AIRPORT BOARD AGENDA

May 11, 2023 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 MAY 10, 2023

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES: April 13, 2023

D. APPROVAL OF AGENDA

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

F. UNFINISHED BUSINESS

1. **CARES/CRRSAA/ARG Fund Balance** (Attachments #1 and #2). (This item is normally part of the Manager's Report.) The breakdown of CARES/CRRSAA/ARG funds used and proposed is updated on the attachment. After updates, the Airport is looking at $1.75M available.

   Staff has investigated another use of these funds that Board may want to consider. The Airport carries both revenue and general obligation (GO) bonds. The GO bonds were approved by the voters back in 2012. There was $5.9M in GO bonds sold in 2019 that represent the local match and non-federally-eligible portions of the terminal. Some of the Airport CARES money has paid for four years of the debt service on these GO bonds.

   The Airport also has revenue bonds. This roughly $15.8M that was taken out to upfront the funding for the federally eligible portion of the terminal construction. It was originally planned that the Airport would need to commit four years of Airport Improvement Project (AIP) Entitlement dollars and pay the remaining with PFCs. The Federal Aviation Administration (FAA) was able to fund the entire amount of the federally eligible amount in one grant year (2020). With the bonds already issued, there would still be interest to pay through PFC collections. This prolonged collection has tied up the Airport's ability to leverage PFC match for near-future projects. One option for the CARES money is to pay 2023, 2024 and one payment in 2025, or any combination thereof, of the revenue bond interest. The grant language appears to allow for this use in all three grants. We are waiting for confirmation from FAA. The City & Borough of Juneau (CBJ) Finance Department concurs that this is allowable from the City standpoint. The tables on Attachment #1 show the amounts (broke out principal and interest) on the two revenue bonds. The lower table shows the interest only owed for each of the biannual payments (April and October (and combined annual total)) for the two revenue bonds. This is presented for the Board's consideration for all or a portion of the remaining CARES money. This option can also be reviewed on bi-annual basis (not an all-or-nothing decision) as CARES fund balance is updated/reviewed.

   Further discussion at the Board meeting if the Board wants to pursue any level of bond interest payment.

G. NEW BUSINESS

2. **Terminal Ground Source Heat Pump System and Heat Pump Repairs.** The ground source heat system runs a mix of 12% methanol-water to circulate down through the geothermal piping. During a heat

pump failure, evaporation condenser coils were found to be clogged with debris. In addition to the heat pump replacement (and/or parts) the system will require flushing of the debris. Staff is getting a quote on the parts as well as system flush to bring back to the Board for funding. The samples of the methanol-water mix have also been sent out for sampling to see what the contamination is in the system so that it can be fixed at the source. This system and the heat pumps will need to be in working order prior to balancing the entire heating/ventilation/air conditioning (HVAC) system at the Airport, which is part of the Airport Terminal project close-out. Staff anticipates a quote for the repairs at the Board meeting for further discussion.

3. **TEMSCO Request for Wastewater Tie-in (Attachment #3).** TEMSCO has formally requested to have wastewater extended to their lease lots. When the Airport developed the Northeast Development Area (NEDA), the plan was to bring utilities in and allow TEMSCO to stub-in. The work to the NEDA would be extensive over a very flat area, and this area has yet to be developed. TEMSCO has been on septic which is now failing. Cost and permitting to continue with a septic drain field is prohibitive; continuing as they are is untenable and unsanitary. TEMSCO has received quotes for tying into the City wastewater at the Honsinger Pond development area. This is a shorter distance and is still on Airport property. TEMSCO requests assistance with the on-airport tie-in to the City system. They would still be required to pay for the stub in to their building and inspection costs.

   Board Discussion: *Whether to assist with the on-Airport costs of wastewater tie-in, or allow rent credits for TEMSCO to pay for this system upfront.* TEMSCO is requesting a decision as soon as possible due to septic back-up.

4. **Jamee Wallis Proposed Hangar Use for Flight School.** The Airport has just opened up a lease block of land for development on the west side and sent out notices to those on the hangar wait list. Jamee Wallis is one of the potential tenants that has been offered an executive style hangar lease. Ms. Wallis has a private aircraft and is currently subleasing on field. She would like to move forward with her plans, but would like to keep her options open in her budget planning for a future flight school. She requests Board approval for an option to operate a flight school out of her hangar at some point in the future. The Airport has leased other general aviation lots that housed flight schools in the past. Ms. Wallis would notify the Airport if she exercises this option since other security measures would need to be implemented.

   Board Motion: "*Approve the option of operating a flight school out of a general aviation hangar for Jamee Wallis, upon execution of an executive hangar lease.*"

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

H. CORRESPONDENCE

I. COMMITTEE REPORTS

8. Finance Committee
9. Operations Committee

J. ASSEMBLY LIAISON

K. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

L. BOARD MEMBER COMMENTS

M. ANNOUNCEMENTS

N. NEXT MEETING DATE: June 8, 2023

O. EXECUTIVE SESSION: Airport Manager's Annual Evaluation: BOARD MOTION: *The Airport Board moves to go into executive session to discuss a subject that may tend to prejudice the reputation and character of the Airport Manager, provided the Airport Manager may request a public discussion.*

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.org.