

MINUTES of
AIRPORT BOARD MEETING
May 8, 2013
Alaska Room, 6:00 p.m.

I. **CALL TO ORDER:** Chair Jerry Godkin called the meeting to order at 6:01 p.m.

II. **ROLL CALL:**

Members Present:

David Epstein	Joe Heueisen	Ron Swanson
Jerry Godkin	Butch Laughlin	Steve Zimmerman

Member Absent:

Mal Menzies

Staff/CBJ Present:

Patty deLaBruere, Acting Airport Manager	John Coleman, Airport Business Mgr.
Catherine Fritz, Airport Architect	Keith Walker, CCF/R
Ken Nichols, Airport Engineer	

Public Present:

Tim McDonnell, TEMSCO Helicopters	Michael Smith, Glacier Restaurant
Mike Clemens, Public	John Nichols, JDHS Student
Eric Schultz, TEMSCO Helicopters	Kent Craford, Alaska Seaplanes
Richard Cole, Wings of Alaska	Tom Williams, Ward Air
Mike Wilson, Coastal Helicopters	Kenneth Rosen, Juneau Empire
Ella Rogers, Glacier Restaurant	

III. **APPROVAL OF MINUTES:** *Steve Zimmerman moved, Ron Swanson seconded, the adoption of the April 10, 2013, regular monthly meeting minutes. Board Member David Epstein noted a correction to Page 7, the first full paragraph, third line, the word "his" needs to be "hit". The minutes as corrected were approved by unanimous consent.*

IV. **APPROVAL OF AGENDA:** Acting Airport Manager Patty deLaBruere said Attachment #3 was submitted the previous day and needs to be included on the agenda. Chair Godkin said this would be handled under Unfinished Business. Board Member Ron Swanson said he would like to discuss Coastal Helicopters additional driveway to their property. He said there is a time issue for this to occur. Chair Godkin said this will be Item C under New Business. Chair Godkin said the Item XV, Personnel Issues will be moved to Item D under New Business. *Steve Zimmerman moved, David Epstein seconded, to approve the agenda as amended. The motion passed by unanimous consent.*

V. **PUBLIC COMMENTS:**

A. Ella Rogers, Glacier Restaurant, said the restaurant booked a catering for the Aurora Room. The people decided they wanted the Alaska Room. They would have been

AIRPORT BOARD MEETING

May 8, 2013

Page 2

charged \$200 for the Aurora Room and they were having lunch. When they called the Manager's Office, the Alaska Room was given to them free of charge. Not only did it cut out \$200 from ESS, it also cut out the Airport from the percentage they would have received from the \$200. She would like to see those things not happen. When discussing the fee being waived, Ms. deLaBruere said she knew Ms. Johnson was working with the School District, but could not say what they had worked out. Chair Godkin said that this is under new management. This is revenue generating.

Ms. Rogers noted that one of the tour groups that comes into the Airport in the summer parks at the end of the building and passes out boxed or sacked lunches to people getting off of the bus. The people then come in and want to eat in the restaurant and all over the airport. They want condiments and no one is making money from this. Sometimes, this group even comes into the terminal with their cart of boxed lunches and passes them out to people. She felt this was a direct conflict with the food service agreement. She did not know how to stop it. Ms. deLaBruere said that the Airport has dealt with this group in the past. Letters have been sent. The Airport will remind this operator that this cannot be done. She said she will look into the ordinances, which are very specific to loitering and the sale of food, which they are not technically doing.

B. Mike Clemens said he is attending the meeting to find out how things are done. He said the Board is raising all kinds of rates. He tried to get answers about how the rates are being jacked up and why and then he finds out that someone is causing a problem for a vendor at the airport and it is a recurring problem. He said he is underwhelmed with the response to it. There needs to be some kind of teeth. There should be a prohibition of eating on the airport property anywhere. If they want a permit to feed people on the bus, there needs to be a charge for that. Everyone is getting charged for all kinds of stuff and the Airport has people that are thumbing their noses at the Airport and getting away with it. People are paying through the nose and people are getting by with stuff, which bothered him.

VI. UNFINISHED BUSINESS:

A. **Draft Airport Rates & Fees Regulation** (Attachment #3): Ms. deLaBruere said that four Finance Committee meetings were held to deal with the rates and fees changes. The Board approved the updated regulation for public comment, which began on April 16, 2013, and ended at 4:30 p.m. on May 7, 2013. It is now before the Board for final approval and then it will be forwarded to the Assembly for adoption of the regulation process. When the packet was written on Friday, May 3, no comments had been received during the 21-day public comment period. Between 2:30 p.m. and 4:30 p.m. on May 7, three additional comments came in regarding postponement of the rates. One more came in about 5:00 p.m., which is not included in the packet but available if the Board would like to consider it. The fourth letter says much the same as the other three comments received. Ms. deLaBruere said the comments received seemed to say that the Board had not taken into consideration any of the comments that they had made, but the comments made during the Finance Committee meetings were taken and while trying to be fair and

AIRPORT BOARD MEETING

May 8, 2013

Page 3

equitable with Alaska Airlines, the 135 operators and GA were listened to and staff made quite a few changes during the Finance meetings. These meetings were part of the public comment period. Although no one likes rate changes and increases, the Airport did do some phase-ins and adjustments based on comments received at the Finance Committee meetings, which are included in the Rates & Fees Regulation. Minutes for the Finance Committee meetings have been prepared. Mr. Epstein asked if it was true that the Airport is not considering the comments on tape or the comments from the Finance Committee meeting and Board meeting. Ms. deLaBruere said she thought everything had been captured. She knew no one was happy, but it is why the rates were adjusted and revised numerous times. In the last Finance meeting, rates were adjusted down from the previously approved rates, which was due to tenant comments.

Tim McDonnell, TEMSCO Helicopters, said he asked for a delay as the tenants were having a users' meeting tomorrow to get more tenants involved. He thought that the tenants had voiced the fact that they were not all crazy about the increase. They have not agreed to the increases in a manner that they are happy; therefore, he had requested a delay before they went to the Assembly. Chair Godkin said the group had every opportunity to attend and keep their knowledge up with what was going on in Finance and he cannot support delaying the regulation. The Board is in a process where the Assembly expects the Board to move the regulation to them after a 21-day period. He felt the Board had done due diligence to do the process as in the past and by the rules that are set forth from the City. He would be in favor of a motion to send them downtown.

Board Member Ron Swanson asked when the regulation would go downtown. Ms. deLaBruere said they would go down within the next week. She said from a process standpoint, changes cannot be made without coming back before the Board. They can have their meeting, but the regulation could still go forward. She said there is a presentation to the Assembly Finance Committee on May 22, 2013, which is a budget presentation. The Regulation will be before the Assembly the first week in June. This has to go through Law Department and several other steps before it goes on the Assembly agenda. Board Member Steve Zimmerman said this was a difficult process and included a lot of input from the folks in the room. He is not sure how the process can be stopped, wait for a meeting tomorrow, get a whole bunch of new input and then start the regulations based on the timeframe in which that information was supposed to be made has passed.

Kent Craford, Alaska Seaplanes, said he wanted to clarify his letter. Five of the six of the Board Members were at the Committee meeting. It is not about the Board hearing their concerns. His concern was that the comments that were made at the Finance Committee hearings and the comments made subsequently at the Board meeting or the discussion with the audience would not be part of the record that is sent to the Assembly. Specifically, he was talking about the comments during the Finance Committee meeting where the specific concerns among the tenants were raised. A healthy discussion was

AIRPORT BOARD MEETING

May 8, 2013

Page 4

held, but his concern is that the proposal would be sent downtown with no comments received other than the three letters requesting a delay. As far as the Assembly knows, everyone at the Airport must be on board with this. He said, obviously, that could not be further from the truth. His concern was about the record and what the Assembly sees. He thought minutes were a reasonable compromise. There should be something included in the official record so the Assembly understands that this is a very contentious issue and there is still a lot of concern among the tenants about what is being proposed.

Board Member Joe Heueisen suggested staff reiterate exactly what Mr. Craford said tonight when the budget is presented to the Assembly. Mr. Craford said it would be great but not a substitute for submitting the minutes of the Finance Committee meetings and the record at all. Mr. Heueisen said it was contentious and everyone is not happy, but this is what the Board was able to come up with given the time constraints and the situation right now. Mr. Craford thought it was incumbent on the tenants to be there, as well, to express their concerns.

Ms. deLaBruere said there is a gap between what happened at the Finance Committee and when the regulation goes forward. It is certainly no problem to include the meeting minutes or the information the tenants said at the last Board meeting so the Assembly is very much aware that it was a long process and the tenants were included, that the tenants are not happy with the rate increases and there were still some concerns. When the Airport moves forward, the minutes, a letter or something can be forwarded to the Assembly that states how they went on record even before the 21-day comment period. Mr. Craford said that would make sense, but they are still requesting a delay in the rates and fees. The tenant group is organizing and a lot of tenants were completely unaware of all of this.

Board Member Butch Laughlin said the Board needs to look at a larger picture in a sense of how the Airport revolves around the Assembly, and what they give the Airport, what they want to give the Airport and what they take from the Airport. Part of the reason for the rate increases is, of course, TSA, but the Airport is also getting shorted on some funds that should come to the Airport. Any pressure that can be put on the Assembly to bring it around would be helpful. He suggested the more the tenants leaned on the Assembly, the more the Airport could maybe sort it out. One item that does not come to the Airport is the money from the land lease property taxes, and it should come to the Airport. Ms. deLaBruere said Ms. Johnson had been looking into this through the State and the FAA. It is an issue that continues to be looked into. Mr. Laughlin said the FAA states that if there is aeronautical land, any proceeds from that land should go into the Airport budget, not a general fund with the CBJ. In that sense, basically the CBJ has been taking Airport money for years. If the Airport could change that around, the Airport could have money and the leases could actually be lowered, which is hypothetical. He thought this should continue to be pursued. Mr. Laughlin said the City Attorney had said that the City is not taxing the land, only the improvements on the land. He said the Airport is not trying to

AIRPORT BOARD MEETING

May 8, 2013

Page 5

gouge anyone, just trying to live and support the Airport. The Airport is an enterprise fund and is supposed to at least make the budget, without much help. He thought any letters to the Assembly in the Airport's favor would be great.

Mike Clemens, former budget person with time on his hands, said he was amazed that there appeared to be some funding source games going on where the Airport should be getting a piece of the CBJ action, and instead they are taking it. If there is revenue that should be coming to the Board to spend, the Airport should make that a part of the transmittal as to why the rates have to be raised so much. He asked why the parking rates went up so much compared to the employee parking rate raises. As a member of the public, although he tried to get the information earlier but the former airport manager told him to go away and put it in writing, which he found a little offensive. He said Pam was doing a great job of walking him through the basics with some general information, but when the big boss says get out of here, basically you leave. He said he has found the staff helpful in the past. He said as a government agency, the Airport should be able to explain what is done and why. That doesn't always happen, but he thought the explanation should be made. He would be interested in how the manager would be hired because management should be able to explain what they are doing and why. It shouldn't take a reporter to use a hammer or lever to explain what is going on. Apparently the Assembly wants to revise financial reporting and he will be paying them some visits because the rate increases should not have been a surprise to anybody.

Mr. Swanson said the explanation has been given during four Finance Committee meetings. It was also discussed in a Board meeting. This has been done in the public view and with absolute transparency. Ms. deLaBruere said that an e-mail was sent to Assembly Members and anyone else that is interested. It describes the parking lot rates, which meetings contained the discussions, where the analysis came from with Republic Parking and when lease rates were last changed. An e-mail can be sent out through the Board or the Assembly that goes into some detail.

Mr. Clemens said he is not asking the procedure to be delayed. It is good to know that there will be an explanation. Once the regulation is forwarded to the Assembly, he felt there was little chance the Assembly would overturn the Board. He knows the procedures that were gone through and can do the math, but he was after the rationale, which he did not think came up in the meetings. He hoped that things in the future will level out. He hoped that if the CBJ is taking some of the Airport's revenue, a point is made because people should know that. *Steve Zimmerman moved, David Epstein seconded, that the Airport Board moves for approval of the proposed changes to the Airport Rates and Fees Regulation 07 CBJAC 10.020, as outlined in Attachment #3-4, and to forward on to the Assembly for final approval and adoption. The motion passed by unanimous consent.*

VII. **NEW BUSINESS:**

A. **Pond Road Stop Signs:** As a follow-up to the April 10, 2013, Airport Board meeting, the Airport will be removing the existing “stop” signs at the RWY 8 end of the float pond road. To comply with the RPZ (“Runway Protection Zone”), vehicles over 10 feet tall will need to give way to aircraft. Staff plans to change the signs to read something like “Vehicles/Equipment over 10’ tall must yield to all aircraft”. Staff hopes to have this completed within the next few weeks.

B. **Airport Manager’s Report:**

1. As a follow-up to the April 10, 2013, Airport Board meeting, measurements for Float Pond Road are as follows:

- a. North Sea Plane Base Road: **two** 12’ (24’) lanes plus a variable 8’-14’ parking lane
- b. South Seaplane Base Road: 22’ road section plus an 8’ parking lane
- c. West Finger Road: 24’ road section plus a 10’ parking lane. Mr. Laughlin asked if this area would be open to people to build ramps and docks this year. Mr. deLaBruere thought this could move forward now that the road has been built.

2. Airport Engineer Report (Attachment #1): Airport Engineer Ken Nichols said the completion of the paving on the extension of Taxiway A and new Taxiway G should be completed that day. They will then move on to the finish work of paving the north seaplane base road. The next work will be the shift of the threshold to Station 880. Striping removal will continue this evening and the major portion of striping removal and restriping, lighting changeover and all of the things that need to happen between the last Alaska flight and the first Alaska flight will happen the next evening.

Another project is the Yandukin project, which is somewhat behind schedule due to weather. They are working on catching up.

Mr. Nichols said he went to Anchorage on April 22 to meet with FAA personnel in the Airports District Office, as well as the Project Manager, the funding personnel, and the Certification Inspector. Discussions were held about the Safety Area Project, how it was progressing and the scheduled completion date of August 23 from what has been existing with the new system, all new pavement in place, and a new lighting system. Discussions were held about the Snow Removal Equipment Facility (“SREF”) and how the pieces will go together. These were good meetings.

Another item that was discussed was the Master Plan Update, which has been on the capital improvement program for some time. It hasn’t started to date, but perhaps this was good as there is a program for what FAA is calling a sustainable master plan. The Airport has put in for consideration for that program. If the Airport is chosen for

AIRPORT BOARD MEETING

May 8, 2013

Page 7

the sustainable master plan, the Airport will be able to get funding for that through a discretionary grant, rather than taking it out of the normal grant funds. Staff is working with FAA to develop a scope of work and begin selecting consultants later this summer.

3. Airport Architect Report (Attachment #2): Airport Architect Catherine Fritz reported that curb parking signs would be installed soon. The public announcement messages will also be updated. Music-on-the-Fly program will start in June. The Alaska Room and Juneau Room rental program went to Law today, but did not include rates. She believed that the rates that have been discussed are very close to Centennial Hall's rates.

Mr. Heueisen asked if the current security may be more aggressive or attentive to the curbside parking issues. Ms. deLaBruere said that parking tickets can currently be made as warnings or they have to be physically handed to the driver after getting their information. Law is currently working on amending the parking ordinance fines to meet the new State court legalities for writing a ticket and not having to address it to the person. Mr. Heueisen said he was more interested in having someone on the curb moving cars. Ms. deLaBruere said that Security has an obligation to be at the checkpoint while it is open. The other day, there was a problem with vehicles parking four wide and a problem with getting an ambulance in to meet an aircraft. The Airport has a draft e-mail for JPD and the Fire Department to ask how the three departments can work together even in the interim to keep the road open. Chair Godkin said Security does not get respect from the public. Mr. Swanson suggested advertising the cell phone lot.

Ms. Fritz discussed a summary of what the SREF project is and where the Airport is at this point. This was used during the legislative season to get the State money. The \$3 million was approved by the Legislature and further work is occurring with the Governor's office through Senator Egan. They are optimistic that approval of that budget will be done by about June 10. At that point, the money would be available to be transmitted to the CBJ and available to go through the appropriation process. It is expected to be in the bank by sometime in July if everything goes well. Staff is hoping that the Airport might benefit from some leftover FY13 money. Staff is scrambling right now to begin advertising for bids approximately August 1. This will allow bids to be ready to open by mid-September, using a six-week bid process. The bids cannot be opened until funding from the FAA is in place and guaranteed to the City. This would put the Airport in a position that if FAA did see that they had additional funds available to the Airport in this fiscal year, the Airport would be ready to receive the funds. If not, the Airport would have to wait until FY 14, which starts in October, which will mean that the bids would be held for a longer period and then opened when the FAA funding came through at the start of the new fiscal year. To date, \$2.5 million has been spent on the geothermal field, the site infrastructure and

AIRPORT BOARD MEETING

May 8, 2013

Page 8

utilities, the design work, administration and inspection for all work done to date. The total remaining project cost is \$25 million, broken down as follows: \$17 million from the FAA, \$6 million from other sources, and a required match from local and the State. This will be the cost of construction, all inspection, administration and everything anticipated to bring the building to full occupancy. This is a one-story building, with a small portion being two-story. It is about 55,000 square feet all together and is sited in a way that allows the Airport to expand off of it in the future for the sand and chemical building. This is primarily a steel structure with concrete foundations. It will have concrete floors with heated slabs. The ground source heat pump will help contribute to it being an energy efficient building, as well as a really good wall and roof section that will give a high R value and keep the operating costs low in the building.

Some fundamental equipment is included in the construction, such as an overhead crane, a wash bay with a high pressure hot water wash system for the vehicles. There is a lube room, which will include a system for carrying all of the lube for the vehicles in a pipe system that will be down and readily available in the mechanics area. The barrels will be stored in a separate room. There are some good features that are fundamental to any shop. The staff will think they have died and gone to heaven because they have been dealing with some untenable conditions for a very, very long time. It is not by any means a high-end building. It is hoped to be a good looking building, but the main focus was on operational efficiencies.

4. Airport Architect: Ms. deLaBruere is looking at the possibility of keeping Ms. Fritz on for a very specific project. This will have to be discussed with downtown, as well. There are State rules and there are City policies – the 50 weeks is a City policy. Mr. Swanson suggested going to the Assembly and requesting Ms. Fritz be kept on for more than a year, like was done with Dave Palmer. Mr. Epstein asked if any of the projects are in jeopardy of not being funded due to the redirection of Airport Improvement Program (AIP) funds to FAA furloughs. Ms. deLaBruere said staff has not been informed of anything being affected. Staff will continue to fight for this and other projects that are currently being done. E-mails have been received, but no specific projects have been listed. Mr. Epstein said it would be good for the Airport to be active in pursuing this on a regular basis. Ms. deLaBruere said there are several items she needs to speak to the FAA on and this will be one of them.

5. FAA Runway Safety Action Team (RSAT) Meeting: This meeting will be held tomorrow and is held on an annual basis. As part of this meeting, one of the newer FAA Inspectors, Gabriel Manns, will be coming in to do a quick inspection of the area and become more familiar with Juneau.

C. Additional Driveway for Coastal Helicopters: Mr. Swanson said that Mike Wilson had spoken to him and showed the area where they proposed the second driveway. He

AIRPORT BOARD MEETING

May 8, 2013

Page 9

thought this was a no-brainer. What happens now is if they want to turn into their driveway and they are coming from the town-side, they have to drive all the way around, increasing the traffic load out front to go through their driveway. Mr. Swanson said the proposal is to have a second driveway where the Rotary sign is currently located. This is Airport land and DOT will not add the driveway without the Airport's permission. Chair Godkin asked if anyone had talked to State Right-of-Way, who looks at left/right and turning in front of others. Mr. Laughlin said years ago Mr. Loken put a driveway in there and then someone told him he couldn't have a driveway there. Mike Wilson, Coastal Helicopters, said he remembered the driveway, but it was not down as far as their current proposal. He said if the Airport will let Coastal go across their land, they can then discussions with DOT to see if and where it can be done. Mr. Epstein asked if this would be a through-the-fence operation. Ms. deLaBruere stated that with Coastal Helicopters or Channel Flying leasing the parking area, which established driver access to that property outside the fence. *Ron Swanson moved, Butch Laughlin seconded, that the Airport allow the driveway to be built at no expense to the Airport, which is out in front of the sand shed and Channel Flying's building.* Chair Godkin said he would like to see someone from Right-of-Way tell the Board about the risks of traveling across multiple lanes of traffic heading south. He was in favor of the motion as long as it is safe. Mr. Epstein said that there are several offices that consider each driveway permit application if a driveway permit application is filed. Mr. Wilson said once he gets the okay, he would begin the process with other agencies. *The motion passed, with Mr. Epstein abstaining.*

A brief recess was held at 7:26 p.m.

D. Personnel Issues: Board Chair Godkin said that he asked Ms. deLaBruere to think about priorities that she sees on the airport. He thought that one issue that needed to be addressed was vacancies, which he has expressed to Ms. deLaBruere. He said he asked Ms. deLaBruere to work with HR and blow the dust off those requests to advertise and pursue vacancies. Chair Godkin said that Ralph Sanford wanted to make sure that funding for the 26 MALSRS continued by pushing the \$2-3 million dollars to get the 26 MALSRS finished. Another item was some planning for the future concessions due to the restaurant leaving at the end of the year. The fourth item was the FAA funding and keeping the Airport's voice through Ms. deLaBruere and through her office and keep knocking on the door for the \$17 million and 26 MALSRS funding. He also asked about any priorities Ms. deLaBruere might have to share with the Board.

Ms. deLaBruere noted outstanding items that have been delayed: e.g., personnel issues and follow-up for FAA funding as noted earlier. A lot of time has been spent on the Runway Safety Area ("RSA") for the threshold shift. A lot of effort has been spent with painting, NOTAMS, meetings and future meetings with the FAA. Other outstanding items include some issues the first RSA project and some other little things that Ms. Johnson had been working on.

AIRPORT BOARD MEETING

May 8, 2013

Page 10

The emergency drill will take a lot of time. It is looking like September 14 is the selected date, but there will be a lot of monthly meetings prior to that date. There are also some issues with airport certification and making sure the IOUs are kept up from the Letters of Correction, e.g., the paint issues with the hold in position signs. Staff needs to make sure that these do not get dropped as they move forward. They need to continue to be brought to the forefront and closed out. There are some letters of correction or letters of investigation from the Transportation Security Administration ("TSA") and some have been answered. Some remain to be answered and this is time consuming. Timely responses to Airport Security Program amendments are necessary.

The Airport has been working with digital NOTAMs ("Notice to Airmen") this winter. This will require a Memorandum of Understanding ("MOU") and Letter of Agreement with the FAA and the people that designed the NOTAM system. This will need to be finalized and training held. This may be prepared and held until the Fall when everyone is available for the training. The training needs to be done before winter sets in.

Another MOU needs to be written to have Juneau Police Department ("JPD") take over at the Airport. JPD is also going through a changeover, so this will need to be done to enable training to begin. JPD knows what they have to do as far as officers, but they want to make sure that they have everything down inside and out. TSA will be meeting in June for immersion training which will be what is required through the TSA or the federal side of things.

There are quite a few leases (including air carrier leases) that need to be finalized. They have been expired for quite a while and need to be finalized. Water/sewer regulations will involve some meetings establishing new rates and looking to see how things are billed but more data needs to be gathered before it is submitted to the Finance/Operations Committees. Ms. Fritz is working on the concession program and looking at the gift shop and finalizing what the Airport is looking for as an assignment of lease with the O'Donnells (the current concessionaire) and the people who are currently managing it and would like to take it over. Inventory will need to be done and year-end will have to be dealt with.

Mr. Laughlin asked if anyone was interested in the departure lounge concession. Ms. deLaBruere replied because of looking at concessions as a whole once the restaurant leaves, no one was interested in the concession for a short-term period. Ms. Fritz said that Heritage Coffee was selected earlier, but they got cold feet when it got to negotiating the contract because of the timing. There is a concession planning process underway. Some concession planning was done before the Airport went to the ballot. Things are being refined. It might be good to have a briefing before the Board or a committee of the Board to help define what kind of process the Board wants as the decisions are made. There is a timeline, a design team under contract, but there are some critical decisions along the way.

AIRPORT BOARD MEETING

May 8, 2013

Page 11

Mr. Heueisen said he is vitally interested in the continuity of some form of service in the restaurant. He understood that there is planning and waiting for a report from the concession consultant, but at the end of the year and the contract is up and the Airport does not have a provision for a restaurant, the Board will hear about it and the Airport will lose income. Why can't the Airport negotiate with the current restaurant to provide for short-term service while the Airport gets their act together. The previous Manager stated that the restaurant did not want to do that, but he had heard otherwise. Mr. Swanson said he is also concerned that there will not be a bar or restaurant beginning January 1. He thought something should start now. Ms. Fritz said that the concession work that Alaska Airlines has paid for will not stop the process, but will help and complement the work. The Airport can move simultaneously on design work and either look at an extension of the existing contract or being able to get new ones in a shorter amount of time that was previously thought. It might help the Board to see the concepts, schedules, opportunities for different approaches and see some ways to move forward.

Mr. Heueisen asked if a design was in mind for a restaurant/bar today, how long would it take for construction part. Ms. Fritz replied there are a variety of ways to meet the need temporarily depending on the level of food expected. Mr. Heueisen said the current concessionaire has the liquor license and the Airport should leave the bar alone at least for the time being and extend a contract with them with the idea in mind that they will also provide some minimal food service to the public. Ms. deLaBruere asked the Board to keep in mind that with the termination with the current restaurant lease, the Airport loses the catering service that is going on with Rotary and some of the other things, which is another piece to be considered. Perhaps there will be something on board by then, but there are still things that are tied in with the restaurant.

Ella Rogers, Glacier Restaurant, said they also cater to private jets on a regular basis, as well as Alaska Airlines when they come in without crew meals or first class meals on a regular basis. The restaurant has enough supplies to feed an entire jet on a moment's notice. Ms. Rogers said they do not know if they are interested until they know what the Airport wants. It is known that the restaurant has too much space. Chair Godkin hoped that Ms. Rogers would convey the sense of the Board and push them to discussions about all options being on the table. Ms. Rogers said her company is interested in negotiating.

Mr. Heueisen thanked Ms. deLaBruere for stepping up to the plate as acting Manager. He knew that her plate was heaping and the Board really appreciates her stepping up to the plate and acting in the interim. Mr. Laughlin said he agreed with Mr. Heueisen. He said that if there is anything the Board can do to help, be sure to call on the Board. Mr. Swanson thanked Ms. deLaBruere for stepping up to the plate. He wondered if there was any way to hire someone temporarily to handle some things. Ms. deLaBruere thanked the Board for their comments. She said it was a team effort. The Airport has some very professional people. It isn't just her; it is everyone in the Project Office, John Coleman,

AIRPORT BOARD MEETING

May 8, 2013

Page 12

Marc Cheatham, Pam Chapin, Airfield, Ralph Sanford and Terminal Maintenance. They are all professional and know what they have to do. It is a team effort.

Chair Godkin said the Board needs to discuss about next step in the Manager's selection process. He thought about appointing three Board Members to be on a hiring committee, which had worked in the past. He has been in contact with HR ("Human Resources") and they have made the offer to assist in any way they can. There is a lot of latitude when it comes to the process for a Board to fill an exempt position. The person serves at the pleasure of the Board and can be dismissed by the Board. The last process included reviewing applicants, interviews, and an open forum with tenants in a meeting room. The selection was made from that. He thought the committee could seek guidance from HR to ensure following CBJ rules and for anything that is important. If there are some known commodities and the committee wanted to have meetings about their management style, etc., it can be kept that simple. Mr. Swanson and Mr. Heueisen both supported advertising locally and throughout the state of Alaska. If that is not successful, then people from outside Alaska could be interviewed. Chair Godkin appointed Mal Menzies, Joe Heueisen, and Ron Swanson to the committee, with a chair to be determined by the committee.

VIII. **CORRESPONDENCE:** None.

IX. **COMMITTEE REPORTS:**

A. **Wildlife Hazards Working Group:** Committee Chair Steve Zimmerman said they are in the process for selecting the next meeting date. It is tentatively set for June 4, 2013.

B. **Finance Committee:** None.

C. **Operations Committee:** None.

X. **ASSEMBLY LIAISON COMMENTS:** None.

XI. **PUBLIC COMMENTS:** None.

XII. **BOARD MEMBER COMMENTS:**

A. Steve Zimmerman said he will not be applying for the third term. His wife and he will probably be moving this Summer. This may be his last meeting. He said it has been a real honor and privilege to serve on the Board. The people that serve on the Board are dedicated. The staff of the Airport is dedicated. It has been a fine experience. He said the Airport for the most part has run well and the Board helps everything to work well. Chair Godkin said Mr. Zimmerman brought some things to the Board that not a lot of them had background in. Mr. Zimmerman helped the Airport steer through the EIS process in forming the Wildlife Hazards Working Group. He thanked him for the effort.

AIRPORT BOARD MEETING

May 8, 2013

Page 13

B. David Epstein said he came back from a trip to Anchorage the previous Friday and he did not have a good experience in the parking lot. It was accentuated by the fact that it was blowing and raining. There were five merge points and one booth open and a lot of non-verbal communication. He wondered why only one booth was open at a peak time. Mr. Godkin said he was in a similar situation the previous week and there was a similar discussion. He asked Ms. deLaBruere to research the contract for the concessionaire on parking. Ms. deLaBruere said she does not have follow-up on it yet, but they will certainly contact the Regional Representative. She thought it was a timing issue and to have that many complaints about the 9:30 flight and something needs to be done about it. There are three incoming flights at that time. Mr. Epstein said the attendant said she did it all the time and that evening was a better evening. The other unattended booth had the red light on, with cones.

C. Joe Heueisen said he will be traveling during the June meeting but will be available by phone.

XIII. ANNOUNCEMENTS:

A. A tentative stakeholders meeting with the plan consultants for the concessions program is planned for either June 5 or 6. E-mails will be sent out to remind people.

B. The Airport will present the FY14 budget to the Assembly Finance Committee on Wednesday, May 22, at 5:30 p.m.

C. Chair Godkin will be in contact with Kathy Smith to discuss the Airport's direction.

XIV. TIME AND PLACE OF NEXT MEETING: The next regular Airport Board meeting will be held on June 12, 2013, at 6:00 p.m. in the Alaska Room.

XV. EXECUTIVE SESSION: None.

XVI. ADJOURN: *Butch Laughlin moved, Steve Zimmerman seconded, to adjourn. The meeting adjourned by unanimous consent at 8:30 p.m.*