



ATTACHMENT #3

TO: Patricia deLaBruere,
JNU Airport Manager

DATE: December 4, 2013

FROM: Catherine Fritz, AIA
JNU Airport Architect

Terminal Renovation.

Throughout November, the architectural staff continued working on design and operational issues to open new food and beverage service into the terminal by January 1, 2014. We negotiated, and subsequently purchased, existing equipment and furnishings to allow more flexibility and lower cost for the interim food and beverage concession. The attached memo describes this purchase in more detail.

The next phase of terminal renovation work began in November by conducting a scoping meeting with design team to review the concept developed in 2012 and consider additional issues. The total remaining terminal replacement cost is \$35-\$40 million, but current funds are limited to approximately \$10 million, so planning the next phase carefully to allow future work in a logical and efficient manner is critical.

Pre-design services will begin with program and space analysis to determine the specific needs of all users in the building that will be affected by the next phase of renovation. We will also consider new issues such as TSA concerns about the secure exit lane, as well as the overcrowded secure departure lounge. Phasing of the work will be a key design consideration, to ensure that the terminal can remain operational with least possible impacts to all users.

The schedule calls for a conceptual design work session to be held in mid-January 2014. This will be an opportunity for public review and refinement of the concept. Following the review, an estimate of probable construction cost will be developed. Design work will commence once the budget has been validated.

Design of the restaurant and bar to accommodate a new concessionaire was put on hold during November to concentrate on the departure lounge concession. We expect to return to design later in December and begin renovations of the bar and seating area in early 2014.

Other projects around the terminal during October included:

- Touch-up painting was completed in the Departure Lounge.
- New signage along the curb was installed, emphasizing No Parking, No Waiting, and No Smoking.
- New directional signage was installed in the terminal.
- Signage design for the public art bird sculpture was completed.
- Terrazzo tile repair at the ramp near the Bag Belt, adjacent to the rental car counters, began.
- Music on the Fly event in November featured Travis Croteau; there will be additional music events in the terminal during December.

Snow Removal Equipment Facility.

Staff has developed an approach for the analysis of the two proposed SREF sites that will address issues raised by the FAA. Both sites will locate the SREF, then consider commercial development opportunities beyond SREF's needs. There will be a graphic sketch of each site, as well as an economic analysis that will identify revenue potentials and construction development costs. We will have consistent information about each site so that a pros and cons analysis can be made. The goal is complete this work by the end of 2013 or soonafter the new year.

ATTACHMENT #3-1



MEMORANDUM

TO: Catherine Fritz, Airport Architect

DATE: December 3, 2013

FROM: Cynthia Johnson, Architectural Assistant

RE: Sale of Surplus Restaurant/Kitchen Items

This memo summarizes discussions about the Airport's recent acquisition of the used restaurant/ kitchen items and our plan to surplus and sell any of those items that are in excess of our needs.

Background.

In preparation for its departure from its Airport lease space, ESS sold its liquor license, furnishings, fixtures, equipment and miscellaneous restaurant/kitchen business items to Ethan Billings. Mr. Billings' primary interest in that transaction was the procurement of the liquor license. He offered to sell the restaurant/kitchen items, in bulk, to the Airport for \$33,000.00. The Airport accepted Mr. Billings' offer and acquired the used restaurant/kitchen items as a means to more cost effectively provide food and beverage services. The short duration of the interim contract provides little incentive for the concessionaire to make significant investments in new furnishings, fixtures, and equipment. Similarly, the Airport wants to avoid costly purchases at this time.

In making its decision to proceed with the purchase, the Airport considered the following:

- Key items in the purchase (e.g. tables, chairs, dishwasher, cooking equipment, and three walk-in cooler/freezer units) had an estimated value greater than \$33,000.00; and
- The replacement value of the chairs and tables alone was estimated to substantially exceed the \$33,000.00 cost.

Features of the Surplus Sales.

Airport Construction Projects Office will review the inventory of restaurant/kitchen items purchased to identify those items that are excess to the Airport's needs, segregate them from those items it will retain, and, with assistance from the CBJ Purchasing Office, conduct two surplus sales at the Airport.

Key features of the sales, as proposed by Airport staff, include the following:

- The Airport would receive the proceeds of the sales minus costs to CBJ Purchasing to conduct sales;
- There would be two sales at two Airport sites:
 1. One sale would be held in the kitchen to allow for large equipment and other kitchen items to be viewed by the public to see how they are set up and used in a commercial kitchen; and
 2. Miscellaneous items (e.g. desks, chairs, file cabinets, etc.) would be stored and sold out of the Aurora Room (or other Airport location).
- Standard advertising would be expanded to include a targeted advertising campaign to attract local restaurants and related businesses.

We anticipate working closely with the Purchasing Office to explore the opportunities described above and develop surplus sales that will yield the best results for the Airport and CBJ. Surplus sales are tentatively planned for early next year.