

MINUTES of
AIRPORT BOARD MEETING
May 12, 2022
6:00 p.m. via ZOOM

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

II. **ROLL CALL:**

Members Present:

Dennis Bedford
Al Clough

Jodi Garza
Jerry Kvasnikoff

Chris Peloso
Dan Spencer

Member Absent:

Jerry Godkin

Staff/CBJ Present:

Patty Wahto, Airport Manager

Ke Mell, Airport Architect

John Coleman, Airport Business Mgr.

Mike Greene, Airport Project Manager

Phil Adams, Airport Superintendent

Mark Fuelle, Capital City Fire/Rescue

Public:

Ken Nichols, DOWL/HKM

III. **APPROVAL OF MINUTES:** *Jerry Kvasnikoff moved approval of the minutes of the April 14, 2022, Board meeting. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA:** Airport Manager Patty Wahto stated that a new item needed to be added under Unfinished Business, Item B, Snow Removal Equipment Building (SREB) Circulation Pump Replacement (Attachment #6). *Dennis Bedford moved the agenda as amended. The motion passed by unanimous consent.*

V. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** None.

VI. **UNFINISHED BUSINESS:**

A. **Bagwell Gas Detection/Alarm System.** Ms. Wahto said she would turn it over to Ke Mell, Architect/Project Manager. She noted the bottom line that this is an update until the bids come in. Ms. Mell reported that the Airport Board approved the design and replacement for the Bagwell Gas Detection System. At the time, the cost was \$93K (\$43K for design/\$50K for the replacement). The design was awarded earlier in the year. The cost estimates came in from the consultant, which were higher than earlier estimated. The reasons for this increase are: cost of materials and labor have gone up considerably; the work scope of the project is larger than the initial estimate; and the project is standalone. There will be seven to eight different subcontractors on the proposed project that will have to be onsite for very small amounts of work. Travel costs for some of these outside contractors were not included in the previous cost estimate. There is a poor bid

AIRPORT BOARD MEETING

May 12, 2022

Page 2

environment, too. The engineer's estimate is now \$123K. Ms. Wahto said this is just a head's up at this time.

B. Snow Removal Equipment Building (SREB) Circulation Pump Replacement.

Ms. Mel reported that the City & Borough of Juneau (CBJ) Contracts received two bids for the SREB Circulation Pump yesterday. One bidder was deemed non-responsive. The responsive bidder was Harri Plumbing at \$156,181. The Board had previously authorized the expenditure of \$115K for design and replacement. The design was just under \$9K and did not include contract administration costs. The total project cost is now estimated at \$165K. Staff recommends Harri Plumbing and Heating for \$156,181, pending the 24-hour protest period that ended at 4:30 p.m. today. She thought that a protest had not been entered. Staff requested approval for the increased budget at \$165K, which will include design administration. This is an increase of \$50K to be funded by the CARES Act funding. *Dan Spencer moved to approve the bid award of \$156,181 to Harri Plumbing & Heating, Inc., for the replacement of the SREB Circulation Pump, pending completion of the public protest period; and an increase of \$50,000 for the total project costs, funding provided by the Airport CARES Act. The motion passed by unanimous consent.*

VII. NEW BUSINESS:

A. Airport Manager's Report:

1. Deputy Airport Manager Position. Ms. Wahto announced Phil Adams accepted the position of Deputy Airport Manager. Mr. Adams has been the Airport Superintendent. He comes from Jackson Hole Airport, with a background in Aviation Administration and a Master's degree in Aviation Safety. He is already looking at the Transportation Security Administration (TSA) regulatory things. He is paralleling Scott's duties, and still working on the airfield. The Airport is currently recruiting for the Superintendent position. Mr. Adams thanked Ms. Wahto for the opportunity. He said it is really exciting and good for him in his career. He looked forward to the opportunity to help the Manager and others where he can.
2. Air North Postponing Service to JNU. Air North is postponing their service to Juneau. They were ramping up and ready to go, but they said they would have to postpone due to some hiccups: staffing issues and Whitehorse Airport being under major construction. They thought they would postpone so that it was seamless for everyone. They have hinted at doing a couple of winter trips to get their name out again. They will use their ATR 42s.
3. Delta Air Lines Resuming Year-round Service. Delta made the announcement that will be resuming year-round service. They will fly 737-800s in the summer months. They had told staff that they would be using A319 aircraft in the winter, but they may be using the 737-800's.

AIRPORT BOARD MEETING

May 12, 2022

Page 3

4. Per- and Polyfluoroalkyl Substances (PFAS) Insurance Claim. Ms. Wahto applauded the Risk Management department with the City & Borough of Juneau (CBJ) for trying any methods and means to try to recoup some of the money that was put out on the PFAS investigation. They were able to capture part of an insurance claim in the amount of \$171,199.64. The Airport has encumbered almost \$300K. This is just the testing and monitoring stage. It is expected there will be a much bigger possible mitigation of something more to come.

5. LAB Hangar. This is an update on the sale of the hangar. The lease action request form has been sent to the buyer. Staff has not heard back from them yet.

6. Airport Fund Balance (AFB) and Capital Revolving Account Balance (Attachment #2). There has been no change on these documents as the FY23/24 budget has not been officially adopted.

7. CARES/CRRSAA/ARPA Fund Balance (Attachment #2). Ms. Wahto said this is being carried forward each month. Attachment #2 needs to be updated to show Items 1-9 have been approved by the Board, other than that, it is the same that was presented last month. She said a few more things need to be forwarded to the Finance Committee. Another thing that affects this is what happened at the Assembly Finance Committee meeting last night where they forwarded the full General Obligation (GO) bond for approximately \$1.3M. This will need to go into the fund balance bottom line and Attachment #2. This will also be updated with the SREB Circulation Pump numbers as well as whatever happens with the bagwell increases.

CARES/CRRSAA/ARG Act Use		4/14/2022
30,590,133	Grant awards*	
(727,145)	FY20 Operational Expenses	
(3,427,111)	FY21 Operational Exp incl tenant relief; yearend	
(602,375)	FY21 Airport GO Bond debt service	
(662,625)	FY22 Airport GO Bond debt service	
(203,028)	TWY Regulator Upgrade (appropriated)	
(1,610,000)	Bag Belt Replace - Est; + \$50K design (10/21)	
(600,000)	Parking Lot Design (max) - Estimate	
(92,885)	Bagwell Gas Detect/Alarm - est; + \$42,885 design	
(115,000)	SREB Circulation Pump Upgrade	
(175,000)	Sand/Chem bldg Back-up Boiler system	
(50,000)	Forklift vehicle	
22,324,964	Balance	
	Proposed Use	
(98,347)	Required Concession Relief (not for other use)	
(1,200,000)	FY22 Tenant Rent Relief (est)	
(2,084,900)	FY22 Operational Expenses (est)	
(1,200,000)	FY23 Tenant Rent Relief (est)	
(1,572,100)	FY23 Operational Expenses (est)	
(1,421,500)	FY24 Operational Expenses (est)	
(1,282,000)	*April 2022 Board Project Approvals*	
	GO bond debt service FY23/24 TBD	
(5,000,000)	Parking Lot Construction -TBD -Est (in design)	
8,466,117	Proposed/estimated balance FY22 end	
*Terminal ceiling, lighting, seating, flooring, fuel generator/access wash bay protectors, manlift Est range \$630K - \$1.3M		

AIRPORT BOARD MEETING

May 12, 2022

Page 4

8. Block M Hangar Flooding/Topo Map. Staff received a fee proposal for the topo map and will move forward with that. It is hoped to have the information by the June meeting. Chair Clough asked staff to keep the hangar owners updated on this project.

9. Hot Topics. The following is a list of on-going topics that staff is working on in addition to the regular Project Reports:

- *Title 49 (Jordan Creek) Variance Request.* Ms. Wahto reported that these variances had been split up between inside the fence and outside the fence when discussing this with the Community Development Department (CDD). As CDD looked back at the records for the one inside the fence, they agreed that the work the Airport was requesting to do – taking care of the trees and brush in there – was allowed under the last variance. The Airfield crew cleaned this up and made the berm lower. The grasses just need to be able to grow.

The second request was outside the fence along the greenbelt. CDD could not find anything under their current rules or policy that said the waiver would be their recommendation. The Airport will move forward and put this on record to show this is an issue and will go to the Planning Commission and the Title 49 group. Staff will advise the Board when this goes before the Planning Commission.

- *Alaska Department of Environmental Conservation (ADEC) Storm Water Pollution Prevention Plan (SWPPP) Multi-sector General Permit (MSGP).* The Annual Best Practices Meeting is scheduled for May 18th at 9:30 a.m. via Zoom. This is best practices and required by the permit. Anyone is welcome to join this meeting. For anyone reading minutes and are businesses listed under the SWPPP who have not turned in their Notices of Intent or No Exposure forms, those need to be turned in. This is the responsibility of the tenants. Numerous messages have been sent to the tenants. If ADEC comes through, they are listed in the Plan as a tenant who could be a part of this and they don't have the paperwork and we showed that we have notified them, it will go on them.
- *Spill Prevention and Control Countermeasure (SPCC) Plan.* The Airport is in the process of updating this under contract with DOWL. This will rewrite the SPCC. A draft has been received and reviewed. Hopefully this will be in place before the summer.
- *COVID:* The Alaska Travel Portal has been closed down. The mask mandate at airports and other federally funded travel venues (buses, trains, etc.) ended April 18th. The Airport stands by to whatever the TSA or City decide to do.
- *Juneau Douglas North Crossing Project – PEL Study.* Alaska Department of Transportation (ADOT) has started the North Douglas Crossing project, for a

AIRPORT BOARD MEETING

May 12, 2022

Page 5

second crossing over the channel between Juneau and Douglas. The Airport has been asked to participate in the Technical Advisory Committee meeting due to protecting aircraft approach corridors coming down the channel. Staff has asked ADOT to invite the airlines, too, because anything that goes down the channel could affect their RNP (required navigation performance) approaches. ADOT was holding a public open house on this project tonight.

10. Airport Project Managers Reports (Attachments #3 and #4): Mike Greene, Project Manager, said the Terminal Reconstruction Project has had substantial completion inspections for the last couple of days. Punch list items and outstanding RFP (Requests for Proposal) items will be worked on for the next month-plus. The bulk of the work is now complete.

The cutover has been done on the Fire Alarm Project. It is now working on the new system. There is still testing that needs to take place before that work can be finalized and the public announcement system can be up and running. The major milestone has been reached on that, as well. Substantial completion will probably be next week.

The RFP is out for the Main Ramp and Part 121/135 Ramp. Proposals were due on May 12.

Float Pond Improvements Phase II has staff reviewing the 95% documents. Mr. Greene is working with PND with review comments. This will be finalized and ready for bid this fall. The primary work for this project is float plane ramps on the south side due to erosion from wave action. This is reconstruction of the headwalls. Chair Clough said pedestrian ramps that go to the various docks on the west side have significant issues due to undercut of subgrade failures. He wanted this reviewed, too.

Taxiway Rehabilitation Project with Secon is back in motion. They have scheduled the generator testing and the testing of the load bank.

An RFP has been issued to Dawson Construction to replace the ceiling tiles and light fixtures in the terminal.

Mr. Greene said he is working on the SREB wash bay water protection, getting a revised RFP package out for pricing. He is also getting a consultant under contract for the fuel station access control and fuel monitoring and tracking.

He has been working with AEL&P (Alaska Electric Light & Power) to get the costs nailed down to get power out to the float plane pond and get power to the northwest development area. AEL&P is hedging because of the ever-increasing materials costs that they are incurring. The only number that is fairly firm from AEL&P is for the

AIRPORT BOARD MEETING

May 12, 2022

Page 6

northwest development area and that is to bring in 12.5KW 3-phase electrical services so the Airport can tell the potential tenants that the power upgrade is available. The project price is \$333,700. Board Member Dennis Bedford asked why 3-phase when most of the airport runs on single phase. Mr. Greene said 3-phase service is what is available from AEL&P and then they'll step it down. Whether they'll step it down at the pole or at the pond, this is their call. A much cleaner service will be provided with the 3-phase service stepped down. It is stepped down even more for the tenants on the commercial row. The 3-phase service is being requested by potential hangar owner in the northwest development.

Ke Mel, Airport Architect read her report (Attachment #4) into the record. In discussing the Parking Lot Repairs, it was suggested making sure as many people are aware of these meetings as possible through the City website, etc.

Ms. Mel reported no proposals were received for the Gate 5 Passenger Boarding Bridge. Staff is considering the next step. Ms. Wahto said that she believed this would allow the Airport to begin negotiations with a firm directly.

11. Airfield Update (Attachment #5): Mr. Adams said that the lead-in lines were permanently removed at Taxiway E, F and G, which puts the Airport back in compliance in those areas.

Airfield staff worked with Greg Albright from U.S. Fish & Game on what brush could be removed or had to be left for salmon. The area has been cleaned out to mitigate any wildlife issues. The berm modifications are being worked on as there is some electrical running in a section of the berm. It is hoped to slope this area to allow mowing.

Painting is underway. Aircraft box sizes are intermixed on the ramp. Most of the painting is completed in front of the terminal. Last year a sealant was applied to the Coastal Helicopter area and it will be applied again this year.

The full-scale emergency plan exercise is scheduled for July 23rd. The final planning meeting will occur on June 30. There will be 26 agencies involved in this exercise. Ms. Wahto invited any Board Members wishing to participate in the live drill and asked them to spread the word.

The new Oshkosh trucks worked very well, with the help of Seaside Diesel whenever issues occurred. One major issue was found with a broom combo machine. They came from the factory without enough grease in the axle assemblies, which caused a broken spine. It has been fixed and all were re-greased.

AIRPORT BOARD MEETING

May 12, 2022

Page 7

VIII. **CORRESPONDENCE:** None.

IX. **COMMITTEE REPORTS:**

A. **Finance Committee:** Committee Chair Jodi Garza said the Board Finance Committee has not met. However, there was an Assembly Finance Committee last night and they decided to table the GO (General Obligation) bond from the Airport's budget. She said they will probably need to revisit that. She noted that the mil rate was .11 for the Airport GO bond, yet there is no relief to the citizens of Juneau for the payment from the Airport, on top of the \$1.6M already sent to the City.

B. **Operations Committee:** Committee Chair Dennis Bedford had nothing to report. He said he is tracking the Block M hangars.

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

XI. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** None.

XII. **BOARD MEMBER COMMENTS:**

A. Chair Clough asked Ms. Wahto to give them their best take on last night's Assembly Finance Committee meeting. Ms. Wahto said that the Finance Committee brought up the GO Bond during the Airport's budget presentation. They elected to put this on the pending list, which came up last night. They heard the Airport at the last meeting, the Mayor made the motion to table, in other words the Airport's request to not pay the GO bond out of its budget. At the Assembly Finance Committee Mr. Bryson asked whose budget it would come out of, and they said, "The Airport's". They made it clear that it would not be up for further discussion. It would be paid by the Airport's CARES Act funds. The only Assembly Member that voted against that was Mr. Bryson, with two members missing. Chair Clough said that there was a .11 mil attached to the Bond and they did not direct staff to reverse the property tax by .11 mil. Ms. Wahto said that was correct.

Ms. Garza said that in looking at the decision list and the projects that were decided to spend the money on, she thought perhaps the Airport should get some projects to consider funding in a different way. She is disappointed that there is no relief to the citizens, but the tax has been collected.

Board Member Dan Spencer said the Airport Board put on their best argument, but the Assembly is going to do what the Assembly is going to do. He liked Jodi's idea of getting some of the projects on the list and funded that way.

Board Member Dennis Bedford said he was extremely disappointed. He went back two years ago when the Assembly asked the Airport Board to approve the GO bond funding out of the CARES Act money, he was disappointed at the time. He thought it should have

AIRPORT BOARD MEETING

May 12, 2022

Page 8

gone to the Finance Committee and then before the Board, instead it was all one meeting. It was approved for two years at that meeting. The second time, it was a done deal before it was requested. He said there has never been an explanation, it has just been "take it". He felt as a Board Member that he was wasting his time. He thought that the Board is very distinguished, but the Assembly totally ignored them. He did not think they had taken the time to understand what the Airport is up against.

Mr. Bedford said he has great respect for the Board. He felt the Assembly has minimalized it. He said it will be tough to give it his best for the next few years if they are going to micromanage the Airport Board. He wanted to know when the funds are transferred. Chair Clough asked staff to do this. He said the Assembly is redirecting voter approved money that was approved through a bond debt. He didn't see how they could do that. The Assembly can take money from the Airport to pay for it. He believed that the Assembly not using money that the voters accepted should result in a mil rate reduction. Ms. Garza said the City is ending the years with a surplus and not a deficit.

Jerry Kvasnikoff said he saw himself as number one, a CBJ citizen who voted for the bond indebtedness; and number two, as a property owning taxpayer who had an interest; and number three, as a voluntary Board Member who has an interest. He, too, is asking why he is a Board Member. He said there are a lot of things he can do with his time. He thought that if the City wants voluntary members of the public to help direct an enterprise fund, then perhaps a little more consideration, directness and appreciation of the concerns and the challenges faced by that particular board should occur. He was not going to be hasty, but that is what is rattling in his head.

Mr. Bedford said he had entertained the same thoughts. The only answer he had was they just all walk away and then the Assembly would get to appoint the board they want or another board. He said the Board has a good group of people who are very knowledgeable. If they are replaced, what comes next? Chair Clough said hang in there. He said the Board structure at the Airport has brought the Airport leaps and bounds from when there wasn't a board. He hoped that Board Members can compartmentalize this issue and realize that working with staff, the Board will continue making it a better operation. He said he intended to have this discussion as a private citizen with various Assembly Members.

Mr. Spencer asked if it was legit to call Mr. Rogers asking questions as a Board Member. Ms. Wahto said he can certainly go to a director or City Attorney. Chair Clough said that from the Board's perspective the Assembly has the right to do this. They don't like the way it was done and believe it is a poor decision. He thought there is a lot of pause from citizens that they usurp how bond issues are funded. He could not understand how the Assembly can redirect bond-approved monies for a different purpose. If there is a mil rate that is paying for a bond debt and it is being paid for through another funding source, which it is, the taxpayers should see a mil rate deduction.

AIRPORT BOARD MEETING

May 12, 2022

Page 9

Ms. Garza said she extended invites to Assembly Members to check out the north terminal and walk them through why these funds are important to the Airport. Mayor Weldon and Carol Triem took up this invitation. Some members did not respond to the invitation.

XIII. **ANNOUNCEMENTS:** None.

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

A. The next regular Airport Board meeting will be held on June 9, 2022, at 6:00 p.m. in the Alaska Room and via Zoom

XV. **EXECUTIVE SESSION:** None.

XVI. **ADJOURN:** *Dennis Bedford moved to adjourn. The meeting adjourned by unanimous consent at 7:30 p.m.*