

MINUTES of
AIRPORT BOARD MEETING
April 12, 2016
Alaska Room, 6:00 p.m.

I. **CALL TO ORDER:** Chair Joe Heueisen called the meeting to order at 6:00 p.m.

II. **ROLL CALL:**

Members Present:

David Epstein	Mal Menzies	Angela Rodell
Dennis Harris	Martin Myers	Ron Swanson
Joe Heueisen		

Staff/CBJ Present:

Patty Wahto, Airport Manager	Ken Nichols, Airport Engineer
Marc Cheatham, Deputy Airport Mgr.	Loren Jones, CBJ Assembly
Scott Rinkenberger, Airport M&O Sup't	Keith Walker, Fire Department
Catherine Fritz, Airport Architect	

Public Present:

Kathy Smith, Alaska Airlines	Brooke Walker, Aero Services
Laurie Gardner, Jordan Ave. Resident	

III. **APPROVAL OF MINUTES:**

A. *Ron Swanson moved, Marty Myers seconded, approval of the minutes of the March 8, 2016 meeting as presented. The motion passed by unanimous consent.*

B. *Marty Myers moved, David Epstein seconded, approval of the minutes of the April 1, 2016 special Board meeting as presented. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA:** *Angela Rodell moved, Marty Myers seconded, approval of the agenda. The motion passed by unanimous consent.*

V. **PUBLIC COMMENTS:** Laurie Gardner, area resident, spoke regarding the trail system. As a resident of the area, she said there are a lot of new higher-end (over \$350 and above) residences coming into the area. The new condo complex that is just across the bridge serves 14 families. The entire trail system gets heavy foot traffic and goes next to a really nice salmon stream. There have been some wonderful improvements to the property improving the sight lines and the safety of walking the trail. She said she often walks her dog and cleans up after it. The improved sight lines are wonderful and there are less transients sleeping and leaving their debris in the area. She thought it was also a great improvement to security in the area. On her husband's walks through the area, he came across two different people at two different times that had told him that they had been accosted, beaten up and robbed on that trail. As residents, they support modest continued improvement on the trail system.

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They applaud the folks that worked on the latest improvements of limbing up the trees, chipping and they did a great job. They thanked them for being so thorough for that. She said this is a greenbelt park area at this time and they would like to see it remain that way. She suggested further improvements with placards for the Jordan Creek, maybe a dog poo bag station and a little garbage can because there is so much debris that washes down from the culvert into the creek. She said she and her husband have personally pulled hundreds of pounds of garbage out of the trail system, creek and side streams. It would be nice if Airport folks were patrolling that area and keeping it clean as well.

They also supported continuation of the trail that has a bridge that goes to nowhere. It is a trail that just ends, which is a destination for a lot of things that are not pleasant. If the trail system were continued off of this bridge, it would be another improvement for JPD to do foot patrol and police the area to make sure that it is safe. She said they support any ordinance that will continue to improve the safety, aesthetics and improvements of this area.

Airport Manager Patty Wahto thanked Ms. Gardner for coming in to speak. She said the Airport has been doing a lot of clean up as well. When the Airport tried to do some limbing in there, they were stopped from this for anything that was within the 25 foot variance of the creek. She said this goes back to the Crest Street Culvert and the taxiway extension back in the mid- to late-80's. The area was to be set up as a trail system with the bridges, etc. This was part of the mitigation for the taxiway extension, but it never really came to fruition. The bridges went in, but the signs and the upkeep of the trail did not continue. The Airport has received numerous complaints, a lot of trash and a lot of nefarious activities. Community Development came out and while they would like to grant the Airport the permission to limb in there, not cut whole trees, but limb and have good line of sight, the Airport was stopped because the City does not have an ordinance that allows for that waiver. The whole City ordinance has to change with regard to the variance within the creek setting. She has contacted Ron Steedle to address this. They are working on it. The Airport will continue to do what it can outside of the 25' mark, continue to pull trash out and patrol where staff can.

VI. **UNFINISHED BUSINESS:** None.

VII. **NEW BUSINESS:**

A. **Royalties Appropriation:** This item is to free up of some royalties from the Federal Aviation Administration (FAA) to go along with closing out some of the Runway Safety Area (RSA) projects. This is to appropriate the remaining \$312,203. These were funds within the RSA that the Airport up fronted costs that were match, but now they are the royalty parts to go back in and get credit. The funds were forward funded through the Airport's revolving accounts and this will pay the Airport back. The Airport used fill from the pond and got credit for the use of the Airport's property. *Angela Rodell moved,*

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Mal Menzies seconded, to approve appropriation of the remaining RSA royalties in the amount \$312,203. The motion passed by unanimous consent.

B. AIP48 De-Appropriation: This is for de-appropriation of Federal and State matching funds. This will close out AIP48. When funds are de-appropriated, they are funds that have not been received or used. Assembly Member Loren Jones said when an appropriating ordinance is passed, “x” amount of money is passed. If those funds are not used and the money is not collected (either from the State or the Federal government), in order to satisfy the audit, the Assembly de-appropriates the money, basically reducing the overall appropriation. It is an accounting issue but has to be done through the Assembly. *Angela Rodell moved, David Epstein seconded, that we de-appropriate Federal funds in the amount of \$107,935, and State funds in the amount of \$2,840 from the RSA Capital Improvement Program. The motion passed by unanimous consent.*

C. RSA CIP De-Appropriation and Funding Transfer: This item was passed at the December 8 Board meeting, but due to the language, the Airport has to de-appropriate and then do a transfer. This is the repayment to the FAA for the Snow Removal Equipment Facility (SREF) to the relocated site. The FAA portion is \$1,844,577, and \$48,542 to State of Alaska. *David Epstein moved, Marty Myers seconded, to approve the de-appropriation of Federal funds in the amount of \$1,844,577, and State funds in the amount of \$48,542 from the RSA Capital Improvement Program, and transfer Sales Tax funds from the SREF to the RSA Capital Improvement Program to replace those funds. The motion passed by unanimous consent.*

D. Airport Manager’s Report:

1. Delta Air Lines. The Airport received a call from Delta Air Lines Regional office regarding their decision to operate seasonally beginning in September. They said they may reconsider it after they look at things again. Board Member Angela Rodell said she had read that Alaskans didn’t fill Delta’s planes. She said it is hard to be loyal when you are in and out, in and out, and in and out of the market. She sincerely hoped that Delta will take a hard look at their year-round service because she thought it was important and continues to be important to the community. Mrs. Wahto said she had talked with various groups at Delta. Certain groups want to look at numbers again and other groups say that they have put a lot into it and they know which equipment works and they are working out the RNP that they have spent a lot of time and money on. They will still look at things. She thought they wanted to regroup. They may or may not go back to year-round service but they’ll consider looking at it again after this next winter. Board Member Dennis Harris said he really wants to see competition in the market as it has increased the total number of people travelling. It has done wonders for the consumer in this market. He wanted to do anything that could be done to encourage Delta to keep on coming here year-round. Board Member Ron Swanson flew on Delta this fall and there were 11 people on that airplane. He suspected they could not make money hauling 11 people. One of the

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reasons is the missed approach possibility with only one flight and much higher minimums coming into Juneau than Alaska Airlines has. Unless the ridership goes up, he couldn't imagine a company doing this.

Mrs. Wahto said that this was discussed, as was the kind of equipment (the CRJ) they initially used. Going back to Mr. Harris' comment about prices and she thought Alaska Airlines would agree, it is always helpful to have somebody else help pay the bills where you're in a spot. It is always helpful with the overall running and the budget of the airport to have someone else help with that. Mr. Harris said part of the problem for Delta is what people perceive as a baggage issue because Alaska Airlines has very generous baggage allowances and Delta appears not to. He noted that they do if you have a Delta Sky Miles card and use that when you book, but a lot of people don't know that. The baggage for Alaskans is a big issue. When people shop in the lower 48, they come back with a lot of stuff. When they're going south, they're taking fish and other kinds of treats to their friends and relatives. He said the baggage allowance does make a difference.

Kathy Smith, Alaska Airlines, said Alaska Airlines welcomes competition and they are willing to compete against any airline. She said that Delta is the third largest carrier in the world and ten times Alaska Airlines' size and they certainly do know how to compete. They have competed rigorously with them in Seattle. She did not want anything at the airport to favor one carrier over another with regard to any incentives to have them serve the airport. The baggage fees that they give to Alaskans equates to over \$10 million a year that they give up in revenue. Alaskans are important to them and that is why they have the free bags. In this year, Alaska Airlines is moving forward and is investing close to \$100 million in the State of Alaska rural terminals. This matters for the rural communities that they serve; they're building a hangar in Anchorage; and they're converting three new freighters, which will mean they have more freight lift in the state of Alaska. The state of Alaska remains critically important to Alaska Airlines and they are showing it with their time, their investment and money, and their continued commitment to serve the community.

2. Jetbridge 5 Repair. Jetbridge 5 is currently under construction. They anticipate having the whole jetbridge reconfigured to a factory reset (easier to work on and through the use of AMS). It should be up and running. Board Member David Epstein asked if the repairs include a robust power conditioning system. Mrs. Wahto said it is a whole reconfiguration, which is rewiring, taking out of the non-factory component things that were put in by Jetbridge America. It is more of a factory-type of system, rather than piecemealed.

3. Airport Engineer Report (Attachment #1): Mr. Nichols asked the Board Members to put some meetings scheduled in May onto their calendars. The meetings will be

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before the Board meeting and another one to talk about airfield geometry, runway incursion mitigation and alternatives for development. The comments will be taken from the public, the Technical Advisory Committee and the Board and give an update to the Assembly the following week at the May 16th Committee of the Whole. Mrs. Wahto said the geometry of the intersections about the runway incursion mitigation is something that the FAA had brought up. This will be extremely important for the pilots in the area to comment about certain intersections that are under scrutiny with the FAA or are not in accordance with the geometry of the airport. This meeting will be the time to start talking. Mr. Nichols said Taxiway D is on a nationwide list of runway incursion hot spots. Taxiways C and E do not meet the taxiway geometry design guides. Mrs. Wahto noted that these are all intersections.

Mr. Nichols said that RSA Phase 2A is getting close to closing out. Development options are moving forward on RSA Phase 2B and some of the information on the northwest development area were on boards at the meeting. He met with Stantec last week with regard to as-built drawings. Those should be available soon. In-pavement lights and a couple of small things need to be dealt with.

An Operations Committee meeting was held yesterday to discuss the air cargo hard stand and the leasing policy. He said he had some good information to go forward and finalize the bid package, with construction to be done this summer.

He attended training with regard to the storm water permit. He said the Airport is under two different storm water permits – the Airport has an overall, every day, multi-sector general permit that it deals with every day runoff and deicing issues in particular. There was another non-compliance event which has been reported. The Airport also has to get covered under a construction storm water permit when construction is occurring. The training that he attended last week gave him the ability to be the certified erosion control lead when the Airport has construction projects.

4. Airport Architect Report (Attachment #2): Airport Architect Catherine Fritz reported said staff received good news from the FAA asking how fast the Airport Rescue and Fire Fighting (ARFF) building modification documents could be put out to bid and how fast the Airport can be ready for a grant. The answer was “quickly”. One of the conditions before receiving any new grants is that the pay-back must be made on the northeast site and then the Airport Layout Plan (ALP) updated, which is also in progress. The design team will get the documents done a couple of weeks sooner than anticipated, which will help the bid season and help the award get done a bit sooner so construction can begin in the summer rather than in the fall. Photos have been received from Rosenbauer regarding the ARFF truck. They are getting close to having the truck ready to ship. A temporary plan to house this vehicle is being worked on.

The SREF has two components to it – the vertical loop field that will go in the northwest quadrant under an apron project that Ken is working on. The second aspect is the SREF building itself. Design is moving forward with both of those items. Everything is happening fast and furious. Drawings illustrating the Phase 1 piece of the SREF, which is the phase that the FAA will fund at 93.75% AIP eligible. It will be a great big parking garage and one bay for maintenance that will have a couple of temporary walls built. The next phase of work that will not be funded by the FAA will be built on the east side. It will be tucked up as far west as it can be and then there will be future additions, including a wash bay. There will also be a future sand and chemical storage building in this area. The rest of the site has a proposed taxiway and roadway, as well as hangar development. This will look at getting the highest and best use of Airport property, maximize future revenues on leases, provide the types of spaces needed for leases, etc. There is a lot of cross-over and collaboration between the two design teams. Ms. Fritz and Mr. Nichols are making sure all the bid documents are really clear for the summer.

Board Member Mal Menzies asked about moving the roadway and Civil Air Patrol (CAP). Mr. Nichols said the guidance received from the FAA regarding moving CAP with AIP money was they would pay for relocation of the building up to the cost of demolition of the building. Some costs were received from the design team for orienting it correctly on the current space and it was much more than the cost of demolition. Therefore, it did not appear the AIP funding route could be done. The roadway and taxiway will remain the same. When asked about the fueling station, Ms. Fritz said it is part of the SREF development and will be in a future phase. It is in the plans, but the placement is not absolute. The current filling station at the shop will remain active until that can be built.

The women's room toilets are coming along nicely. It will be done by the end of the month. The men's room will be done later this summer. The roof project on the shop is just about to start. The contractor will be putting a big tent over the building in the next couple of weeks. The asbestos material will be removed and then the new roofing material will follow immediately after. A new Request for Proposals (RFP) has been started for the new advertising program.

VIII. **CORRESPONDENCE:**

A. **E-mail from Doug Gardner re: Jordan Creek Airport Property** (Attachment #3): Mr. Swanson referred to the comments made earlier by Ms. Gardner. He went out there earlier in the day and he said it isn't horrible, but it certainly is not a good walking trail. The bridges are nice, with quite a bit of trash and human feces off the trail. He said it deserves some consideration to make it better. He said the trimming that was done seems to make better camp sites. Mr. Harris said he hoped there was something that could be done at City Hall to get this on a faster track before summer arrivals start to arrive and camping over there. He also urged JPD (Juneau Police Department) to engage in more

frequent patrols in that area and roust people out of there. One of the concerns he had was that the ordinance change is proceeding at glacial speed. He hoped perhaps the Board Chair, the Airport Manager and some of the concerned neighbors might want to complain to City Hall to help move it up.

B. E-mail from Patrick Anderson (Sealaska Corp.) re: Taxi Service at Airport (Attachment #4): Mrs. Wahto said an e-mail from Patrick Anderson was sent to the Assembly and through some social media, as well. The e-mail was forwarded to her from the City Manager. A reply was sent to his e-mail stating that there are ways to get a cab without waiting. The e-mail was also forwarded on to the various cab companies and their response was that they stage at the airport and sometimes they have a few people and others times a whole plane full of people that suddenly need a cab. It was suggested that Mr. Anderson make a reservation for a cab. That way they know someone will need to be picked up. Mr. Harris said Mr. Anderson was taking heat related to his position as a board member. He said the problem is that there are never enough taxis at any airport when a peak demand occurs. Anytime 300 people show up suddenly and there are even a dozen cabs, the first 12 people out the door get the cabs and everybody else is sitting. There is no way to have enough taxis in Juneau to haul away instantly the minute they walk out of the terminal. He agreed, the answer is to book ahead.

IX. COMMITTEE REPORTS:

A. Finance Committee: Committee Chair David Epstein said two meetings were held since the last Board meeting. They were well attended with a lot of dialogue about the budget plan. An agreement was achieved. He thanked everyone who participated in the meetings. Mrs. Wahto said the Rates and Fees Regulation is currently out for public comment now. The period will run through April 25. A special Board meeting needs to be held on the 26th, 27th or 28th to take into consideration any comments received and forward the regulation to the Assembly for final adoption on May 2. Chair Heueisen reminded the Board that the budget will be presented to the Assembly on April 13. He said any backup that can be provided by members will be appreciated.

B. Operations Committee: Committee Chair Mal Menzies said they met on April 1 to discuss three topics. He said Mr. Nichols covered the air cargo hard stand, and this project is going forward. The major discussion was on the Airport Leasing Policy. No resolution was made. More work will be done on the Airport Manager and staff on this topic. The last was emergency vehicle parking signage, to which all concurred that the Airport did not need additional emergency vehicle parking signage.

X. ASSEMBLY LIAISON COMMENTS: Assembly Liaison Loren Jones thanked Mr. Heueisen and Mrs. Wahto for meeting with him last week to teach him about the airport. He said the budget hearing for the Airport is tomorrow. At the last Assembly and Finance Committee meetings, an overview of the budget was presented by the Manager, which is balanced given their expectation on revenues. At the present time, this includes a .21 mill rate decrease and a balanced budget.

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It is not known what the Legislature is going to do, but it is expected there will be at least a ten day extension. He thought that ten days would be a short estimate given their inability to agree on anything up there. It is not known what shoes may fall on revenue sharing or what may fall related to PERS and TERS. He thought PERS was dead, but that TERS may live on. Revenue sharing, depending on what they want to do with power cost equalization fund and whether that is a fund source for a while, is questionable. He thought the Assembly was looking to be done in early May, but it may be late May before there is a settled budget.

Mr. Jones responded about the ordinance. Until he read the string of e-mails from Mr. Gardner, he was not aware that an ordinance was being considered. He did not think it had been on the Assembly's radar at all. He said it is working its way through CDD (Community Development Department) and Law, which has traditionally been at a snail's pace for almost anything. He said he'll be heading to the Planning Commission at which time he'll have a chance to ask.

XI. **PUBLIC COMMENTS**: None.

XII. **BOARD MEMBER COMMENTS**: None.

XIII. **ANNOUNCEMENTS**: None.

XIV. **TIME AND PLACE OF NEXT MEETING**: The next regular Airport Board meeting will be held on May 10, 2016, at 6:00 p.m. in the Alaska Room.

XV. **EXECUTIVE SESSION**: None.

XVI. **ADJOURN**: *David Epstein moved, Marty Myers seconded, to adjourn the meeting. The meeting adjourned by unanimous consent at 6:55 p.m.*