

## ATTACHMENT #1



# MEMORANDUM

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**TO:** Jeannie Johnson  
Airport Manager

**FROM:** Catherine Fritz  
Airport Architect

**RE:** Funding for Phase II Terminal and  
SREF Match

**DATE:** May 3, 2012

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Funding is being sought for additional renovations to the terminal, and for required match funds for the SREF building construction project. This memo summarizes the status and needed actions for project funding:

### **Terminal Renovation.**

Phase II Conceptual Design work that replaces the pre-1984 portions of the terminal was completed in mid-January, 2012. The product from that work was endorsed by the Airport Board and presented to the CBJ Public Works & Facilities Committee on February 6, 2012 for consideration of the upcoming sales tax ballot measure. Members of the CBJ Assembly have requested that the Airport reduce the sales tax funding request. We have explored other funding ideas, but to date, no other sources seem possible. While a request for reduced funding will delay replacement of some of the oldest portions of the aged terminal, we believe that continued renovation efforts can be effective with a reduced scope.

The proposed reduced concept involves renovating the existing restaurant and lounge areas, replacing the up-direction escalator, elevator, and two-story restroom/administration areas. The renovation will allow a modernized approach to retail and food concessions. It will address current deficiencies in administrative spaces and provide new public restrooms on the first floor. The portion of the terminal that will *not* be upgraded under this concept is the commuter airline (part 135) area and other uses in the old north wing.

The estimated cost of this concept is \$9.3 million. A presentation of the proposed reduced scope and its conceptual budget will be made at the May 9, 2012 Airport Board meeting.

### **Snow Removal Equipment Facility.**

The construction documents are complete and have been forwarded to the cost estimator. FAA has previously calculated the AIP eligible portion of the SREF at approximately 73%. This year's legislative funding request of \$3.1 would have provided the required match funds for the first phase of construction. Unfortunately, the Airport project did not receive financial assistance from the state of Alaska, so we are now again considering local funding options for the required match. One idea has been to broaden the sales tax request (discussed above) so as to include both the SREF and the terminal. The sales tax measure could then provide funds for the SREF if no other match source can be found.

Accordingly, the following action is proposed for Airport Board consideration:

The Airport Board requests that the Assembly include at least \$10 million in sales tax funding for renovation and construction of airport buildings on the October, 2012 ballot measure.