



# AIRPORT BOARD AGENDA

March 13, 2025 at 6:00 PM

Airport Alaska Room/Zoom

<https://juneau.zoom.us/j/81320381493>

Or join via audio: 1-253-215-8782 Webinar ID: 813 2038 1493

**TO TESTIFY: CONTACT PAM CHAPIN, 907-586-0962**

**BY 3:00 PM ON MARCH 12, 2025**

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. APPROVAL OF MINUTES**

1. Airport Board Minutes for February 13, 2025

**D. APPROVAL OF AGENDA**

**E. AIRPORT BOARD OFFICER ELECTION: Secretary**

**F. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

**G. UNFINISHED BUSINESS**

2. **Airport Finance Committee Meeting (February 27, 2025): FY25 Projected and FY26 Revised Budgets Redux (Attachments #1, #2, #3, #4 and #5).** The Airport Board Finance Committee met on February 27, 2025, to review 'Airport Finance 101' and how allocations of the cost centers (and revenues) work in the model; and reviewed the budget as was presented and approved at the February 13, 2025, Airport Board meeting. The meeting also confirmed the presented shortfall to each user group that was questioned at the February Board meeting.

**Attachment #1:** Airport Finance 101 This is a review of airport allocations and how the model is set up.

**Attachment #2:** FY25 Projected and FY26 Revised EXPENSE REVENUE SUMMARY

**Attachment #3:** Fund Balance Projections

**Attachment #4:** CARES Grant Summary

**Attachment #5:** Capital Improvement Plan (CIP) Overview and Project Match Requirements

The budgets, as presented, assume no rates/fees increases to balance the FY26 shortfall; with the \$400,453 shortfall to be covered through Airport Fund Balance (through final CARES money draw down), as approved by the Airport Board on February 13, 2025. Similarly, FY25 uses \$309,100 of Airport Fund Balance to cover the shortfall.

The shortfall is established through the model (financial model is a tool used for transparency in determining shortfall allocations).

At the February Board meeting, there was confusion about the shortfall for FY26 in the Board packet summary about the 91% Security Cost Expense. The calculation is not a simple 91% / 9% of the amount that was shown. The '91%' represents the large air carrier portion of the security cost center (consider the 91% as a label for 'large carrier'). In the bigger picture of the security cost center, the large carrier (91%) portion of the security budget is \$1,144,290 (of the \$1,257,461 security budget) that needs to be covered by large air carrier's fees (SSF). The \$225,600 is the large carrier (91%) security shortfall based

on current SSF rates and projected enplanements over that portion (\$1,144,290) of the security cost center. The remaining shortfall of \$113,171 is the 9% Security Cost Center Expense that is split 50/50 with the Terminal and Airfield Cost Centers (\$56,585 each cost center). This was NOT a mistake in the Board and Finance packages but was not explained clearly. \*Note: there are rounding differences (\$634) due to calculations of a fee with pennies (difference between model and calculations shown on last Board agenda). This is only presented here for clarification and to be on record that this was calculated correctly (no error in the February Board packets).

FY26 \$400,453 budget shortfall is calculated through the model and calculates as:

Security:	\$338,771	(\$225,600 air carrier / \$113,171 residual split 50/50 Terminal/Airfield)
Terminal:	(\$379,084)	((-\$322,499) includes the 50% security residual: \$56,585)
Airfield:	\$441,400	(\$497,688 includes the 50% security residual: \$56,586)
Adjust:	(\$ 634)	*Model rounding / adjustment due to calculations

The largest part of the shortfall correlated to security cost center is for the loss of Transportation Security Administration Law Enforcement Officer reimbursement and additional aviation worker screening.

#### **User Group Shortfall Allocation:**

\$374,225 Lg Air Carrier/121 (Security \$225,600 plus 85% Airfield \$148,625)  
\$ 26,228 Sm 135 Carrier/GA (15% Airfield \$26,228)

**CARES Grant Summary (Attachment #4).** Attachment #4 shows a summary of the three CARES Grants' use over the past five years. The Board approved various projects, tenant abatements, General Obligation bond and operational budget use, but a whole summary was never provided.

#### **Capital Improvement Plan (CIP) Overview and Project Match Requirements (Attachment #5).**

Attachment #5 shows the most up-to-date CIP and is presented for all capital projects. The CIP plan shows CIP projects well into the future and the required match. This document may change based on higher priorities, emergencies, federal funding availability and eligibility; all are subject to change. The areas in dark green are proposed projects eligible for the new Passenger Facility Charge (PFC) 10. Note that new projects can only be programmed out two years from a new PFC application start, but reimbursement of past eligible projects are allowed. The PFC10 application process has started (meeting with air carriers is scheduled for March 11, 2025), however, collections are not anticipated for PFC10 until spring 2026. The Airport does not want a lapse between PFC collections. In the interim, local match for projects will need to be forward funded by Airport Fund Balance, Capital Revolving Account, local flexible Sales Tax (dedicated to Airport projects) or other means, until the PFC is collected for the project. This is informational only – for planning purposes and funding planning.

***No action is required; this is only a recap on the budget and financials.***

### 3. Airport Manager Recruitment Update

## **H. NEW BUSINESS**

4. Riverbank Stabilization: On August 5, 2023, a glacial outburst flood from Mendenhall Glacier caused significant flooding and erosion along the Mendenhall River, affecting areas like the Emergency Vehicle Access Road (EVAR)/Airport Dike Trail. Fortunately, Juneau (JNU) experienced no additional damage from this event. JNU plans to seek reimbursement from FEMA and the State of Alaska's Department of Veterans and Military Affairs (DMVA) for the repairs. DMVA has designated the event as the AK-23-296 Juneau Suicide Basin Flooding Disaster.

To address the erosion, the project will involve constructing a riprap revetment to stabilize the streambank and prevent further damage to the EVAR. JNU has spent \$17,245 on design, bidding, and permitting with proHNS LLC. All necessary permits have been secured, except for the CBJ Grading Permit, which was applied for in October 2024.

The project has not yet been advertised for bids, but the engineer's estimated cost for construction is \$258,405. With a 5% increase in costs, the total construction estimate is \$271,325. ProHNS' proposal for construction administration/inspection is \$17,860, bringing the total project cost to \$289,185. The Airport will need to forward fund this project (to go out for bid) from its Fund Balance, then receive reimbursement from DMVA once the project is completed.

**Board Action:** *Approve the forward-funding of up to \$290K, from Airport Fund Balance, for the Mendenhall Riverbank Stabilization project; to be reimbursed by a grant from State of Alaska Department of Veterans and Military Affairs upon completion.*

5. Airport Manager Report
6. Airport Projects Report - Ke Mell
7. Airport Projects Report - Mike Greene

**I. CORRESPONDENCE**

**J. COMMITTEE REPORTS**

8. Finance Committee
9. Operations Committee

**K. ASSEMBLY LIAISON**

**L. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

**M. BOARD MEMBER COMMENTS**

**N. ANNOUNCEMENTS**

**O. NEXT MEETING DATE:**

10. Assembly Finance Committee – Airport Budget Presentation Saturday, April 5, 2025, Assembly Chambers/Zoom, 8:30a.m.-4:30p.m.
11. Assembly-Airport Board COW Meeting, April 9, 2025, Assembly Chambers/Zoom, 5:30 p.m.
12. Airport Board, April 10, 2025, 6:00 p.m., Alaska Room/Zoom

**P. EXECUTIVE SESSION**

**Q. ADJOURNMENT**

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, e-mail: city.clerk@juneau.gov.