

MINUTES of
AIRPORT BOARD SPECIAL MEETING
May 31, 2017
Alaska Room, 10:00 p.m.

I. **CALL TO ORDER:** Chair Joe Heueisen called the meeting to order at 10:00 a.m.

II. **ROLL CALL:**

Members Present:

Dennis Bedford	Dennis Harris	Martin Myers
David Epstein	Joe Heueisen	Angela Rodell
Jerry Godkin		

Staff/CBJ Present:

Patty Wahto, Airport Mgr.	Marc Cheatham, Dep. Airport Mgr.
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III. **PUBLIC COMMENTS:** None.

IV. **NEW BUSINESS:**

A. **Transportation Network Companies (TNC)** Attachment #1: Dennis Harris recused himself and stood down as he has a conflict of interest on this item. He said the city attorney said he may participate as a member of the public. Airport Manager Patty Wahto said the Governor is imminently signing a bill that will allow Transportation Network Companies such as Uber, Lyft and others to operate in Alaska. The Finance Committee met on May 25th to take up changes in the Airport's Rates and Fees Regulation to provide a definition and category of fees for charging Transportation Network Companies and entering into an agreement with them. Staff took a sample of various airports to come up with what staff and the Committee thought would be a reasonable amount for a per-trip fee and discussed staging areas for TNCs to be on the airport. She said she received an e-mail from the city attorney concerned about the timeline, but what has happened with the Rates and Fees Regulation in the past is that the city attorney reviews the regulation during the public comment period as it will be back before the Board after the 21-day public comment period.

Board Member Angela Rodell asked if staff had asked how transportation as a whole was treated at other airports. Mrs. Wahto said this was not asked in total as this has been asked in the past. Many airports go out to bid on the taxi portion of it. Otherwise, a lot of people come out to the airport sometimes flooding the market and sometimes not enough. Once a bid is done, the cost to taxis would be the bid, plus a per trip fee. The TNCs are a whole new phase of ground transportation. When taxis and limos are discussed, some airports have staging areas and some do not. Very few airports had staging areas for the TNCs. When comparisons are done they are usually done on airports that are of a similar size. In the comparisons, TNCs were all charged on a per trip basis. As far as taxis, the Airport may go out for a bid in the future as discussed in the Finance Committee meeting.

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The geo-fence is something that will be a specific area and only when the carriers are on duty. They will be picked up as soon as they enter the airport boundary. The TNCs use the geo-fence boundary at other airports. Board Member Dennis Bedford asked about the costs to the airport as he was concerned about unnecessary charges. Mrs. Wahto replied that there will not be a lot of cost to the airport as everything will be handled through the company or through a third party. They handle the processing of each vehicle and assign the scanner that goes on the vehicle. The only thing the airport is looking at doing is relocating one part of the fence. This is fairly easy to do and the Airport has all of the material. Mrs. Wahto said the Federal Aviation Administration (FAA) says that the airport has a right to charge anyone coming onto the airport and doing commercial business because the airport exists and provides facilities for them and, therefore, they have to help pay for it. It is the way airports pay for their services. They all benefit from the use of the airport.

Board Member David Epstein said this was discussed at the Finance Committee meeting. If an Uber or Lyft driver does not have a reservation to pick someone up and they come to the airport hoping to pick someone up, they should and will be charged. Deputy Airport Manager Marc Cheatham said Uber and Lyft do all of the geo-tracking on their system; however, they do not provide reports of any kind to their employees and tracking information. They just write a check. AAAE (American Association of Airport Executives) gets the same information and will actually track each TNC that comes to the airport. AAAE stated that usually Lyft and Uber are off by about 10% to 20% in not paying the airports the proper amount of money. AAAE charges 3-5% off the top for the cost recovery of the program, as well as all tracking information for each TNC that comes to the airport. As soon as the program is paid for in a few years, the cost will be brought down to just operational costs. The money will be made back by using AAAE over just taking the word of the TNCs. Mrs. Wahto said that AAAE would be a professional services contract (kind of what is done for background checks) that may be allowed to be done through AAAE. She will check into this. This is a part of the service provided to AAAE members.

Mrs. Wahto said if this is passed today, the 21-day comment period will begin on June 1. After the 21-day comment period, the Board will meet on June 22nd or 23rd. *David Epstein moved, seconded by Marty Myers, that the Board approves the proposed Airport Rates and Fees Regulation, as shown in Attachment #1, to allow and charge for Transportation Network Companies (TNCs), or a third-party, to operate to, from and on Airport premises, and begin the 21-day public comment period. The motion passed by unanimous consent.* David Epstein said that one of his concerns at the Finance Committee meeting was that providing that this program is moved forward and TNCs are allowed to operate on the airport, that there is some evaluation of the operation down the road. He thought this was referred to in the agenda, "The Finance Committee also wanted to make sure data was collected on this new service and see if adjustments would

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be needed in the future, especially for other types of ground transportation.” *David Epstein moved, Jerry Godkin seconded, that providing TNCs are granted approval to operate at Juneau International Airport, the Manager shall collect and evaluate TNC operational data. By no later than one year from the start of TNC service, the Manager shall present recommendations, if any, for adjustments to ground transportation operations to the Board for its consideration and action. The motion passed by unanimous consent.*

- V. **PUBLIC COMMENTS**: Dennis Harris did not believe that procedures were properly followed here and he suggested that everybody re-read the rules which allow comment on each item that is on the agenda. Chair Heuelsen said that will be researched. In the meantime, Mr. Harris will be able to comment during the 21-day public comment period.
- VI. **TIME AND PLACE OF NEXT MEETING**: The next regular Airport Board meeting will be held on June 13, 2017, at 6:00 p.m. in the Alaska Room.
- VII. **ADJOURN**: *David Epstein moved to adjourn. The meeting adjourned by unanimous consent at 10:25 a.m.*