

MINUTES of
AIRPORT BOARD MEETING
February 12, 2014
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	Martin Myers
Jerry Godkin	Robert Mackey	Ron Swanson

Member Absent:

Mal Menzies

Staff/CBJ Present:

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

Public Present:

Tom Middendorf, DOWL HKM	Brooke Walker, Aero Services
John Yarnish, URS	Aaron MacDonald, Jensen Yorba Lott
Vince Speziale, Republic Parking	Mike Wilson, Coastal Helicopters
Kathy Smith, Alaska Airlines	

III. **APPROVAL OF MINUTES:** *Ron Swanson moved, Robert Mackey seconded, the adoption of the January 8, 2014, regular monthly meeting minutes. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA:** *Ron Swanson moved, David Epstein seconded, to approve the agenda. The motion passed by unanimous consent.*

V. **PUBLIC COMMENTS:** None.

VI. **INTRODUCTIONS:** Airport Engineer Ken Nichols noted that there were two consultants at the meeting who are interested in the Master Plan Update: Tom Middendorf from DOWL and John Yarnish from URS.

VII. **UNFINISHED BUSINESS:** None.

VIII. **NEW BUSINESS:**

A. **Runway Safety Area (RSA) Grant Amendments:** The Federal Aviation Administration (FAA) has approved RSA grant amendments in the amount \$2,037,219. ADOT match will be \$61,039, and Local match in the amount \$64,838 will be provided

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from dirt royalties. This is for many different items, such as emergency repairs on the runway, unexpected field conditions, design omissions, etc., and will allow the Airport to pay the contractor. *Marty Myers moved, Robert Mackey seconded, that the Airport Board approves the appropriation of FAA grant amendments of \$2,037,219, ADOT grant amendments, when approved, in the amount \$61,039, and local matching funds from dirt royalties in the amount \$64,838. The motion passed by unanimous consent.*

B. Board Chair Jerry Godkin welcomed Kathy Smith from Alaska Airlines back to Juneau. She has been a good friend and partner to the Airport. Her friendship and wisdom for Alaska Airlines is valued.

Airport Manager Patricia deLaBruere noted Vince Speziale from Republic Parking was also in attendance.

C. Airport Manager's Report:

1. Restaurant Concession Update: (See Airport Architect Report.) Ethan Billings, doing business as Alaska Promotions, has been providing the short-term food service, which was to be a two- to four-month term. The Airport solicited for the Interim Food/Beverage Concession which will offer services through September 2016, with an option to renew for up to two years. This contract will carry the Airport through the next phase of renovations. One proposal was received by Alaska Promotions, LLC (Ethan Billings) who is currently providing the food/beverage services. We look forward to working out the contract details over the next few weeks.

Kathy Smith, Alaska Airlines, said she was very pleased with the increased customer service. She noticed there are preparations in the Boarding Area for additional concessions. She said if there was any chance those could be in place sooner than later, it would be very much appreciated. She was really happy to see the customer service. They are doing a very good job.

Board Member David Epstein asked when the service in the Departure Lounge will be operational. Ms. deLaBruere said Mr. Billings has said a public service announcement will be done as soon as he can get things finalized on his end. She thought this was a big deal to let people know there is service available there. Airport Architect Catherine Fritz said his contract allows him to begin at any time and staff is confident that it will be any day. A display case cooler is on its way, but she thought it had been a time thing more than anything else.

2. Snow Removal Equipment Facility (SREF) Relocation Update: The Airport is finalizing the documents to submit to the FAA. This has been a very long justification process that included ECI Hyer to compare the facility layout in both locations, as well as remaining land use, permit issues and financial impact. This will provide a full and complete understanding of why staff believes it is a good spot to relocate to.

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She noted that the FAA seems open to the idea but needs the justification to further the process. When asked about any issues that might occur with the homeowners and storage of snow removal chemicals, Ms. deLaBruere replied that this area could have large aircraft or some sort of aeronautical activity located in this area.

3. New Hangar Lease: Ms. deLaBruere said the University of Washington medevac service lease has been signed. They were going to install some fueling and then come in this spring with the construction crew. The University of Washington is leasing this space through Glacier Aviation.

4. TSA Baggage Screening: There are a limited number of bags that may be screened through TSA baggage screening. Although it is bad in the winter, it is worse in the summer – especially during the morning bank of flights. A briefing on the TSA baggage screening deficiencies was provided to the Assembly at their January 27, 2014, meeting. This followed discussions with our D.C. Lobbyist, Katie Kashel. The Assembly decided it was best if a letter to the Congressional Delegation was sent at the Assembly level as this was a community issue. That letter was disseminated to the delegation on February 6, 2014. Additionally, one Assembly Member (Randy Wanamaker) was headed to Washington, D.C., the week of February 10, and this would be an item on his agenda with the delegation. We are hopeful to get some resolution on the equipment and staffing levels at Juneau prior to the summer season. The Congressional delegation, as well as government affairs for both Alaska Airlines and Delta are on the band wagon to try to get this resolved for Juneau.

5. Delta Air Lines: Airport staff and Board Members met with Delta Air Lines representatives the week of January 27. Additional meetings are occurring this week. They are scheduled to operate May 29 through August 31. Board Member Joe Heuelsen said he thought it was nice of Alaska Airlines to share approach information with Delta Air Lines, but he did not think Delta was set up for RNP approaches into Juneau. Ms. deLaBruere agreed that Delta does not have RNP. Delta will need to do their own approaches. There is a lot of data that goes into this, including working with the FAA to get their approaches approved.

6. Airport Engineer Report (Attachment #1): Airport Engineer Ken Nichols said a lot of data has been given to Delta Air Lines. He felt fortunate with the amount of current data to give them to help them develop their procedures and a simulation so that they can do their pilot training. The completed Runway Safety Area project provides better navigational aids and a safer runway to operate on.

He said that he will be getting the Sustainable Master Plan Request for Proposals process rolling. The plan will include some economic items such as the financial feasibility of the capital improvement program, and will there be enough Passenger

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Facility Charges (PFC) and grants to pay for things. Some components of economic sustainability will also be added in – changing over the building systems to the geothermal system, which helps the economic viability of the Airport by decreasing the operating costs. An economic study would cost \$20,000 to \$25,000 and would not be Airport Improvement Program eligible. In 2010/2011, the State put together a document that has an economic impact to the community. This is available upon request.

The RSA Project is being closed out. There is still an issue staff is working on with the FAA regarding reconstruction of the threshold bar. More justification needs to be done and brought to FAA Engineering Services instead of the Airports Division.

The Engineering Department has asked Term Agreement Consultants to submit a short letter of interest to do permit close out on the RSA project, such as things like the Fish & Game monitoring of Duck Creek that will go on for a couple of years, some boundary adjustments to the property line, the Corps Permit needs to be extended, and a lot of loose ends that need to be tied up.

The Runway Rehabilitation Project is moving forward. Documents will be received later in the week. This will be a two construction season project.

Another project that has been resurrected is funding from PFC #7 is available to build a hard stand for the cargo jet near their cargo building. Contact has been made with Alaska Airlines, but more things need to be firmed up. Ms. deLaBruere said this had been on the back burner because it was unknown if the hard stand was going to stay there. It was suggested that the area be reviewed for the possibility of two cargo aircraft in this area. Mr. Nichols said he would look at the budget and make sure that it would fit within the funds that are available. He expected this would be 16” of concrete on top of a good gravel base.

7. Airport Architect Report (Attachment #2): Airport Architect Catherine Fritz reported the interim food and beverage concession has taken a lot of staff time, but it is great to have someone that wants to be at the airport. There are a lot of contract terms to negotiate. This will bring the Airport through construction. Staff has to face the reality of a long-term contract at some point. This should be at least one year or more before this has to be faced. Ms. Fritz thanked Kathy Smith and Alaska Airlines as Brad Jacobsen and the consulting team were really excellent in looking at not only big picture issues, but dial into a process to talk to everyone in town who sells a hamburger or taco in town. Hopefully this database of information will be used when the larger concession goes out.

A very good meeting was held with Delta Air Lines on January 29, 2014, about the facilities. Different options were discussed. An area for check in has been identified

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in the area of the Smarte Carte vendor. The baggage side will possibly be expanded so that two tugs can line up and work independently to get bags out to the planes. Upstairs, Gate 5 will be the gate for Delta to use. Furniture will be reconfigured to give more space in front of that gate. AutoCAD drawings have been given to Delta. They will provide detailed drawings (both architectural and electrical) fairly soon. Some impacts will occur and be resolved. Delta gave some technical drawings of their kiosk and bag scale operations. There is a lot of work to do before May.

Along with the TSA staffing issues, the baggage screening machinery needs or other options are being reviewed. That whole area in baggage screening is being reviewed. This will impact some things – either in the lobby area or in Alaska Airlines offices. Board Member Ron Swanson was concerned about the timeline of getting additional equipment and that this could slip into the middle of Summer. Ms. deLaBruere said that TSA has already requested another piece of equipment. This is in two different TSA departments: Branch Technology for Checked Baggage and Work Force Department. Mr. Heuelsen asked about the lockers in the baggage screening area. Ms. deLaBruere said they were moved in there without the Airport's permission. The lockers would have to be removed for additional equipment. Kathy Smith, Alaska Airlines, said there had already been a significant operations concern with the morning bank of planes. Alaska Airlines can also bring a lot of pressure to TSA. Ms. Smith noted there are a lot of single machines around the airport systems.

Ms. Smith said as the design is reviewed to accommodate Delta Air Lines, a baggage expert is needed because it is not just putting in the belts. The through put has to be there and lined up. It is done at a lot of airports. It is a major concern at Alaska Airlines as they work very hard on their operational performance and bags. She said they did not want it to impact their operations. She also asked as Delta comes forward with space permits, etc., that they are shared and understood by Alaska Airlines if they impact their space. She said they have rights as the existing tenant to see the plans that impact them. They intend to cooperate and coordinate, but it won't be done at the expense of their operation. Anything that can be done should be coordinated through her.

Ms. Fritz said the architects have been working to try to get more detail on the next phase of terminal renovation. Space programs have been developed, which are an outline of the types of spaces that are needed, the square footage needed for various functions, and look at the people that will be impacted by the area that will be demolished if there is enough money to do what staff wants to do. The refined drawings will be ready for public review and Ms. Fritz recommended a public meeting on possibly Wednesday, February 19. The Airport Board has hosted past meetings, with Board and public review for an hour and then a presentation made to the Board, with questions and answers. That input is taken and the project will move forward. Three concepts will be brought before the Board for discussion/direction. A

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meeting will be held with tenants the following week. By the March Board meeting, staff should have a total package of what the next step of work looks like.

IX. **CORRESPONDENCE**: None.

X. **COMMITTEE REPORTS**:

A. **Finance Committee**: Committee Chair Joe Heueisen said a meeting was held a couple of weeks ago, which was a broad general concept of what was happening. At the time, anticipated budget information was needed from both the Fire Department and Police Department. That information will be submitted soon and another Finance Committee meeting will be held next week.

B. **Operations Committee**: None.

C. **Art Committee**: A meeting will be held tomorrow at 10:00 a.m. in the Airport Manager's Office.

XI. **ASSEMBLY LIAISON COMMENTS**: Ms. deLaBruere had an e-mail from Mr. Nankervis who was sorry he was unable to attend as there was a Finance Committee meeting. He passed on some highlights from the Assembly meeting through the e-mail. There were nearly one million cruise line passengers in 2013, with nearly the same number expected for 2014. They are responsible for nearly 10,000 employees in Southeast Alaska and 4.5% of total global cruise market. They estimated \$20 billion in passenger spending in 2013.

According to the wastewater rate study, increases are necessary for capital replacement in the funding reserve. Several options were presented to the Assembly and all options involved increased costs to most of the user groups. It was hoped to have this report posted to the CBJ website soon.

There was an update on the bridge park and waterfront plan status. At the last Assembly meeting, the Assembly agreed to shuffle some sales tax money around for the various projects that are going on right now and it included SREF money, Centennial Hall Remodel, the JACC projects and others. Basically all this included was taking money out of one fiscal year and maneuvering it to another.

XII. **PUBLIC COMMENTS**: None.

XIII. **BOARD MEMBER COMMENTS**:

A. David Epstein said he may have a problem for next month's meeting. He was not sure if he would be able to call in or not, but asked staff to plan on it.

B. Ron Swanson said he will be in Washington, D.C., and will try to phone in.

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C. Marty Myers said he will be in Europe and will try to call in on Skype, but may not be able to.

D. Joe Heueisen said he will be out of town February 24 through March 11. He reminded Mr. Nichols about any financial impacts that staff can come up with on the economics of the airport. He asked if Kathy Smith had any information she can glean about tourism and anything else like that because this is all information that is needed to continually feed the public and the Assembly about the impact of this airport on the Juneau area economically and socially and everything else. The Airport is not just an irritating bunch of equipment in the middle of their wetlands.

XIV. **ANNOUNCEMENTS:** None.

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

A. Chair Godkin said there will be a Special Assembly Joint Meeting with the Airport and School District at 6:00 p.m., February 26, in the Assembly Chambers. He said he will be out of town so he asked her to direct it to a Board Member. Mr. Heueisen said he, too, would be out of town. He asked if participation by phone was possible. Ms. deLaBruere said she would ask and let everyone know.

B. The next regular Airport Board meeting will be held on March 12, 2014, at 6:00 p.m. in the Alaska Room.

C. A Finance Committee will be scheduled for the next week.

XVI. **EXECUTIVE SESSION:** None.

XVII. **ADJOURN:** *David Epstein moved, Robert Mackey seconded, to adjourn. The meeting adjourned by unanimous consent at 7:09 p.m.*