCE:** Airport Manager Jeannie Johnson said a letter from Hummingbird Hollow was delivered just prior to close of business today. This letter has to do with their space. Ms. Johnson said they are a great gift shop and everyone is pulling for them. Under the Purchasing rules, the Airport has to be very neutral and very fair. As opposed to ESS, who the Airport is moving during construction, there has not been a chance to talk to Jim and Brenda O'Donnell recently. A discussion was held several

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months ago. Ms. Johnson wants the service for the traveling public and she wants Hummingbird Hollow to stay as long as they possibly can. If they get the bid or whoever gets the bid, the Airport will work with them. She said this contract is being held up in Purchasing and a meeting will occur with Purchasing later this week.

IX. COMMITTEE REPORTS:

A. **Wildlife Hazards Working Group:** None. Group Chair Steve Zimmerman asked if Mr. Borchert has a schedule for the mini-wildlife assessment. Ms. Johnson said there is not a schedule. Discussions are continuing with Mr. Borchert. It will be brought before the Wildlife Hazards Working Group when it is done.

B. **Finance Committee:** None.

C. **Operations Committee:** Ms. Johnson noted a meeting will be held in January, with the primary focus of the meeting being the west finger float slips.

X. ASSEMBLY LIAISON COMMENTS: Assembly Liaison Ruth Danner said she appreciates this spot on the agenda. She is happy to be at the meeting. If anyone has any questions or anything needs to go forward to the Assembly, she would be happy to help. Chair Godkin said the Board did formally welcome her at the last meeting. He said the Board appreciates her attendance at the Board meetings.

Ms. Johnson noted that earlier Mr. Dybdahl suggested a change to the way that members of enterprise boards are formally selected by the Assembly. Currently, the Human Resources Committee (HRC) is like the Committee of the Whole – everyone is there. She believed that because everyone is busy, he wanted to have Ms. Danner's committee look at just having the Human Resources Committee make those appointments to the enterprise boards. She asked Ms. Danner to let the Board know the schedule of this issue. Ms. McEwen said this would be before the HRC on Monday night. This came before the HRC on October 24. This was still going to be the full Assembly sitting as the HRC, however, currently all nine members have to be present and that was what Mr. Dybdahl had been concerned about. A quorum of five people would constitute a meeting. She hoped the other part to be discussed at the meeting would be the meeting that immediately follows the HRC meeting where appointments are made by the Assembly at a special meeting or delayed until the next regular Assembly meeting.

Ms. Johnson said enterprise board members and Planning Commission board members are incredibly important appointments. She said the HRC acts on behalf of the Assembly. If there were political workings afoot, it would be possible to keep someone from being on a committee or to get a lot of one kind of leaning on a committee. Everyone on the Assembly has their own personal opinions.

Ms. Danner said that she thought Mr. Dybdahl had said in the past there was disharmony that he thought was unusual and the requirement that every one of the Assembly members

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be there was necessary to quell whatever problem had happened in the past. He thought that the Assembly had matured as a body and that that was no longer necessary, especially at the expense of being able to have staff coordinate the meeting. She said the most recent meeting was held during the Thanksgiving holiday season. It was challenging getting all of the Assembly there and the applicants. She said Mr. Dybdahl was trying to make things more expeditious and simpler for everyone. The full Assembly can come and participate. He was not trying to minimize the importance but just as a matter of trying to facilitate the process. Ms. Johnson said it is wonderful that the Assembly works that way right now, but it doesn't mean that when the Assembly changes, the dynamics won't change also.

XI. **PUBLIC COMMENTS:** None.

XII. **BOARD MEMBER COMMENTS:** Steve Zimmerman said that he will be calling in for the January and February meetings. He said he will be available for any Finance Committee meetings or any other issues that come up with a little notice.

XIII. **ANNOUNCEMENTS:** None.

XIV. **TIME AND PLACE OF NEXT MEETING:** The next regular Airport Board meeting will be held on January 11, 2012, at 6:00 p.m. in the Alaska Room.

XV. **ADJOURN:** *Steve Zimmerman moved, David Epstein seconded, to adjourn and Merry Christmas to all. The meeting adjourned by unanimous consent at 7:41 p.m.*