



AIRPORT BOARD AGENDA

March 14, 2024 at 6:00 PM

Airport Alaska Room/Zoom

<https://juneau.zoom.us/j/82856995400?pwd=YUNld2p1OFI3TnY3NUpKa3BRQmFidz09>

or Dial: 1-833-548-0276 Meeting ID: 828 5699 5400 Passcode: 697369

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

BY 3:00 PM ON MARCH 13, 2024

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES: February 8, 2024

1. February 8, 2024 Minutes

D. APPROVAL OF AGENDA

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

F. UNFINISHED BUSINESS

- 2. Sand/Chemical Back-up Electric Boiler.** See Project Report - Ke Mell for detailed discussion. The Board, through the Finance Committee, was advised of the higher costs for the system, but without knowing what the bids would come in at, and the fact that CARES funding would expire by the time this project was bid, several options were discussed. The elected option was to continue leasing a portable oil burner and continue the bid process to see what the end cost would be. While trying to bid the work, CBJ Contracts required some additional electrical clarifications as well as signed/sealed drawings. Staff received pricing for the additional design work (detailed in the Project Report - Ke Mell). An additional \$19,015 is required to have bid ready documents in-hand. The project still requires funding for construction. Staff is looking at alternative funding sources for the construction/installation. Regardless, the project is at a standstill until complete signed/sealed/estimated bid documents are complete.

Board Action: *Discuss and approve the additional \$19,015 in CARES funding to complete the design bid documents. Upon completion of design documents and identifying a funding source, advertise and bid before being brought back to the Board.*

- 3. FY25/26 Proposed Budget (Attachments #1 through #8).** The Airport Finance Committee met on February 28, 2024, to discuss the FY25/26 Proposed Budget. The budget was discussed but was not passed. Instead, staff was asked to schedule an additional workshop on how the budget and finance model methodology works, including allocations. Staff believes that the presented budget may still be reviewed and approved by the Board, with a methodology workshop held separately. Staff will still set up a future finance workshop, while presenting the FY25/26 Budget now. The budget, as presented at the Finance meeting, is presented to the full Board for consideration and acceptance in Attachments #1 through #6. Note that FY26 is presented with a slight deficit budget, which will be discussed next year during the biennial budget review.

Additionally, the following is a recap on the cost allocation between user groups for the FY25 Deficit:

Total	121 Carriers Share	135/GA Share
(\$150,300)	(\$139,500)	(\$10,800) Security Cost Center
(\$ 17,700)	(\$ 15,700)	(\$ 2,000) Terminal
(\$ 65,900)	(\$ 62,600)	(\$ 3,300) ARFF Cost Center
(\$414,200)	(\$352,100)	(\$62,100) Terminal/Airfield
\$648,100	(\$569,900)	(\$78,200)

As detailed in the packet, the security cost center is an independent calculation for the 121 Carriers based on passenger screening checkpoint hours/required police presence and the number of passengers screened. The Aircraft Rescue Fire Fighting (ARFF) cost center also has a different allocation (95/5) than the remaining airfield cost centers. The 121 Carriers split their share for ARFF and Terminal/Airfield through increases in both Fuel Flowage Fees (FFF) and Landing Fees (LF). The 135/GA pay their share for the Security, ARFF and Terminal/Airfield through FFF. Both FFF and LF also have non-signatory revenue components that are credited back to each user group for final calculations. This is how the rates are derived on Attachment #4 in order to balance the FY25 budget. There are other fees (terminal rents, land leases, concession rents, etc.) which contribute and offset the two air carrier user groups (121 and 135/GA) expenses prior to calculating FFF/LF.

Motions:

While the budget would go to the City & Borough of Juneau (CBJ) Finance, it would be contingent upon Airport Rates and Fees Regulation public process that includes going out for a 21-day public comment period, then back to the Board to consider any comments. After approval, the regulation would need to go to the Assembly for adoption (one meeting). This would need to parallel the budget process.

Staff recommends the following actions on the FY25/26 Budget:

Board Motion: *“Approve the FY25/26 budgets at attached in Attachments # 1, #5 and #6, shown with the increases to the Airport Rates and Fees Regulation, and forward to the Assembly for approval.”*

Board Motion: *“Approve the increases to the Airport Rates and Fees Regulation, as summarized in Attachment #4 and begin the public regulation process, then bring the regulation back to the Airport Board for consideration of public comment, approval and forward to Assembly for final adoption.”*

Fund Balance (Attachments #7 and #8): Staff was asked to present the current available fund balance. This is presented two-fold in Attachments #7 and #8. Attachment #7 is shown with the deficit budget; Attachment #8 as a balanced budget (FY25) from proposed increases to Airport Rates/Fees. Note that even with balanced budgets each year, the fund balance would continue to decrease due to three-month operating reserves increasing over the years. Essentially, the Airport would need to look at increasing fund balance over time.

G. NEW BUSINESS

4. Airport Manager's Report

5. Projects Report - Mike Greene

6. Projects Report - Ke Mell

H. CORRESPONDENCE

I. COMMITTEE REPORTS

7. Finance Committee

8. Operations Committee

J. ASSEMBLY LIAISON

K. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

L. BOARD MEMBER COMMENTS

M. ANNOUNCEMENTS

N. NEXT MEETING DATE:

April 6, 2024, Assembly Finance Committee, Assembly Chambers 9:00 a.m.

April 11, 2024, Airport Board Meeting, Alaska Room/Zoom, 6:00 p.m.

O. EXECUTIVE SESSION

P. 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, TDD 586-5351, e-mail: city.clerk@juneau.gov.