

MINUTES of
AIRPORT BOARD MEETING
May 9, 2007
Aurora Room, 7:00 p.m.

I. **CALL TO ORDER:** Chair Ron Swanson called the meeting to order at 7:00 p.m.

II. **ROLL CALL:**

Members Present:

| | | |
|--------------|---------------------|--------------|
| Pete Carlson | Fred Gaffney(@8:00) | Joe Heueisen |
| Gordon Evans | Jerry Godkin | Ron Swanson |
| Eric Forrer | | |

Staff/CBJ Present:

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| Dave Palmer, Airport Manager | Pam Chapin, Secretary |
| Jerry Mahle, Airport M&O Super't | Jonathan Anderson, CBJ Assy. Liaison |
| Patricia deLaBruere, Arpt Business Mgr. | Jane Sebens, CBJ Law Dept. |
| Catherine Fritz, CBJ Engineering | |

Public Present:

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|------------------------------------|-----------------------------------|
| Ella Rogers, Glacier Restaurant | Dave Heimbigner, R&D Rentals |
| Tom Williams, Ward Air | Jeremy Millsaps, Wingnut Aviation |
| Mookie Patel, Alaska Airlines | Jon Ahlgren, General Aviation |
| Kottayam Natarajan, Jr., AvAirPros | Jim Wilson, Coastal Helicopters |

III. **APPROVAL OF MINUTES:** *Pete Carlson moved, Eric Forrer seconded, the adoption of the April 11, 2007, Regular Monthly Meeting minutes. The motion passed by unanimous consent.*

IV. **APPROVAL OF AGENDA:** *Gordon Evans moved, Pete Carlson seconded, to approve the agenda. The motion passed by unanimous consent.*

V. **PUBLIC COMMENTS:** None.

VI. **UNFINISHED BUSINESS:**

A. **EIS Update:** A public meeting is scheduled for May 14, 2007, 5:00 to 8:00 p.m.(presentation at 6:30 p.m.) at Centennial Hall. This meeting is an open house to answer questions.

B. **Board Retreat:** It was decided to move the regular July meeting to Thursday, July 12, 2007. The retreat will be held in late August.

C. **Terminal Renovation Update:** Catherine Fritz reported that a web site for all Airport projects is being designed. Questionnaires have been sent out to four categories: business traveler, tourism, concessions, and rental cars. Twenty-three have been

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returned. People do feel that baggage and check-in areas are congested. The architects are working to come up with a conceptual plan. A workshop of the conceptual design will be held on June 13, 14 and 15. This will be an interactive collaborative type review.

Chair Swanson asked what had been sent to the Assembly. Ms. Fritz said that she had drafted a 4-page report to get more information to the Assembly. Chair Swanson felt that this would not be sufficient information and should be submitted to the Assembly as soon as possible. This will be presented at the June Board meeting.

D. Finance Committee Update: Committee Chair Pete Carlson said a presentation was made to the Assembly to present the revised spending authority needed for FY 07 based on the hard winter. A brief overview of FY 08 was given. The Board needs to approve additional spending authority to be sent to the Assembly for their approval. Since submitting the Budget to the Board for approval (February meeting), the Airport was hit with record snowfall and record snow-related costs. Overtime (increased from 1,500 hours to more than 4,000 hours), chemicals and loss of runway lights and signs are just a few of the additional costs not anticipated in the submitted budget. Due to these late season hits on the budget, the Airport will need to increase its expense estimates and bottom line spending authority. *Pete Carlson moved, Joe Heuisein seconded, to approve the revised FY 07 Expense figures and to increase its request to the Assembly for additional spending authority to \$252,200. Retained earnings will be used to cover the additional expenses until such time that other revenue sources or emergency funds may be identified. The motion passed by unanimous consent.* Jim Wilson asked that Board Finance Committee meetings held during the busy summer months be held early in the morning or late in the evening so that those that have to work for a living can make the meetings.

VII. NEW BUSINESS:

A. Introduction: Jane Sebens, City Attorney's Office: Ms. Sebens said she is the Airport's new counsel at the CBJ Law Department. One item that was noted for being in the Law Department for many years was the off-airport rental car fee.

B. Leasing Policy Discussion: Committee Chair Gordon Evans said that the Airport Manager does not like the idea that the Airport has to notify the tenants that their leases are up. He felt this was done as a courtesy. The tenant is supposed to give the notice. He thought it was a good idea for the Airport to give notice to a tenant that a lease is about to expire. He suggested 60 days' notice from the Airport with a requirement to reply from the tenant within 30 days.

Another item is that he thought there were some words left out of the leasing policy. The Leasing Policy reads "at the expiration, cancellation, termination of the agreement, the Lessor will give notice." He recollected that it should have said, "at least 60 days prior to

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the expiration, cancellation, . . .” Joe Heueisen agreed with Mr. Evans about notifying people of expiring leases. Airport Manager Palmer noted that he has asked Ms. Sebens to review the Airport’s lease. It currently reads that the Airport will notify the tenant when a lease expires and then give them 30 days to respond. He recommended notices as a courtesy but not as a lease provision. Gordon Evans noted that the Airport’s lease is longer than most. After 20 to 30 years, a tenant would not pay attention to the expiration date. The Airport should have a tickler file to note when a lease is up and notify the tenant as a courtesy. Chair Swanson tabled this item until the Department of Law’s review.

C. Ward Air Lease Request: Tom Williams, CFO of Ward Air and representing RED leasing and Ward Air, said that RED Leasing requested a 20-year extension on April 9, 2007, based on the \$75,000 investment made to the leased grounds. The request was made based on:

1. Wells Fargo’s collateral requirement for a loan.
2. A similar 20-year lease extension granted to R&L Leasing when they had done improvements to the Federal Express building site.
3. The current lease is consistent with the Airport Master Plan.

He noted that language was added to the R&L Leasing amendment that says, “The lessee shall have the right of first refusal unless the airport finds the permanent improvements are:

- a. Inconsistent with written airport policy or
- b. Inconsistent with the Airport Master Plan or
- c. Are a safety hazard to the public.”

Ward Air would like the term extended and the language in the R&L Leasing regarding the right of renewal to be included, as well. *Gordon Evans moved, Eric Forrer seconded, to approve the extension of the lease. The motion passed by unanimous consent.*

D. Airport Manager’s Report

1. Storm Water Pollution Prevention Plan: The Airport has certain obligations under the storm water pollution prevention plan that include monitoring, record keeping, meetings and quarterly testing. A proposal has been requested from Carson Dorn Engineering, the firm that wrote the Airport’s plan, to oversee compliance with the plan and to perform the required testing. The Airfield crew will conduct monitoring and record keeping.

2. Plans are moving ahead with the application of an aquatic herbicide at the floatplane pond for weed control. It appears that Ed Quinto will probably be the licensed applicator to supervise the work. Once the applicator is onboard, an informational public meeting will be held.

3. Construction Report

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- a. East Hangars Asphalt Replacement: Last week we received the plans and specifications from R&M Engineering to repave a small area in the East Hangar location which will be funded from the Delta One project. The work will be sent out for quotes to contractors to get a low bid using the RFQ process. Work should be accomplished in about five days once it begins, but latitude will be given to contractors on when to start, due to very low contractor availability. This work is being done to alleviate flooding in several hangars.
 - b. Main Ramp Improvements: Work began on the first phase on March 26 after snow and weather delays in early March. Phase one work is complete and Gates 2 and 3 were released to Alaska Airlines on May 2. The next phase will start immediately and include hardstand expansion at Gate 4 and drainage improvements from the Alaska Air Cargo building asphalt drainage swale south to the vegetated drainage swale.
 - c. Float Pond Dredging Survey: DOWL has submitted the draft plan, and is incorporating JNU staff comments for the final product. There appears to be no overriding concerns that would affect our plan to dredge the pond to remove the duck weed, reducing the attractant to waterfowl and providing material for our EIS fill projects.
4. Airport Planner: Two applications have been received, but only one met minimum qualifications. Neither applicant has worked with or for the FAA. We will continue to look for the new Planner.
 5. VASI Cable Project: The contractor is on site. The locates have been done. The next item will be boring under the taxiway by TEMSCO and down by the floatplane pond. Coordination is ongoing with the FAA to insure the project does not conflict with the Airport's development plans.
 6. ASOS/RTR Site: The ASOS and RTR site lease (located between the wetlands and Wings of Alaska) has expired. The Airport did not sign a new lease and according to the expired lease, the FAA will pay for removal but the FAA has noted they do not have funding. This will probably need to be paid through AIP and relocation will become part of an AIP project, but the Airport does not want to pay the match for that portion of the project.
 7. Welcome to Juneau Sign: Joe Heueisen asked what had happened to the new sign proposed by the Downtown Rotary Club. Staff will check on this and report back to the Board.

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VIII. **ASSEMBLY LIAISON COMMENTS:** The Assembly Finance Committee approved the Airport's budget as presented earlier in the evening and sent it to the full Assembly. He agreed that some kind of action needs to occur regarding the Airport's request for sales tax money. The document needs to be more than the current four-page document. It needs to be shiny, glossy because that is the way the world works.

IX. **PUBLIC COMMENTS:**

A. Jim Wilson, Coastal Helicopters, suggested adding class rooms (an office of voc/tech, seeing the new school does not have any voc/tech) into the remodel – the Airport may be eligible for education money from the State.

B. Mookie Patel, Alaska Airlines, understood that a couple of the Board members' terms will be up next month. He presented Joe Heueisen and Pete Carlson with Alaska Airlines Starliner 75 model aircraft and thanked them for their service.

X. **BOARD MEMBER COMMENTS:**

A. Ron Swanson had Airport Manager Palmer explain the Balchen/Post Award the Airfield crew received. Mr. Palmer said one of the crew attended the Snow Symposium in Buffalo, New York, to receive the award. They are proud of it and he felt it was well deserved. The crew works as a good team. They are supportive, cooperative and helpful. For a crew of 13, they did an excellent job. Elmendorf got the award for Military, Anchorage got the award for Large Commercial Airports and Juneau got it for the Medium Commercial Airports.

B. Joe Heueisen said he checked with the City Clerk to find out the number of applicants who have applied for the Board. No applications have been received. He urged interested parties to apply.

C. Eric Forrer said he would like to see the Airport's budget request not become another conflict with a pool or any other project because these projects are not in the same ballpark. If it gets set up as a head-to-head conflict in the community, it represents bad management and a failure of planning. It may be a conflict for dollars, but it is not a conceptual conflict in terms of usage.

One year ago, he engaged in a short study of the avian flu. At the time, he e-mailed Alaska Airlines and requested some comment from them on what their thoughts were about the avian flu. He got a response from Mr. Simchuck. He expects comments from Alaska Airlines' plans for avian flu response within the month. He will continue to pursue a set of handouts on this subject and perhaps other subjects.

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D. Ron Swanson said that the Board had approved a dinner for the snow removal crew and their spouses. Airport Manager Palmer said the Board needs to agree to do it and how to pay for the dinner. The cost was roughly \$1,500. Pete Carlson suggested something not as formal, such as a barbeque at one of the hangars. He had objections to the Airport spending \$1,500 after requesting additional spending authority. The Board agreed to have the dinner and pay for it out of the budget. Mr. Palmer said the employee recognition expense is something the City has done in the past.

XI. **ANNOUNCEMENTS:** None.

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

A. The terminal planning work session with the Board will be held on June 13, 2007, at 6:00 p.m. in the Aurora Room.

B. The next regular Airport Board meeting will be held on June 13, 2007, at 7:00 p.m. in the Aurora Room.

XIII. **ADJOURN:** *Gordon Evans moved, Pete Carlson seconded, to adjourn the meeting. The meeting adjourned by unanimous consent at 8:20 p.m.*