



AIRPORT BOARD AGENDA

January 09, 2025 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 BY ZOOM: CONTACT PAM CHAPIN, 907-586-0962

BY 3:00 PM ON JANUARY 8, 2025

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES

1. **Airport Board Minutes December 12, 2024**

D. APPROVAL OF AGENDA

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

F. UNFINISHED BUSINESS

2. **Aviation Worker Screening (AWS) Litigation Costs.** AWS attorney, Anderson-Kreiger, has been paid for litigation to-date. There is a small amount remaining on the purchase order (\$1106). Emails with the attorney state that they expect to have an opinion from the D.C. Circuit sometime in early 2025. Unless the airports or TSA seek reconsideration, the opinion may conclude the matter. The attorney suggests reserving an additional \$5K for 2025 to be safe. They would revisit the budget if one of the parties seeks some form of review.

Board: *Discuss an additional \$5K in AWS litigation funds.*

3. **Airport-Coastal/Loken Contaminated Site Report (Attachment #1, and website link).** Cox Environmental was hired by both CBJ Airport and Coastal Helicopters to perform additional well drilling/testing and submit a "Site Characterization Report" (link: <https://juneau.org/wp-content/uploads/2025/01/ADEC-Site-Characterization-Report-12-09-24-FINAL-Report-Only.pdf> report only; no photos) for the contaminated site that borders Coastal Helicopters (formerly Loken/Channel Flying). This stems from contaminated soil found in 2014-15. The attached letter approves the Report filed jointly to Alaska Department of Environment Conservation (ADEC). ADEC has determined that additional perimeter wells need to be drilled and sampled to determine the extent of contaminated ground water, as well as additional site work plan submitted to ADEC. The cost for this work is quoted at \$43,338 for Cox Environmental (Airport share). The temporary funding source would be Airport Fund Balance, while Risk Management submits the insurance claim.

Board Motion: *"Approve the appropriation of \$43,338 for Cox Environmental for an updated site work plan and additional drilling/testing groundwater wells, as required by the Alaska Department of Environmental Conservation, for the contaminated site abutting Airport-Coastal/Loken property; up-front funding provided by Airport Fund Balance and repaid through an insurance claim through CBJ Risk Management."*

G. NEW BUSINESS

4. **Staffing Changes.** At the December 13, 2024, Airport Board Committee of the Whole (COW) meeting, the committee reviewed the current staffing positions. Staff is reorganizing some of the staffing positions and adding one.

Terminal Building Maintenance Tech I was vacated by an employee who was promoted to another vacant position. The need is in custodial now. By deleting the Maintenance Tech I position (Range 10) and filling an extra custodial position (Range 8), there will be a savings in the pay differential of approximately \$8,000/annually. This is an administrative change that does not require Board approval or additional spending authority.

With the recent vacancy of the Deputy Airport Manager, staff looked at the needs of the Airport and to reallocate staffing. Rather than filling the Deputy position, duties could be covered with an Airport Security Manager and filling a current full-time (vacant) Architect/Engineering Assistant/Flex position.

Airport Security Manager. At the November Board meeting, the Board was briefed on a need for a Security Manager. The Board motioned to approve the position; however, staff did not have the costs and position description detailed. Based on the vacancy of the Deputy position, no additional spending authority is requested at this time; it is only a reorganization of staffing. This is an administrative change that does not require Board approval or additional spending authority.

Heavy Equipment Mechanic II. The COW approved the justification for the Heavy Equipment Mechanic II, based on immediate need. The Airport has 40 pieces of technical heavy equipment to maintain and 20 attachments; preventative maintenance is not done routinely. Most time is spent on repairs and getting equipment back on-line. Another full-time mechanic to assist with preventative maintenance and lubing would help keep equipment running and within manufacturer operating requirements. This position would need to be funded through the Airfield cost center rates/fees.

Board Motion: *"Approve the addition of a Heavy Equipment Mechanic II position."*

5. **Airport Manager Recruitment Update**

[6.](#) **Airport Manager's Report**

[7.](#) **Airport Project Report - Mike Greene**

[8.](#) **Airport Project Report - Ke Mell**

H. CORRESPONDENCE

- [9.](#) **Tereza Simonyan Email regarding Flying Squirrel (Attachment #3)**

I. COMMITTEE REPORTS

10. Finance Committee
11. Operations Committee

J. ASSEMBLY LIAISON**K. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS****L. BOARD MEMBER COMMENTS****M. ANNOUNCEMENTS****N. NEXT MEETING DATE**

Airport Board Finance Committee Meeting on January 21, 2025 at 9:00 a.m. in the Alaska Room/Zoom

Airport Board Meeting on February 13, 2025 at 6:00 p.m. in the Alaska Room/Zoom

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.

MINUTES of
AIRPORT BOARD MEETING
December 12, 2024
6:00 p.m. Alaska Room/ZOOM

A. **CALL TO ORDER:** Chair Dennis Bedford called the meeting to order at 6:01 p.m.

B. **ROLL CALL:**

Members Present:

| | | |
|----------------|--------------|------------------|
| Dennis Bedford | Jerry Godkin | Charlie Williams |
| Jason Custer | Chris Peloso | |
| Jodi Garza | Eve Soutiere | |

Staff/CBJ Present:

| | |
|-----------------------------------|----------------------------------|
| Patty Wahto, Airport Manager | Sherri Layne, CBJ Law |
| Andres Delgado, Airport Sup't | Christopher Storz, CBJ Law |
| Angelica Lopez-Campos, Bus. Mgr. | Beth Weldon, CBJ Mayor |
| Ke Mell, Airport Architect | Greg Smith, CBJ Assembly |
| Miranda McHenry, Admin. Assistant | Mark Fuelle, CBJ Fire Department |
| Nathan Reddekopp, Airfield Maint. | |
| Emily Wright, CBJ Law | |

Public:

| | |
|--------------------------------|----------------------------------|
| Tami Brown, Public | Sara Lowell, Coastal Helicopters |
| Wade Hoek, Public | Stephanie Bingham, Public |
| Karen Brooks, Public | Erica Sjoroos, Alaska Seaplanes |
| Kristin Hoek, Public | Managers of the Squirrel |
| Tereza Simonyan, Public | Sean Kveum, Alaska Seaplanes |
| Jered Gebel, Public | Jennaya Morris, Public |
| Kent Craford, Alaska Seaplanes | Craig Ohen, Public |
| Kyllie Ibias, Public | Valerie Hillman, Public |
| Mark Sabbatini, Juneau Empire | Terra Peters, Flying Squirrel |
| Molly Fierro, FAA | Hannah Bibb, Public |
| Max Mertz, Public | Douglas Maller, Public |

C. **APPROVAL OF MINUTES:**

1. *Jodi Garza moved to approve the Board minutes from November 14, 2024. The motion passed by unanimous consent.*

D. **APPROVAL OF AGENDA:** *Eve Soutiere moved to approve the agenda. The motion passed by unanimous consent.*

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

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- F. **AIRPORT BOARD OFFICERS DISCUSSION:** *Jason Custer moved to suspend the rules for the purpose of electing officers. The motion passed by unanimous consent. Jason Custer moved to appoint Jodi Garza as Chair, if she'll do it. Ms. Garza appreciated the nomination and would accept the nomination if Eve Soutiere does not accept the nomination. The motion failed by unanimous consent. Jodi Garza moved to nominate Eve Soutiere for Chair. The motion passed by unanimous consent. Charlie Williams moved to end the suspension of rules. The motion passed by unanimous consent.*

G. **UNFINISHED BUSINESS:**

2. **Alaska Seaplanes – Flying Squirrel Concession – Federal Aviation Administration (FAA) Compliance Office Determination Letter (Attachment #1).** Acting Chair Dennis Bedford said there will be no Board action or motion taken at this time. Mr. Williams said the Airport is in the middle of a Master Plan update with the Airport Layout Plan. He had an issue with “an ALP [Airport Layout Plan] and Exhibit A update, outside of a project update, requires hiring a consultant for this process. The costs for this process will need to be paid/passing on to the tenant (or concessionaire) since it is specific to the change in land use for this parcel and concession activity.” He asked if it wasn’t the City’s responsibility for the ALP. Airport Manager Patty Wahto said the Airport is in the middle of a Master Plan ALP, Exhibit A and obstruction survey. This will not be done until the end of next year. She noted that Molly Fierro with the FAA was attending via Zoom to summarize her letter and is available for only a short time. Mr. Williams said that part of the ALP has to be updated to allow the Alaska Seaplanes building and the other part is redesignating the area to allow the concessionaire. Ms. Wahto said both have to happen. The building has to be represented on the ALP. The use will change, and it has to be shown on all of the documents. Moving forward, when the Alaska Airlines cargo facility or other cargo facilities have to be on the ALP and then it has to be updated again once it is an as built.

The letter from the FAA is in the packet. Ms. Wahto deferred to Molly Fierro. Ms. Fierro said the FAA has requested an updated Airport Layout Plan to depict the Alaska Seaplanes cargo facility and the mixed-use component for the coffee shop. To be clear, the FAA has no objection to the coffee shop. They are seeking an accurate and updated Layout Plan in accordance with the grant assurances. When the City submitted the request for their consideration of the coffee shop, they took the proposal to the legal staff in Washington, D.C., both to consider the concessionaire issue and the mixed-use issue. FAA Legal made the recommendation for the 90-day timeframe for the ALP update. The FAA will consider a request from the City if it believes there are reasons why an Airport Layout Plan would work better to be achieved later. If such a request is submitted to the FAA, the rationale should be outlined as to why that would better serve the Airport and the flying public at Juneau. The Master Plan may benefit from having a better picture of that Alaska cargo facility on your Airport Layout Plan. She knew there are long-term objectives for far north terminal development. It is currently unclear to the FAA how any connecting concourse of your far north terminal development would mesh with the cargo facility. She

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said the ALP update requirement has always been a requirement. Grant Assurance 29 requires the Airport to maintain an updated and current ALP that depicts all of the development on the airport. Typically, they would see development as future on the ALP future sheet. Once the Airport or one of the tenants decides to advance a development, the Airport would come to the FAA for their consideration. As long as it does not conflict with the Airport or with the air space, the FAA would give approval. Once the construction is completed, the ALP would be updated through an as-built process. Mr. Williams asked for forbearance for building the cargo facility. Ms. Wahto said this was done after the fact, because it wasn't so much the building but the request for the coffee shop. This is being done because of the change. Mr. Williams asked the Airport Manager to request an extension of time, and the Manager only consider the cost for the coffee shop be the cost for Alaska Seaplanes, since the addition of the cargo facility is the City's responsibility. Ms. Wahto agreed.

Mr. Custer said he was encouraged by Ms. Fierro's comments that an extension can be sought, and he thought it was totally appropriate for the Airport to do that. If this could be done at the same time as the Master Plan, it would save money and streamline it. Ms. Wahto has requested the cost for adding this to the current consultant, Michael Baker, Inc., for just this piece so it can move forward. This has not been received. Ms. Fierro said this is considered to be a low-cost update and that a six-month extension to accurately depict the footprint of the cargo facility on the ALP was not needed. If this was a significant financial outlay and it made more sense to tie it to the Master Plan, the FAA may be more receptive to that. This is a small update and a probably a small financial investment to get the ALP updated. There may be benefits to the Master Planning efforts to have that footprint depicted on your ALP going into your Master Planning efforts.

Other things to consider is the FAA expects the Airport to treat all aeronautical tenants equitably. If concessions are made for one aeronautical tenant, the FAA's expectation is that the same concession would be made for another aeronautical tenant. She said it would likely not be palatable to the FAA for a significant delay beyond six months. Alaska Seaplanes is likely generating revenue from the coffee shop. For a relatively low expenditure to update that ALP, she felt they should be able to recover the costs just from the coffee shop. The FAA tries not to get into the revenue streams unless they are forced to.

Ms. Soutiere asked if the 90 days would keep running if an extension was requested. Ms. Fierro said the FAA has not taken an aggressive compliance position with this situation. If the Airport requests an extension, the clock will be paused while the expected deliverable for the ALP updates is worked out. Ms. Garza recused herself from the discussion about the Flying Squirrel but had two questions: What happens if the ALP is not complete within 90 days and the extension is not completed? When was the ALP last updated? Ms. Wahto said the last update had to do with intersections and was done in February 2024 and had to do with intersections. There should be an update online. Per legal advice, Ms.

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Soutiere took over as Chair of the meeting. *Jason Custer moved that the Airport request a six-month extension from the FAA.* Mr. Godkin said the Airport is in no man's land here and they need to wait until there is legal advice that say things can be done. There are things that are being discussed that is in documents that is contrary to motions. He objected to the motion. Mr. Williams agreed with requesting the extension. Ms. Layne said there are no more issues to work out between the attorneys. If that involves an extension, the Manager asks for an extension if that is what it takes. If the Board would like the Manager to request an extension, she can request an extension. The FAA has indicated they will make the decision, which is on the FAA.

A five-minute recess was taken.

Ms. Garza recused herself from the vote. *The motion failed on a vote of four to two (Jason Custer and Charlie Williams).*

Chair Soutiere opened up for public comment, limiting testimony to two minutes. Tereza Simonyan, Attorney for Alaska Seaplanes, reiterated an important question: which is what happens if there is non-compliance within the 90-day timeframe that the FAA has required. She said it is great to see a collaborative effort here. It is great to have received the email from the FAA, which is extremely positive and very clear and concise and gives them a very clear roadmap to the conclusion of this matter, which obviously everyone is very interested to see happen. They heard that it went to the FAA headquarters and the legal team put together the letter, which is obvious because of the manner in which it is written. It has distilled some difficult subject into very concise and clear three bullet points as to what is required to be completed in order for Flying Squirrel to move forward. The first requirement is that the rent be adjusted.

Kent Craford, co-owner of Alaska Seaplanes, said he did not share the view that this is a collaborative process. They have been working for some time to get this resolved and they would like to resolve this. They don't want to be doing this any more than you do. Clearly, people who don't want to hear the discussion don't want to resolve it. His question to those who don't want to hear this conversation, what are you afraid of hearing? They got very clear information from the FAA that said the rent needs to be adjusted. Great, they'll adjust the rent. But there was a lot that the Airport Manager read into that letter that isn't there; inferring things that aren't there; processes that aren't even mentioned in that letter. An Airport Layout Plan that is already stale. He showed a picture of a groundbreaking for that building in October '22. Mrs. Wahto is right there in the middle. The Airport Layout Plan should have been updated then as Ms. Fierro told them. Mr. Craford said she said, "The ALP update requirement has always been in place." The Airport Layout Plan should have been updated two years ago and they shouldn't be charging Flying Squirrel to do it now. What is more, they don't need a consultant to do this. It is a simple update and as Ms. Fierro said, it should be inexpensive. Why are you trying to frustrate the resolution of this process. Why are you trying so hard to make this

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more complicated than it needs to be? This is very simple. We'd all like to get on with our lives. We'd all like to just get a latte and move on. They are committed to do that. They have devoted tremendous amounts of time and resources to resolving this.

Andy Kline, Alaska Seaplanes, reiterated they are completely wanting to expediate the end of this process as quickly as possible. The FAA laid out incredibly clear directions for them to do that. The FAA asked them for the time and the Airport Manager said they need to build a watch. She invented a procedure that does not need to happen to accommodate for a 10x20 space in a cargo building that is not reflected in the plan that should have been submitted in October of '22 when they had the groundbreaking. They want it expedited and done. They have a lot of work to do that has nothing to do with this and they would like to move forward with supporting a small business in Juneau that is trying to make lattes for people who the public of Juneau loves. That is what they are trying to get done.

Terra Peters, owner of Flying Squirrel, said this is a very small business. It is very new. They opened with plans that had been presented by Alaska Seaplanes and said coffee shop right on it. They were approved by Patty. This whole not being on the plans and unknown that a coffee shop was going to be there is really confusing and it has caused nothing but heartache and disaster. They are not a big profitable business at the moment, and this is financially hurting them.

3. Departure Lounge - Americans with Disabilities Act (ADA) Elevator Project:

Staff is developing a scope for City & Borough of Juneau (CBJ) Contracts to put out a Request for Proposals (RFP) for an architect to conceptually identify possible locations and associated costs for an elevator. Staff estimate that concept design will be less than \$50K. Total design and construction costs will depend on the concept selected, but total cost of the design and installation of an elevator is budgeted at \$2.5M. An elevator serving the Departure Lounge to the 121 Air Carrier apron would facilitate ground boarding for passengers who cannot navigate stairs to board at Gate 6 or at other gates when ground boarding is necessary during maintenance, repairs or out-of-service passenger boarding bridges. The elevator would require a SIDA badge for access and operation. FAA has reviewed the concept and stated that the project would be eligible for Federal funding. The \$50K would be seed money to begin the planning process and get in the queue for an FFY26 project. Staff proposes temporary use of Airport Revolving Account until a grant is received. Ms. Wahto said the seed money is money to start a project before a grant or any other matching funds are received. This is the preliminary pre-planning stage and then the Airport will go for a grant. The grant would reimburse this money. *Jason Custer moved to approve the appropriation of Airport Revolving Account funds not-to-exceed \$50,000 for an architect to conceptually identify possible locations and associated costs for a Departure Lounge Americans with Disability Act elevator, to be reimbursed with future FAA grant funding. The motion passed by unanimous consent.*

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H. NEW BUSINESS:

4. **JNU Airport Disadvantage Business Enterprise (DBE) Policy** (see link for draft document <https://juneau.org/wp-content/uploads/2024/11/JNU-DBE-Program-DRAFT.pdf>): 49 CFR Part 26 in coordination with FAA Grant Assurances requires that JNU Airport must develop a DBE plan, set goals and report DBE participation for all projects receiving federal funding. As a part of the plan, a Policy Statement regarding DBE must be disseminated to the Airport Board and published online. With the update of JNU's DBE Plan in October 2024, submitted via above link, the Policy Statement (page 4), is referenced for the Airport Board's knowledge. No further action is required as this notification becomes part of the record.

5. **JNU Airport Concession Disadvantage Business Enterprise (ACDBE) Policy** (see link for draft document <https://juneau.org/wp-content/uploads/2024/12/ACDBE-Plan-2024-R2.pdf>): 49 CFR Part 23 in coordination with FAA Grant Assurances requires that JNU Airport must develop an ACDBE plan, set goals and report ACDBE participation for all airport concessions. As a part of the plan, a Policy Statement regarding ACDBE must be disseminated to the Airport Board and published online. With the update of JNU's ACDBE Plan in December 2024, submitted via above link, the Policy Statement (page 4), is referenced for the Airport Board's knowledge. No further action is required as this notification becomes part of the record.

6. **Outgoing Bag Belt Motor and Variable Frequency Drive (VFD) Replacement for T1-04 and T1-17 Conveyors.** The outgoing bag belt was recently replaced using CARES funding for significant sections of the conveyor system. Two conveyors' sections ('T1-04' and 'T1-17') had belt and table (chassis) sections replaced, but the motors and VFD were deleted from the project. Work to replace these motors and VFDs was not done as it was believed they had been replaced recently; they were only rebuilt components and are over 20 years old. They are now in need of replacement. The Airport received a quote from Robson, the same vendor that replaced the outgoing bag belt. The quote for T1-04 and T1-17 motors and VFD is estimated at \$30K (shipping was estimated). The Airport needs to match the conveyor system and is a "No Substitution" in vendor and components (proprietary components). The funding would be provided by the Airport Fund Balance. *Jerry Godkin moved to approve the replacement of the T1-04 and T1-17 outgoing bag belt motors and variable frequency drives at a cost not-to-exceed \$30,000; funding provided by the Airport Fund Balance. The motion passed by unanimous consent.*

7. **Software System for Mandated Safety Management System (SMS).** In 2023, the FAA issued a final rule to mandate the implementation of an SMS to certain categories of airports to improve aviation safety. JNU has a deadline to implement the full program by end of December 2025, and various portions of the SMS phased in before then. A public-facing Hazard Reporting System is one of the components that must be fully

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implemented long before the December 2025 deadline. The SMS implementation plan calls for the software plan by January 2025 and be implemented/fine-tuned by April 2025 (this fiscal year), prior to public deployment. JNU staff have met with several vendors that provide this software and support to similarly sized airports across the nation facing this same mandate in a subscription format, with first-year setup costs of approximately \$23K and thereafter \$11K annually (subscription renewal/licensing). While the annual subscription will be accounted for with the budget process, the first year, initial set-up will need to be purchased now to meet compliance. Staff requests the Board approve the additional operational spending authority of \$23,000 for FY25, funding from the Airport Fund Balance, as needed. Ms. Garza asked if this was put into law in 2023 and the Airport knew that it was coming, why wasn't it a part of the budget process. Ms. Wahto said a plan had to be written first. Until it was known what was in the plan, it was not known what the expenditure would be. *Charlie Williams moved to approve the addition of \$23,000 of operational spending authority for a Safety Management System public-facing Hazard Reporting Software System to meet the FAA mandate; and the funding will be through the Airport's Fund Balance. The motion passed on a vote of five to two (Jason Custer and Jodi Garza).* Ms. Garza asked if there were other components of the SMS system that will be implemented in FY25 or part of the budget that should be discussed in a Finance Committee meeting. Andres Delgado, Airport Superintendent, said there would not be further expenditures, just the public-facing component. The rest is training.

8. Airport Manager's Report:

a. Coastal Helicopter Light Flights Fundraiser. Coastal Helicopters will sponsor the Annual Christmas Light Flights fundraiser on December 20, 2024, from 4:15 p.m. to 7:30 p.m. People can sign up ahead of time for the slots. She thanked Coastal and everyone for doing this. It takes place in the north end 135 ramp. It is a coordinated effort and is a great project.

b. FAA Certification Inspection. The inspection took place November 19-21. Two items were corrected immediately and closed out. There were a few other items in the fuel farm regarding some signage and some other things in the Airport Emergency Plan/Certification Manual (AEP/ACM). When the Airport is moving forward and this has to do with a lot of the programs, whenever there is a change, a lot of work, which includes making changes to an ALP or Exhibit A, which are still being done with a consultant, but there are a lot of maps in almost every plan and document that has to be changed every time something is changed. An example was a closed taxiway (Taxiway F-1) which goes to TEMSCO. It has a hole in it, and it cannot be repaired yet as it only goes to one tenant, and they are a helicopter operator. In order to be in compliance, the Airport has to change everything that has this taxiway in it. This could be in the ACM, the Wildlife Hazard Management Program, Security Program, etc. This is more labor intensive than anything. The Airport hopes to get

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someone on staff to do this, but in the meantime, all these documents have to be changed. This was the only hiccup with the paperwork. Everything else was in order. The inspection went very well, and she thanked Andres, his crew and ARFF (Aircraft Rescue/Fire Fighting).

c. Transportation Security Administration (TSA) Regulatory Inspection. This audit was long and took about five weeks on and off with TSA. There are a few items listed in the Letter of Correction. A lot of the items are administrative in nature. There are other things that have to be changed, but staff is trying to get a feel for how in depth this is. In order to meet a National Amendment, if a badge had just a middle initial assigned to it, they all have to be changed and reread what is called “RAP Back” (which is related to a security clearance). Every two years, a follow-up is received on every single person listed in the database. If a new alias has been listed, everything has to be changed in the system for that person. When you are dealing with a few thousand badges, this is very time consuming.

d. Snow and Ice Control Plan Priorities. Ms. Wahto brought this before the Board in case they were contacted about snow removal. The Airport has established priorities and does not go outside of that unless there is a medical emergency. The priorities are approved by the FAA and are spelled out in the Certification Manual. Runway is priority, as well as access to the ARFF station so that they can access the runway in case of an emergency. The medivacs are next, and then on to the main ramp. For those flying in the winter, the taxiway is not always done and may necessitate back taxiing. The Airport tries to get to people as they can.

e. Increase in Encampments on Airport Property. Ms. Wahto said the Airport is going to move forward and try to resubmit the request for a waiver to limb the area to the Planning Commission. She thought with the continued encampments and issues in the area, there are things that can be done in addition to the lighting.

f. Airport Staffing. An Airport Board Committee of the Whole meeting will be held tomorrow. The gaps needed for staffing and how to handle the workloads will be discussed. Some of them are a no brainer and will be moved forward. There was a retirement in the terminal staff, a position will be downgraded to a janitorial position.

g. Airport Fund Balance and Capital Revolving Account Balance (Attachment #2). The \$50K has been added to the Capital Revolving Account to reflect the ADA Elevator Project that was approved. No changes have been made on the Fund Balance. The Fund Balance will get updated as the budget process begins.

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

- *Rotary Cost of Parking*: Mr. Custer said he had heard that the charge for Rotary parking was going to double, and they would no longer be able to afford to meet at the Airport. He said the Rotary Club played a role in having the meeting room, fund raising and advocating with the City. He said the club does a lot of good for the community, including the vulnerable populations. He thought this was the type of organization we would want to have around and be a part of the airport community. Mr. Williams said he spoke with Republic Parking about the two gates that have been out of order due to the power outage. They claim that they will have those in order next week. Ms. Wahto said the message was received from Martin Klein, Regional Director for Republic Parking. The club wanted to expand the parking for 2.5 hours because some people stay afterwards and meet. When talking about doubling the fee, it was an adjustment from \$1 to \$2, which has not been adjusted in years.

9. **Airport Projects Report – Ke Mell.** Ke Mell, Airport Architect, asked if anyone had any questions on her report. Mr. Williams said the last bullet on her report was regarding Alaska Seaplanes, which had been on the report for quite a while with no change. As a user delivering products to Alaska Seaplanes cargo building, it is quite difficult to get a large truck in there. He wondered what the process would be to move that forward so that larger trucks can have access to their cargo space. Ms. Mell said this is complicated. The ultimate solution is, as mentioned previously, an upgrade to Shell Simmons and Yandukin. When the parking lots were redone last summer, the Airport had to stop at some point to define the scope of project. Only everything inside of those roads were done in the project. Alaska Seaplanes is on the other side of Shell Simmons. The long-term resolution to the access issue might have something to do with the Shell Simmons/Yandukin project and particularly the early-design stages thereof when such decisions are made.

Ms. Wahto said there are a lot of deliveries at the airport, and they currently use the parking lot in the area out front. Items being delivered to the airport are utilizing the larger area. Alaska Seaplanes customers have the ability to offload ramp-side as long as the company has an AOA permit and driver that is badged for that area. The Airport would push deliveries to those two areas. Ms. Garza asked if Alaska Seaplanes has requested leasing additional area to accommodate having customers to have access to their building? Ms. Wahto said there was discussion that they could lease more and at the time, and it never moved forward. Ms. Wahto said that when she mentioned about pushing out the parking, this would be a temporary thing. The area is prime property for tenants on a fence line. While there could be something temporary as these are all parceled out for future development. She said it would be a temporary solution until something like the long-term Shell Simmons/Yandukin are looked at. If the use of that

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taxi staging area is no longer needed because there is enough on the other side, that is what would be looked at for longer term. The Airport should be preserving the lots for hangars and future buildings that want to go forward.

Ms. Mell updated the Board that on December 9, the Alaska Department of Environmental Conservation (ADEC) approved the site characterization report submitted by Cox Environmental on July 15, 2024. In the letter, ADEC stated “Additional site characterization is required south of JIA-12 and west of CF-12 (which are labels for test wells this spring) to determine the extent of the ground water contamination plume.” Cox Environmental has submitted the budget for the work required. Since the letter was not received from ADEC in time for it to be included in the packet for this meeting, the letter and Cox Environmental’s budget could be included in the Board packet for the January meeting.

Mr. Godkin asked staff to share the important dates for the Master Planning process. Ms. Mell said Michael Baker International visited JNU on December 4-5. They met with JNU staff and members of the Technical Advisory Committee (TAC), toured the facilities and laid the groundwork for their work over the next year. With regard to the schedule, a tentative schedule was shared with the TAC. She expects a revised schedule from Michael Baker. The process will take about one year. They have begun work now and they need to have construction survey information, which cannot be done until spring. That will have to be digested and processed, which will take the project into the fall. The final Master Plan update meeting will occur in the fall. When these dates are finalized, she will distribute them.

Mr. Bedford asked if the property owned by Craig and Aral Loken had been sold. Ms. Mell replied this is still a property that is not owned by the Airport and the FAA wants the Airport to purchase the property. Ms. Wahto said that Coastal had purchased the property.

10. Airport Projects Report – Mike Greene. Ms. Wahto reported a meeting was held with RESPEC about the air balancing system for the *Terminal Reconstruction Project*. They are instructing Dawson and Schmolck to proceed with the air balancing work. They know they can balance this without the system. They are now looking at doing this in February. Terminal maintenance is bleeding out the system so it should be ready. Another compressor has been ordered for Heat Pump 1. They are trying to get everything online so they can balance that and get that piece over with. There are a few other items, but this is the big piece.

Rehabilitate Part 121/135 Apron & Remain Overnight (RON) Parking Apron Project is on winter shut down. There is just a small section of that to do.

AIRPORT BOARD MEETING

December 12, 2024

Page 11

Work is being set up to do the rest of the survey work for the *Runway Shoulder Grading and NAVAIDS Area Project*. Staff is working with the FAA on this as well.

Ms. Wahto said that Mike has been working on organizing a lot of the old records and finding lost treasures, which staff is trying to digitalize. Some very interesting documents have been found.

I. **CORRESPONDENCE:**

11. **Kathleen Porterfield Email re: Parking (Attachment #3)** Mr. Bedford asked if the numbers of vehicles in the parking lots had decreased now that everyone has to pay. Ms. Wahto said she had no updates. This will be looked at as part of the budget process. Mr. Bedford said he had seen a lot more empty spots in the short-term than there had been a month or two ago. Mr. Godkin said the inside pay station is not where the ebb and flow of people is. Ms. Wahto said this was discussed with Republic. There is also a presence of people for Republic Parking directly across from the baggage claim area. The call button should be working now, as well.

J. **COMMITTEE REPORTS:**

12. **Finance Committee:** Chair Jason Custer had no report. He noted there are meetings scheduled in January and February, and everyone is welcome to attend.

13. **Operations Committee:** Chair Dennis Bedford had no updates.

K. **ASSEMBLY LIAISON COMMENTS:** None.L. **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS:** None.M. **BOARD MEMBER COMMENTS:**

Dennis Bedford said he was the Board liaison on the Alaska Seaplanes project, and he had no knowledge of the coffee shop until it was built. He said it is incumbent on the Seaplanes architect to dot the eyes and cross the tees. Airport staff should not be beat up on this. If you build a house, it is up to you to see that you meet code.

Jerry Godkin said that a gentleman on Zoom made some comments. He said he was not taking exception to it, but he said he was a small businessman (retired), and he supports small business. His granddaughter works for the Flying Squirrel, and he fully supports it and supports the owner that owns it. It is just that in his short time on the Board, when he read Ms. Layne's comments, it basically put the onus back onto Seaplanes and the Flying Squirrel as he read it if they want to get with it in this 90 days. He shared that if the Airport can help out and ask for an extension, but it was said that they need to request more time. He didn't think anyone was against Flying Squirrel, certainly not him. He supports it as long as the Airport doesn't jeopardize the grant assurances and everything about this airport, he wants to see it happen.

AIRPORT BOARD MEETING
December 12, 2024
Page 12

Dennis Bedford said there was a meeting three months ago. He thought everyone is all for it, the process just needs to be followed to get it done.

Jason Custer asked everyone to use his personal email for Airport correspondence as his Airport email has been nonfunctional. He wanted to get it on the record as it has not been working since the beginning of October. He hasn't been able to get access to it. He's waiting for a new password. He will not be able to attend tomorrow's meeting. Ms. Soutiere said she is in a similar situation and perhaps they could go downtown together and get everything sorted. Mr. Godkin said he had a similar situation. The City changed how they do emails since he departed. He went downtown and a nice lady welcomed him and worked with him to get him hooked up for both his phone and laptop. It only took 15 minutes. Mr. Williams said he receives about half of his emails. He may not know about an email until someone responds to all. He said it is a wonky system.

Eve Soutiere will be attending via Zoom in January.

N. **ANNOUNCEMENTS:** None.

O. **NEXT MEETING DATE:**
Committee of the Whole meeting to discuss staffing will be held on December 13, 2024, at 9:00 a.m. in the Alaska Room/Zoom.

The next regular Airport Board meeting will be held on January 9, 2025, at 6:00 p.m. in the Alaska Room and via Zoom.

P. **EXECUTIVE SESSION:** None.

Q. **ADJOURN:** *Jodi Garza moved to adjourn. The motion passed by unanimous consent and the meeting adjourned at 7:50 p.m.*



U.S. Department
of Transportation
Federal Aviation
Administration

Alaskan Region
Airports Division (AAL-600)
222 W. 7th Avenue #14
Anchorage, AK 99513-7587

December 3, 2024

Ms. Patty Wahto, Airport Manager
Juneau International Airport
1873 Shell Simmons Dr., Ste. 200
Juneau, AK 99801

Dear Ms. Wahto,

This letter is in response to your October 2, 2024, request for approval of a coffee shop currently operating at your airport. The Federal Aviation Administration (FAA) does not object to the proposed non-aeronautical use of airport property if the non-aeronautical use is included as an amendment to the tenant's authorized uses under the airport lease between Juneau International Airport and Kalinin Facilities, LLC, and the following conditions are met:

- The tenant using and/or subleasing the property for non-aeronautical purposes will be required to pay no less than fair market value rent to the Airport Sponsor as required under Grant Assurance 25;
- The increased non-aeronautical use rate shall be charged effective the date of the installation of the coffee shop within the Alaska Seaplanes cargo facility; and
- The Airport Sponsor expressly agrees to update its Airport Layout Plan, and revise its Exhibit A, within 90 days of the date of this letter to depict the completed mixed-use facility by forwarding digital copies of these documents to the FAA Airports Division, Alaskan Region (AAL-600) for review and approval.

The FAA Airports Division, Alaskan Region will not issue a letter of approval/consent as the FAA does not issue approvals or consent to concessions in the terminal building. Per 49 CFR section 23.3, a concession is defined as:

A business, located on an airport subject to this part, that is engaged in the sale of consumer goods or services to the traveling public under an agreement with the recipient, another concessionaire, or the owner or lessee of a terminal, if other than the recipient... A concession may be operated under various types of agreements, including but not limited to the following: (i) Leases; (ii) Subleases; (iii) Permits; (iv) Contracts or subcontracts; or (v) Other instruments or arrangements.

The inclusion of the Alaska Seaplanes hangar as part of the terminal is supported by the language in the Airport Lease that includes "Accommodation of New Entrant Air Carriers" which is a requirement for competition plans for airports receiving federal grants. This is also covered under Grant Assurance 22 – Economic Nondiscrimination. Also please refer to 49 CFR section 23.75.

The FAA Office of Civil Rights concurs with our definition of the coffee shop as a concession so it will have to meet their requirements as well, specifically Grant Assurance 30 – Civil Rights, and Grant Assurance 37 – Disadvantaged Business Enterprises. If you have any questions, please contact me at 907-271-5439.

Sincerely,

MOLLY C FIERRO

Digitally signed by MOLLY C
FIERRO
Date: 2024.12.03 10:55:11 -09'00'

Molly Fierro
Compliance Program Lead
Alaskan Region Airports Division
Federal Aviation Administration

Available Fund Balance Summary

Airport Fund

Last Update: 4/5/2024

| | <u>FY23 Actuals</u> | <u>FY24 Amended</u> | <u>FY24 Proj</u> | <u>FY25 Budget</u> | <u>FY26 Budget</u> |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Available FB | 2,770,968 | 3,785,000 | 3,785,000 | 3,785,000 | 3,785,000 |
| Operational Expenses: | (9,888,277) | (9,711,100) | (10,003,300) | (10,606,700) | (10,755,800) |
| Debt Service (OUT): | (2,994,200) | (3,091,200) | (3,091,200) | (2,505,100) | (2,583,400) |
| Transfers to Capital Projects: | | (600,000) | (600,000) | | |
| Other Non-Oper Expenses: | (271,923) | (541,400) | (1,266,300) | 51,400 | 51,400 |
| JNU Total Expenses: | (13,154,400) | (13,943,700) | (14,960,800) | (13,060,400) | (13,287,800) |
| Minus Non-operational Exp & Debt Serv: | 3,266,123 | 4,232,600 | 4,957,500 | 2,453,700 | 2,532,000 |
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| Operational Revenues: | 6,629,028 | 7,510,200 | 7,872,900 | 10,606,700 | 10,610,000 |
| CARES Reimb (operations): | 4,369,641 | 2,200,900 | 2,130,400 | - | - |
| ***Other Financing Sources (Uses): | (96,360) | | | | |
| JNU Total Revenues: | 10,902,309 | 9,711,100 | 10,003,300 | 10,606,700 | 10,610,000 |
| Increase (decrease) in Fund Bal (FB): | 1,014,032 | - | - | - | (145,800) |
| Ending Avail FB, including Reserve: | 3,785,000 | 3,785,000 | 3,785,000 | 3,785,000 | 3,639,200 |
| Less 3 Mo. Operating Reserve | (2,472,100) | (2,427,800) | (2,500,800) | (2,651,700) | (2,689,000) |
| Ending Available Fund Balance | 1,312,900 | 1,357,200 | 1,284,200 | 1,133,300 | 950,200 |

*** Other Financing sources (uses) include: capital outlay, adjustments pertinent to modified accrual accounting, such as A/P, A/R, and leave accruals/deferrals; as well as changes in restrictions of fund balance.

ATTACHMENT #2
AIRPORT CAPITAL REVOLVING ACCOUNTS (combined)

Section C, Item 1.

| Date | CIP Revolving Balance* | Reimbursed Amount (+) | Forward Fund Amount (-) anticipate reimbursement | Encumbered Amount (-) permanent/ <u>no</u> reimbursement | Description |
|--------|------------------------------|--------------------------|---|---|--|
| | \$819,788 | - | - | - | BUDGET |
| Apr-19 | | | (\$477,000) | ** | NO LONGER REQ. Termnl Recon |
| Jan-21 | | | (\$50,000) | | Property Acquisition Frwd Fund Specialist |
| Jun-24 | | \$25,000 | (\$25,000) | | RSA Shoulder Grading Design |
| | | | (\$5,000) | | ARFF Truck |
| | | | (\$26,427) | | Master Plan Update |
| | | | (\$50,000) | | SIDA ADA Elevator |
| | \$211,361 | | | | AVAILABLE BUDGET on 560010101-3990 to forward fund Projects |

* Represents all 3 Capital Accounts: Airport Revolving Capital Reserve Acct (ARCRA), Airport Construction Contingency Reserve, Project Design

** Temp forward funded \$477K to be credited once Controller's complete transfer back to acct

From: Kathleen Porterfield
Sent: Wednesday, November 13, 2024 10:40 AM
To: Airport Board <airportboard@juneau.org>
Subject: Juneau Airport parking

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Hello,
I'm writing about the parking at the Juneau International Airport.

On 10/18 I arrived to the airport an hour before my flight, planning to park in long-term parking for my 5 day trip. When I arrived, the long term parking lot was full, Mike's Airport Express was also full, and there was nowhere else to safely and legally park other than in short term parking. I ended up paying \$225 for parking instead of the anticipated \$80 parking.

In talking with Republic Parking, I understand that CBJ has lost money in the past from people not paying for parking, that there are plans in the future for a parking garage, and that there is a strict policy of paying for where you park, due to all the lost revenue of others not paying. I feel that this policy punishes those people who are ready to pay for parking but get stuck with much higher fees due to limited parking, and then have to pay for the dishonest actions of others who didn't pay in the past. When I called the office manager's office, the woman I spoke to said that even she doesn't ever park at the airport, she always gets a ride in case the parking lot is full. Is that what all travelers are expected to do, to get a ride to the airport and bypass parking? In the future I will do the same, and will certainly never park at the Juneau airport again for a multi day trip due to the possibility of being charged an exorbitant parking fee.

Due to limited parking at the airport and outside of the airport, the right thing for the airport to do is to charge the long term parking rate in short term whenever the long term parking lot is full. If the board agrees, I appreciate receiving a prorated refund.

Thank you for your time in reading,
Kathleen Porterfield



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Environmental

Section F, Item 3.

Conservation

DIVISION OF SPILL PREVENTION AND RESPONSE
Contaminated Sites Program

555 Cordova Street
Anchorage, AK 99501
Main: 907.269.7558
Fax: 907.269.7687
www.dec.alaska.gov

File No.: 1513.38.095

December 9, 2024

Electronic Delivery Only

Mr. Ethan Berto
Coastal Helicopters, Inc.
8995 Yandukin Drive
Juneau, AK 99801
Eberto@surveypt.com

Ms. Patty Wahto
Juneau International Airport
1873 Shell Simmons Drive, Ste. 200
Juneau, AK 99801
Patty.Wahto@jnuairport.com

Re: **DEC Letter for “*Site Characterization Report*”, dated June 2024**

Dear Mr. Berto & Ms. Wahto,

The Alaska Department of Environmental Conservation (DEC) Contaminated Sites Program (CSP) received “*Site Characterization Report*”, dated June 2024, and submitted to the department on July 15, 2024, via electronic mail by Cox Environmental Services (CES). The submitted report and this letter are for both parcels associated with the active contaminated site owned by Juneau International Airport (JIA) and Coastal Helicopters, Inc. (Coastal). The field work was conducted in accordance with two work plans, one for JIA, dated April 30, 2024, and approved by the DEC on May 3, 2024, and one for Coastal, dated April 2, 2024, and approved by the DEC on April 9, 2024. The report is **approved**.

The report details field work activities that occurred in May 2024 and consisted of advancing 24 soil borings and completing 6 of those 24 boring into groundwater monitoring wells. The soil and groundwater samples were analyzed by gasoline range organics (GRO), diesel range organics (DRO), residual range organics (RRO), polycyclic aromatic hydrocarbons (PAHs), volatile organic compounds (VOCs) and metals.

Concentrations of GRO were detected in at least one soil sample above DEC Method 2 Ingestion and Inhalation cleanup level. DRO, RRO, arsenic, 1,3,5-trimethylbenzene were detected in at least one soil sample above the DEC Method 2 cleanup levels. In addition, concentrations of arsenic and lead were detected in at least one groundwater sample above Table C DEC cleanup levels.

Additional site characterization is required south of JIA-12 and west of CF-12 to determine the extent of the groundwater contaminant plume. Provide the CSP a work plan for review and approval.

As a reminder, the work plan may be submitted electronically. Files containing up to 20MB may be emailed to me at CS.Submittals@alaska.gov and files larger than 20 MB up to a limit of 8 GB may be submitted to me through the Alaska ZendTo "drop-off" option at <https://drop.state.ak.us/drop/>. The CSP prefers electronic only submittals and no longer requires that hard copies be submitted.

Please feel free to contact me at (907) 269-7556 or alena.voigt@alaska.gov if you have any questions.

Sincerely,

Alena D. Voigt

Alena Voigt
Project Manager
Contaminated Sites Program

Electronic cc: Jolene Cox, Cox Environmental Services, jcox@coxenv.com
Sarah Lowell, Coastal Helicopters, slowell@coastalhelicopters.com
Aral Loken, Channel Flying, reacharal@gmail.com
Carlton Smith, Calton Smith Commercial, carltonsmith@gci.net
Toma Alario, Calton Smith Commercial, tomaa@ak.net
Ke Mell, Juneau International Airport, ke.mell@jnuairport.com
Andrea Carlson, DEC, andrea.carlson@alaska.gov
Laura Jacobs, DEC, laura.jacobs@alaska.gov

AIRPORT MANAGER'S REPORT – January 9, 2025

a. CHUBB Insurance Report. CHUBB has provided their annual independent insurance risk survey for JNU which they completed in September. The report is available for review at: <https://juneau.org/wp-content/uploads/2024/12/Juneau-International-Airport-Chubb-Risk-Engineering-Report-092624-EXT.pdf>. The Airport will be following up with tenants on deficiencies, as well as correcting its own deficiencies as listed in the report. These reports provide valuable information on making the airport a safer environment.

b. Airport Fund Balance (AFB) and Capital Revolving Account Balance (CRAB) (Attachment #2). The Capital Revolving Account Balance has not changed since last month. The Airport Fund Balance has not changed and reflects the FY25/26 budgets and what has been submitted to the Assembly.

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

- **NO CHANGE** – *Aviation Worker Screening (AWS) and Litigation Update*. Oral arguments were held on October 17, 2024. It is anticipated that the ruling may take several months. Compliance deadline for airports to have the AWS process in place was September 25. JNU is currently fulfilling the requirements of AWS without further extension of the deadline. AWS must include all random hours including nights and weekends.

- **NO CHANGE** - *Parking Lot Equipment*. Republic Parking has installed the new equipment and software for the paid public parking lots, and it is now live. The Airport website provides travelers/users the details on how to pay/exit the lot at: [Airport – Homepage – City and Borough of Juneau](#) and click on the red banner “Parking – Click Here” tab. The system will accept Tap, Applepay and Googlepay. Cash can also be paid inside the terminal at the Parking kiosk located just inside the main doors. Republic Parking also has in-person customer support in the terminal near bag claim/tourism desk and will have the capability to push a call button for assistance at all gates. Note that short-term and long-term parking lots are independent. There is no overflow between the two lots. The ticket a patron gets (requires pushing button to dispense ticket; no longer activated by vehicle driving up) corresponds to the lot they are entering. The Airport Board and Assembly have their own assigned QR code or validation process.

- **NO CHANGE** – *Juneau Douglas North Crossing Project*. Alaska Department of Transportation (ADOT) continues with the PEL phase of the second channel crossing project between Juneau and Douglas. A Technical Advisory Committee meeting was held October 17, 2024. The project website: <https://www.jdnorthcrossing.com/> has a ‘What’s New!’ section detailing Level 2 Screening GIS Maps, as well as ‘meetings’ summary and field report ‘documents’. DOWL and the State continue to state: ‘Any alternative that conflicts with the approach surfaces or the ALP will be modified to eliminate conflicts or removed from consideration.’ Please visit the ADOT website for the project www.jdnorthcrossing.com or make comment to the project email JDNorthCrossing@dowl.com.

- **NO CHANGE** – *Runway 26 Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) approach lighting.* With the FAA Reauthorization Bill passed and the language included in the Bill that will allow airports to use AIP funding to complete the MALSR system, Staff will be pursuing design with FAA in the new Federal fiscal year.
- **NO CHANGE** - *Parking Garage.* The Airport has a parking garage added to the Airport CIP, but a project of this magnitude requires a funding source to begin planning. Generally, 10% of project cost is a good estimate for planning and design; \$6-7M is the rough estimate. Parking garages are not FAA eligible, so a local funding source is needed for design and construction. This has been turned over to Project Manager Ke Mell for funding sources.
- **NO CHANGE** – *Alaska Department of Environmental Conservation (ADEC) Site Contamination.* In 2014 during a project that required paving a drive lane just south of the old sand shed and Channel/Loken (Coastal) hangar, contamination of soil and groundwater was found. Cox Environmental was hired to perform a Contamination Characterization Report which was provided to the Board in July. The Airport will continue to work with ADEC and Cox Environmental to close out this site. ADEC’s report is anticipated this fall.
- **NO CHANGE** – *Title 49 (Jordan Creek) Variance Request.* Staff is still looking to work with the CBJ on Title 49 language for limbing after the Planning Commission denied the Development Department (CDD) during their rewrite of Title 49 for inclusion of safety or other ways to allow limbing in this area or reapply for a waiver (currently working on). The Assembly has approved \$150,000 in their FY24 Capital Improvement Project plan for: *the Jordan Creek Greenbelt Improvements, for installation of lighting, improve pathway and improve sightlines for Jordan Creek Greenbelt.* See Project Manager Report for Greenbelt Lighting improvements.
- **NO CHANGE** - *Encampments on Airport Property.* The encampments and trash in the Jordan Creek Greenbelt (and other areas on airport) continue. Staff along with JPD monitor the area throughout the day/night; cleanout of the areas continue. This is an ongoing problem for the Airport.
- **NO CHANGE**– *Alaska Department of Natural Resource (ADNR) Land Conveyance Close-out.* During the Runway Safety Area (RSA) project, the Airport through the Environmental Impact Statement (EIS) public process and mitigation, acquired wetlands parcels from the State for the extension of the RSA on both the RWY 8 and RWY 26 ends, and to accommodate portions of the approach lighting systems. The Airport is still working with ADNR to convey these parcels to the Airport’s property. Once this is completed and recorded, the Airport Layout Plan and ‘Exhibit A’ will need to be updated to reflect the airport boundaries.
- **NO CHANGE** – *PFAS Testing and Monitoring.* Cox Environmental continues with their quarterly testing of groundwater, surveying the test wells to determine flow direction, including two private wells within the test radius.

- **NO CHANGE** – *Egan/Yandukin Intersection Improvements Project*. ADOT has narrowed down design alternatives for the project. Please visit ADOT website for the project at <http://dot.alaska.gov/eganyandukin>.
- **NO CHANGE** – *FAA Compliance Land Use/Financial Letter (January 2019)*. Staff continues to work on the remaining compliance items. Staff is looking to acquire the Loken/Channel Flying property as a through-the-fence operation. See Project Manager Report for Property Acquisition Specialist.
- **NO CHANGE** – *Passenger Facility Charge (PFC) cap increase* JNU continues to discuss PFC increases with our DC Lobbyist and Congressional Delegation.
- **NO CHANGE** - *Passenger Facility Charge (PFC10) Application Process*. The Airport has started the public process for PFC10 applications. This is before the Board for consideration, then begin the airlines and public process. PFCs can collect for past eligible projects but not for projects further out than two years.
- **NO CHANGE** – *Maintenance Programs* (roofs, heat pump equipment, baggage systems, etc.). Staff continues to develop maintenance contracts for specialized systems similar to what we do with airfield lighting and controls.

Available Fund Balance Summary

Airport Fund

Last Update: 4/5/2024

| | <u>FY23 Actuals</u> | <u>FY24 Amended</u> | <u>FY24 Proj</u> | <u>FY25 Budget</u> | <u>FY26 Budget</u> |
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ATTACHMENT #2
AIRPORT CAPITAL REVOLVING ACCOUNTS (combined)

Section G, Item 6.

| Date | CIP Revolving Balance* | Reimbursed Amount (+) | Forward Fund Amount (-) anticipate reimbursement | Encumbered Amount (-) permanent/ <u>no</u> reimbursement | Description |
|--------|------------------------------|--------------------------|---|---|--|
| | \$819,788 | - | - | - | BUDGET |
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| Jan-21 | | | (\$50,000) | | Property Acquisition Frwd Fund Specialist |
| Jun-24 | | \$25,000 | (\$25,000) | | RSA Shoulder Grading Design |
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* Represents all 3 Capital Accounts: Airport Revolving Capital Reserve Acct (ARCRA), Airport Construction Contingency Reserve, Project Design

** Temp forward funded \$477K to be credited once Controller's complete transfer back to acct



MEMORANDUM

TO: Patty Wahto, Airport Manager

FROM: Mike Greene, JNU Airport Project Manager

DATE: January 3, 2025

RE: Projects Office Monthly Report

Project specific summaries of project status and activity are presented below.

Terminal Reconstruction: JNU continues to work on finalizing the following outstanding work items:

Ground Source Loop Field System Modifications: JNU Building Maintenance continues to observe contaminates/sediment within the loop field medium (methanol), even after the above work tasks have been completed, and with the equipment strainers, pump strainers, by-pass filter and dirt separators in place. The concern has been raised that the system is not getting any cleaner over time, and that somehow the contaminates/sediment keeps replenishing itself. In a meeting conducted on December 12, with JNU staff, JNU Airport Maintenance and engineers from RESPEC present, it was decided that the samples of these contaminates are to be tested to determine what this material is.

As previously reported: Sources of the sediment could include corrosion in the steel piping from previously untreated fluids or from contamination during construction. It is also possible that this higher flow rate through the system, post north terminal project construction, dislodged material in the piping system that is now slowly being removed from the piping system. Piping in the branch lines to the terminal heat pump units would be harder to remove than through the mains and will take longer to become clear as that sediment has to be removed at the smaller HP inlet strainers. If the system is not getting any cleaner over time, then additional work may be required to clean the system. Below are some thoughts -

Options

1. *Keep blowing out the main pump strainers and the air separator strainer in the piping mains and cleaning branch piping heat pump strainers and backwashing the HP coils as currently being done. It is possible that the sediment that is in the piping system is being removed, especially in the mains (bypass filter, dirt separator, pump strainers), but more slowly at the terminal heat pump strainers removing what was already in the smaller branch piping. This will take time. Are the main system pump strainers getting cleaner over time when maintenance is being done, or are they continually full of sediment? Same with the dirt/air separator on the main system return piping. When a blowdown is being done, is it somewhat clear or is there a lot of sediment. The dirt separator and large pump strainers are designed to catch most of the sediment in the system. A possible metric to determine if the overall system is getting cleaner over time, is to compare sediment discharge from the dirt separator blowout regularly over time.*
2. *Replace the entire ground source fluid system. Options would be methanol as currently used or changing to propylene glycol.*

3. *Contact a hydronic system fluid treatment specialist to examine the fluid chemistry, analyze the sediment, and inspect some of the piping in order to recommend or implement a treatment, cleaning, or fluid replacement plan for the distributed ground source piping system.*

JNU Building Maintenance continues to adhere to Option 1 as outlined above. Option 2 was investigated prior to the finalization of RFP 190R3 and was determined to be unaffordable. The change from methanol to propylene glycol was determined to not be in JNU's best interest because the glycol's heat exchange rate was less than that associated with methanol and would prevent any new terminal addition from being able to benefit from the use of the existing loop field. Option 3 is still on the table and JNU Building Maintenance has been asked to provide samples of the sediment for analysis.

JNU Building Maintenance also continues to work on the replacement of the new flexible hoses for thirty (30) of the older heat pumps.

DOAS-1 (Dedicated Outside Air System) unit: This air-handler, originally installed in 2009, brings in outside air to the older portion of the terminal. Repairs to DOAS-1 were completed as part of the terminal reconstruction project, but additional repairs are now needed. Recent voltage spikes have damaged some of the air-handler components, including the VFD (Variable Frequency Drive) for the DOAS-1 exhaust fan. JNU Building Maintenance continues to look at repair options, but has indicated that this equipment will be able to run during the upcoming TAB work.

Heat Pumps: The approximately thirty (30) water-air heat pumps within the older portion of the terminal were installed in 2009. Many of these heat pumps have already reached the end of their serviceable life and the rest are nearing the end of their serviceable life. This has resulted in there being a number of these heat pumps that are non-operational at any given time while waiting for replacement parts to arrive and for repairs to be completed. The number of inoperable units is now low enough to allow the TAB work to proceed. JNU Building Maintenance and JNU staff are continuing to look at funding options for a phased replacement of these older heat pumps.

Terminal Air Balancing (TAB): Following a review of the current operational status of the air-handlers and heat pumps, it was decided that the TAB work could now proceed. JNU has instructed Dawson Construction to proceed with the final balancing of the terminal's new and old mechanical HVAC air-handling systems.

Lighting Control Replacement: JNU has not yet received a schedule from Dawson Construction, so at this time the work start date and completion date for RFP 183 – Lighting Control Replacement remain unknown. This RFP will replace the failing lighting control equipment within the older portion of the terminal. This control equipment is no longer being supported by the manufacturer and the control of much of the interior and exterior lighting in this portion of the terminal is either being done manually or is being left on 24/7.

Rehabilitate Part 121/135 Apron and Remain Overnight (RON) Parking Apron. No change since last report. This project remains in winter shutdown. The project Contractor (SECON) has not demobilized and will resume work on the project in the spring of 2025. Their current plan is to start work "as early as possible." Work not yet completed includes the asphalt pavement rehabilitation in the Phase 7 (Alaska Airlines Air Cargo hardstand area), the runway asphalt repair work per RFP 008, the repair of the steel piling base for light pole LP-6 (damaged by, with repairs paid for by Alaska Airlines) and the installation of the new light poles within the 121 apron.

Culvert Condition Survey – Jordan Creek @ Runway 8-26: As previously reported, JNU has received the condition survey as prepared by proHNS engineering for the large half-arch aluminum culvert assembly which allows Jordan Creek to pass beneath Taxiway A and Runway 8-26. In their report, proHNS stated the opinion that an immediate catastrophic failure of the culvert is unlikely. The report goes on to state that continued deterioration is likely, and that repair work is recommended, even if the source of deterioration is determined and eliminated. proHNS has identified three (3) repair-in-place options, recommending them for further study they would not require open trenching, would not require a closure of Runway 8-26 and would not require extensive permitting.



The three recommended repair-in-place options are:

1. HDPE (High Density Polyethylene) Slip Lining

- Pros:
- a. Corrosion resistant structure.
 - b. Local contractors are familiar with construction installation methods.
 - c. Cost effective due to shipping and construction costs.
 - d. Would not require runway closure for construction.
- Cons:
- a. Grouting annular space where lengths are over 100' can be challenging.
 - b. 800' length push and pull resistance on pipe will be significant.
 - c. Requires large area for insertion/jacking/welding pit.
 - d. Potential to reduce flow capacity.

2. Carbon Fiber Lining

- Pros:
- a. Corrosion resistant structure.
 - b. Could be done while maintaining streamflow in existing pipe.
 - c. Wouldn't impact existing stream bed material, which should make for easier permitting process.

- d. Can be designed to be structurally independent and fully withstand runway loading.
- Cons: Specialized equipment and trained personnel required, known installer (National Plant Services, Michels Trenchless), known Manufacturer (Structural Technologies).

3. GeoPolymer Lining

- Pros:
 - a. Corrosion resistant structure.
 - b. Could be done while maintaining streamflow in existing pipe.
 - c. Wouldn't impact existing stream bed material, which should make for easier permitting process. Product has extensive research on chemical properties not affecting fish.
- Cons: Specialized equipment and trained personnel required, known installer (National Plant Services, Michels Trenchless), known Manufacturer (Structural Technologies, GeoTree)
 - b. Questions on whether this product would be strong enough to fully withstand runway loading.

At this time, JNU does not have estimated construction costs for any of the three repair options. JNU has confirmed with the FAA that replacement / repair costs would not be AIP eligible because the culvert is within the 20-year useful life of grant 60-2014 and because the FAA considers this work to be a maintenance project.

JNU has requested a fee proposal from proHNS Engineering to complete the necessary design phase services and to provide bid-ready construction documents (technical specifications and drawings) based upon one of their three repair-in-place recommendations. The RFP has requested that the design consultant complete a structural analysis of the recommended repair option to verify that the repair would become a permanent load bearing replacement for the culvert in the eventuality that the old culvert fully deteriorated away. The RFP also requested that the design consultant prepare detailed construction cost estimates throughout the design process.

Safety Area Grading at Runway Shoulder and Navigational Aids (NAVAIDS): HDR Engineering continues to develop the 30% design submittal for this project. As reported earlier, they have completed the site survey field work and continue to work on their grading analysis to determine the full extent of the grading work. JNU has confirmed with HDR that they will still be able to meet a deliverables schedule that reflects a bid-opening date of July 1, 2025. This revised bid opening date would have an anticipated construction contract award / notice-to-proceed date in late August 2025 or early September 2025. The construction contract will be written to allow the successful bidder the option to complete the project in 2025 or in the spring of 2026.

Fuel Station Access Control/Fuel Monitoring/Tracking: No change since last report. In July 2022 JNU, working through CBJ Engineering - Contracts, released an RFP for design services under CBJ's term contract for design consultant services to develop design and construction documents for the introduction of an access control system for the airfield fuel station. The RFP had identified a scope of work that included the introduction of an access control / fuel theft-prevention system, fuel monitoring and usage tracking, and the introduction of a back-up generator to provide emergency stand-by power for the fuel station.

On September 1, 2022, CBJ Engineering - Contracts advised JNU that no responses to the RFP had been received. This indicated that, at that time, there was no interest (or availability) within the design community to work on this project. JNU is currently soliciting interest from local electrical engineers to provide a fee proposal for this project. This funding was previously approved for CARES funding by the Board.

Airport Construction Document Archiving: JNU Staff continues to work on sorting / culling the old archived construction documents, as-built documents and misc. reports.

End of Report



MEMORANDUM

TO: Patty Wahto, Airport Manager

FROM: Ke Mell, Airport Architect

DATE: January 3, 2025

RE: Airport Architect's Report

*Updates since last report in italics. Look ahead in **bold italics**.*

Gate 5 Passenger Boarding Bridge (PBB) Replacement: *Jensen Yorba Wall has provided an as-built drawings for the project. They continue to work on the final project close out report for the Federal Aviation Administration (FAA). On this account, their final pay request will likely be in February. There are some major warranty issues (freezing up) with the PBB at this time that staff is trying to work with all parties.*

Mendenhall Riverbank Stabilization: With assistance from the State of Alaska Department of Military and Veteran's Affairs (DMVA), JNU staff have applied for an eight-month time extension to complete the work. *Staff have submitted the pre-bid requirements to DMVA and are awaiting a response.*

The jökulhlaup occurred on August 5, 2023. Permanent work to repair damage must follow normal City and Borough of Juneau contracting and bidding procedures and permitting by relevant agencies. Eighteen months from August 5, 2023, is February 5, 2025. That is the middle of winter, and we cannot reasonably require a contractor to work on a slope of 45 degrees or steeper under icy winter conditions and tides. In Juneau, for a contractor to work safely, the work would need to be completed by November 1.

JNU received bid-ready documents and a cost estimate from the design engineer in late February 2024. Of the several permits required, the one with the longest lead time is from the State of Alaska Department of Natural Resources for an easement to permit the contractor to work in the Mendenhall River below mean high tide. The lead time for such easements is typically six to eight months. Eight months from March 1, 2024, is November 1, 2024. As of today, we have not received the permit. This leaves no window of opportunity for the contractor to do the work safely before winter, even if we had advertised and opened bids, and executed a contract, which we have not due to the workload on both JNU staff and City & Borough of Juneau (CBJ) contracting staff.

An extension will enable us to complete the project before the next jökulhlaup (potentially in July/early August 2025). If we do not receive an extension, we will lose support from DMVA/FEMA (Federal Emergency Management Agency) and may be unable to secure alternate funding in time to complete the work before the next jökulhlaup.

On behalf of JNU, proHNS is in the process of applying for permits for stabilization and repair of damage from the 2023 jökulhlaup:

1. On September 4, proHNS submitted an application to the Alaska Department of Fish and Game for a permit for work that could affect fish habitat. On October 9, JNU received the permit.
2. On September 3, proHNS submitted an application to the U.S. Army Corp of Engineers for a permit to work in the "Waters of the United States". On October 21, JNU received the permit.
3. On November 21, State of Alaska Department of Natural Resources (DNR) suggested processing the request as an amendment to our existing ADL 107597 avigation easement. JNU agreed. The amendment is less expensive; processing time is estimated at 2 to 3 months. On August 12, proHNS submitted an application to DNR for a permit for work below 'ordinary high water', in this case the high tide line. Of the permits, this has the longest lead time, possibly as long as 6 or 8 months, pushing the actual construction to the spring/summer of 2025.
4. On October 23, proHNS submitted an application to the CBJ for a grading permit. The permit will be issued after all other permits are received.

JNU staff are working with CBJ Contracts to advertise bids for the repair work, with drawings prepared by proHNS engineers. The bid documents are currently under review by the State of Alaska DMVA, which is required before bidding. JNU will seek reimbursement from the FEMA and the DMVA for the work.

At the August 21 low tide JNU staff and proHNS visited the site of the 2023 damage. There was no damage from the 2024 jökulhlaup additional to the 2023 damage.

Master Plan Update: *Michael Baker provided their proposed schedule for Technical Advisory Committee meetings through the spring. All meetings will be on Thursdays, every month to two months.*

Staff provided CAD drawings of the north terminal addition and Alaska Seaplanes cargo building to Michael Baker for their use in updating the current ALP to reflect the actual footprints of the two buildings.

Michael Baker International (MBI) visited JNU on December 4 and December 5. They met w/JNU staff and members of the Technical Advisory Committee (TAC), toured the facilities and laid the groundwork for their work over the next year.

The current Airport Master Plan will be updated with regard to data and forecasts of aviation demands, expansion for future planning consideration, Airport Layout Plan, and related Exhibit "A". This update will include an obstruction survey, but does not look to change the sustainability goals, environmental inventory, nor financial plan. Aerial photography for the obstruction survey will take place in early summer 2025, and the final update is expected in December 2025.

ADL 107380: Conveyance: *On January 3, 2025, the Alaska Department of Natural Resources (ADNR) reported that the Title Report request is in its second draft; there will likely be a third draft which may be the final draft.*

During the Runway Safety Area (RSA) project, the Airport, through the Environmental Impact Statement (EIS) public process and mitigation, acquired wetlands parcels from the State for the extension of the RSA on both the RWY 8 and RWY 26 ends, and to accommodate portions of the approach lighting systems. The Airport is still working with ADNR to convey these parcels to the Airport's property. Once this is completed and recorded, the Airport Layout Plan and 'Exhibit A' will need to be updated by Michael Baker to reflect the conveyance in the airport boundaries.

Jordan Creek Greenbelt Lighting: *CBJ Contracts issued Notice to Proceed (NTP) for construction documents (CDs), bidding, and construction and inspection services to Begenyi Engineering. Begenyi Engineering expects to complete the CDs by January 31. The design will be pedestrian scale, compliant with IESNA (Illuminating Engineering Society of North America) G-1-03, Guideline for Security Lighting for People, Property, and Public Spaces, with a preliminary estimate of slightly less than \$50K for construction cost. Construction cost does not include JNU or CBJ Contracting staff costs. Incidental to the design, costs will be estimated to extend pedestrian scale lighting along the path on the north side of Jordan Creek between Teal Street/ Jordan Avenue and Alpine Avenue just north of Airport Boulevard if funding is available, extended path lighting could be included in the project.*

In a September 16 email to the Airport Manager, Bruce Denton of the Glory Hall Board said "In the past leftover funds from completed CIP projects have been re-allocated to augment projects that are short. Given that this project is an effort to improve safety of folks who are legitimately using the path to transit between the airport and the adjoining neighborhood, and to deter the use of the path as a hangout or camping spot for vagrants, I would think it warrants the funding needed to do it right. I can't help but think that JPD [Juneau Police Department] and the city manager would support this. I believe this needs to be initiated by the city manager. Does anyone have any idea how much is needed to do it right? I'd be happy to follow up with Katie with an increased funding request."

The \$150K appropriated by the CBJ Assembly appears to be the right order of magnitude to do something, but it will likely not be pretty. Staff have had a couple of conversations with Darrell Wetherall, transmission and distribution engineer for Alaska Electric Light & Power (AEL&P), as to where to draw power. He said AEL&P has programs that might be helpful, but it will be complicated to figure out. Andrés has asked for cameras, so we will try to incorporate some in the project.

Channel/Loken/Coastal Contamination: On December 9 the Alaska Department of Environmental Conservation (ADEC) approved the Site Characterization Report submitted by Cox Environmental on July 15, 2024. In the letter ADEC stated, "Additional site characterization is required south of JIA-12 and west of CF-12 to determine the extent of the groundwater contaminant plume." Cox Environmental has submitted a budget for the work required.

Cox Environmental is under contract for JNU's ADEC required Site Assessment Work Plan (SAWP), and under contract with Loken for their parallel SAWP. Drilling on both properties to assess the extent of below grade contamination was completed on May 9. Cox Environmental reported that "Based on field screening, contamination is likely present in soil borings ... located in the vicinity of the decommissioned waste oil burner. The contamination was present down to the water table which was encountered at a depth of 9-10 ft. below ground surface (bgs). The borings on the eastern portion of the Coastal/JIA properties did not indicate contamination is likely present. We will issue a full report after we complete sampling of the newly installed groundwater wells next week and have the results of the soil/groundwater samples from the lab."

Channel/Loken Land Acquisition Support: *Staff are working with CBJ Purchasing staff to finalize the second Request for Proposals (RFP).* The first RFP yielded one proposal from Electric Power Systems (EPS); however, EPS admitted that they did not have FAA experience required by the RFP.

JNU seeks a qualified consultant to provide land acquisition support services and coordination for a FAA funded acquisition of one parcel, currently owned by Channel Flying, Inc., and identified for acquisition on the Airport Layout Plan. The consultant will assist JNU and the CBJ Lands in navigating the FAA's airport land acquisition process. The parcel is currently listed for sale by the current owner, so this would be a willing sale. FAA funded land acquisition is extremely complicated, and JNU does not have current staff expertise in this.

Departure Lounge Carpet Replacement: *Staff continue to work on the project.* Carpet in the Transportation Security Administration (TSA) passenger screening area and the Departure Lounge needs replacing and continues to deteriorate; the work must include repair of underlying irregularities in the floor slab that are telegraphing through the carpet and accelerating wear. The FAA will not pay for this work. Staff are drafting a scope of work and budget. Ideally work would take place in February, when the terminal is relatively quiet. The very rough cost estimate is \$100K. This may come back to the Board in FY26's operating budget.

Taxi/Ground Transportation Additional Shelter: *Per direction of the Board at their October 2024 meeting, staff are researching the size and cost of one or two additional Capital Transit-type pedestrian shelters east of the heated sidewalk. This will come back to the Board when the scope, cost, funding, and potential revenue are established. Shelter north of the heated sidewalk will be significantly more expensive and can be pursued later, if appropriate. The north shelter will need to be recessed into the planting bed as the existing sidewalk is not wide enough.*

Security Identification Display Area (SIDA) Americans with Disabilities Act (ADA) Elevator: *Staff continue to work with CBJ Contracts to put out an RFP for an architect to conceptually identify possible locations and associated costs for an elevator. Once a location is chosen, the architect and consultants will prepare bid documents.* Staff estimate that concept design will be less than \$50K. Total design and construction costs will depend on the concept selected.

An elevator serving the Departure Lounge, Bagwell, and 121 Apron would facilitate ground boarding for passengers who cannot use stairs, and employee access between the floors. The

elevator would require a SIDA badge for access and operation. FAA has reviewed the concept and stated that the project would be eligible for AIP or BIL funding.

Shell Simmons/Yandukin Reconstruction: (*No change*) This project would reconstruct the Shell Simmons/ Yandukin road loop that surrounds the parking lots. Remaining portions of Shell Simmons and Yandukin could be separate projects to limit cost and scope. This project should happen before and would lay groundwork for a future parking garage. JNU needs to seek funding for a \$7-10M project.

As with to the 2023 parking lot upgrades, the scope of a Shell Simmons/Yandukin project would address drainage and deterioration of the roadbed (there are sink holes in front of the terminal, in which we periodically dump more asphalt), improve traffic flow and calm traffic to limit speeds on Shell Simmons, improve lighting, provide an 8' truck-plowable sidewalk along Yandukin, provide a crosswalk w/crossing light at the footbridge across Jordan Creek, and modify the very awkward north intersection between Shell Simmons and Yandukin.

In addition, it is likely we will need to replace the 12" and 14" ductile iron water main that serves the terminal and related facilities. It is common engineering knowledge that ductile iron water lines are not designed for more than 50 years in any case, and that in Juneau one seldom gets that—40 years being about the maximum reasonable service life. The water line under Shell Simmons was installed in 1984 and is now 40 years. The airport waterline has jurisdictional issues, as it is owned by JNU, but also serves neighboring private properties through subtractive metering. This situation needs to be clarified and documented; this could take up to a year in advance of design and construction.

Before the 2023-2025 grant cycle, I researched applying for the State sponsored Community Transportation Program (CTP) for Shell Simmons and Yandukin. JNU did not apply, as the local match required started at 9% of project cost, and to buy our way up the queue and significantly improve our chances of receiving funding, the local match would have been about 25% of the project cost, then estimated at \$5M (this was before we knew that the waterline would need replacing), and JNU could not come up with the funds for the local match in a couple of months.

According to Ken Nichols, former JNU Airport Engineer, FAA rules allow them to fund or partially fund one access road; he suggested for JNU that would be Shell Simmons, as it goes directly in front of the terminal. He suggested that Yandukin might be eligible for a different sort of funding, as it is a fire station access road.

Staff are working on the jurisdictional issues relating to the waterline, as those need to be resolved in advance of design or construction.

Parking Garage: (*No change*) In response to a draft Capital Projects Submission and Information System (CAPSIS) request sent by Jason Custer, I investigated the potential scope of the project. To determine the capacity of the parking garage, I calculated the reasonable maximum capacity of a garage covering the entirety of the parking lots and three stories high (about the height of the terminal). Without allowing for a loading dock or garbage compactors, the capacity is about 1600

cars, which is more than adequate for our purposes, and raises the possibility that a garage could be built in phases. I do not expect that JNU will ever need parking for 1600 cars, as at some point (20 years to 50 years?) self-driving cars will actually work in Juneau, and only rental cars will need to park at JNU.

Phasing of the parking garage would require a conceptual or schematic level design of the entire garage to establish the general layout, locations of entrances/exits, interior ramps, etc. In order to properly coordinate the work, preliminary parking garage design should include a similar level of design for the upgrade of Shell Simmons and Yandukin, see that project above.

The Capital Improvement Plan (CIP) has a placeholder cost of \$75M. Current planning assumptions include: the garage will occupy the entirety of the current parking and ground transportation areas, but no horizontal expansion beyond is reasonable on account of the locations of the terminal, Shell Simmons, Yandukin, and the Jordan Creek Greenbelt. The garage would be three stories, with possible structural capacity for a fourth story depending on cost and need closer to the time of construction.

Alaska Seaplanes Cargo Facility: Alaska Seaplanes has submitted a proposal for truck access to the cargo facility parking lot on lease Lot 2 through the former taxi staging area on the west side of Shell Simmons. Staff is still waiting to sign off on the final Tenant Improvement Request (TIR) form for the building (TIR #2).

From: Simonyan, Tereza <tsimonyan@buchalter.com>

Sent: Thursday, December 12, 2024 10:43 AM

To: Airport Board

Cc: Sherri Layne <Sherri.Layne@juneau.gov>; Emily Wright <emily.wright@juneau.gov>; Beth Weldon <Beth.Weldon@juneau.gov>; Patty Wahto <Patty.Wahto@jnuairport.com>; Angelica Lopez-Campos <Angelica.Lopez-Campos@jnuairport.com>

Subject: FAA Non Objection Letter - Flying Squirrel

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Dear Airport Board,

In advance of the Board meeting today, I'd like to share a few questions we have posed to the Airport Manager in connection with the Flying Squirrel coffee shop. As you know, on 12/3 the FAA issued a Letter of Non-Objection to the Flying Squirrel coffee shop, outlining in 3 simple bullet points a streamlined path to conclusion. Our goal is to address these questions with the Board, the Airport Manager and City Attorneys, and to conclude the Flying Squirrel issue consistent with the FAA letter, avoiding unnecessary delays and expenses that are not requested by the FAA.

It may be helpful to read the full thread below, which starts with the Letter of Non-Objection from the FAA, plus attached original submission from the Airport to the FAA.

We look forward to a collaborative and productive meeting today.

Warm regards,

Buchalter

Tereza Simonyan

Shareholder

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1420 Fifth Avenue, Suite 3100
Seattle, WA 98101

www.buchalter.com

From: Simonyan, Tereza

Sent: Wednesday, December 11, 2024 3:39 PM

To: 'Patty Wahto' <Patty.Wahto@jnuairport.com>; Angelica Lopez-Campos <Angelica.Lopez-Campos@jnuairport.com>

Cc: Sherri Layne <Sherri.Layne@juneau.gov>

Subject: RE: FAA Non Objection Letter - Flying Squirrel

Dear Patty,

I'm having trouble understanding your note below and the basis for it. We received a very clear and positive 'non-objection letter for the Flying Squirrel coffee shop' from the FAA. It clearly outlines the discrete tasks that need to be completed, in 3 simple bullet points, to facilitate the conclusion of this matter. Please help me understand your comments:

1. The FAA says: "The tenant using and/or subleasing the property for non-aero purposes will be required to pay no less than fair market value rent to the Airport." The FAA requires the 'rent' to be adjusted to be FMV. The Airport Board has already established the FMV rent for non-aero uses, it is codified in 07 CBJAC 10.020(e)(2). This satisfies the FAA condition. Why does the Board need to look any further?
2. What is an 'agreement of concession fees' that you are referring to, who is it by and between? More importantly, this is not a requirement under the FAA letter, so how is it even relevant here? The FAA requires adjustment of the 'rent' for the non-aero use space— see #1 above.
3. The FAA letter says: "The Airport Sponsor agrees to update its Airport Layout Plan..." The FAA places this requirement on the Airport, not on the tenant. The ALP is to cover the entire airport plan (not only the Seaplanes' leased land), and that current ALP provided to the FAA by the Airport is stale in many respects. The Airport put out the request for proposal to update the ALP in June, independent of the Flying Squirrel issue. What are the basis for passing the cost to Alaska Seaplanes? To be clear, Alaska Seaplanes does not intend to cover any consultant fees for ALP updates, especially given that your approach may lead to the demise to Flying Squirrel, notwithstanding the FAA's non-objection letter.
4. Regarding the DBE qualification:
 - a. Flying Squirrel has submitted the pertinent information to the FAA establishing that it clearly meets the eligibility standards under 49 CFR Part 23. Have you seen that submission? I am attaching again for your ease of reference.
 - b. It is unclear from your note and the agenda submissions whether the JNU ACDBE program has been formally implemented or not, it is my understanding that the Board has not had a chance to review, comment on and approve the program, is that correct? Has anyone other than yourself participated in the drafting and implementation of the program? If yes, please provide the details of same, including how it was disseminated to the board and the concessionaire community in the Juneau area (per your 12/3 policy statement), as well as the review and comment process.
 - c. The JNU DBE plan has an incredibly far-reaching impact on the community and small businesses in JNU – what is the purpose of the hasty and stealth attempts to implement

and update it, especially in light of the pending Flying Squirrel issue, with a vacancy for the Deputy Airport Manager position, and immediately prior to your scheduled retirement?

- d. There will likely be more follow up questions about this, I presume not just from me but the Board as well, but this will give us a good start.
5. "This is all based on the fees paid as well." What is this in reference to and what does this mean?

I look forward to your response, ideally prior to the Board meeting tomorrow so that there is an opportunity for a meaningful discussion and follow-up questions, both for the Board as well as the participating public.

Thank you,

From: Patty Wahto <Patty.Wahto@jnuairport.com>

Sent: Tuesday, December 10, 2024 5:30 PM

To: Simonyan, Tereza <tsimonyan@buchalter.com>; Angelica Lopez-Campos <Angelica.Lopez-Campos@jnuairport.com>

Cc: Sherri Layne <Sherri.Layne@juneau.gov>

Subject: RE: FAA Non Objection Letter - Flying Squirrel

Hi Tereza.

Unfortunately, the information required are a bit more complex and take time especially the ALP and Exhibit A. And the fees/fair market value are established by agreement of concession fees. Our concession fees are what establish rates (no less than fair market). I cannot do the lease amendment until the ALP and Ex A are completed. We have to hire a consultant to do this (these are legal federal documents), which will have to be passed on to Seaplanes. The other big item on the letter is the ACDBE program. Submittals and reports are required from the vendor. I don't know if they have filed for DBE or know of this program including subs (where they buy products/what vendor and percentage of business that is DBE), but it will have report requirements. Our ACDBE plan is on line, but getting ready to update goals. This is all based on the fees paid as well.

You have provided the date, but we will also need square footage of the concession.

Thank you,

Patty

Patty Wahto

Airport Manager

Juneau International Airport

Office (907) 789-7821

EMAIL: Patty.Wahto@jnuairport.com

From: Simonyan, Tereza <tsimonyan@buchalter.com>

Sent: Tuesday, December 10, 2024 3:23 PM

To: Patty Wahto <Patty.Wahto@jnuairport.com>; Angelica Lopez-Campos <Angelica.Lopez-Campos@jnuairport.com>

Cc: Sherri Layne <Sherri.Layne@juneau.gov>

Subject: FW: FAA Non Objection Letter - Flying Squirrel

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Dear Patty and Angelica,

We are thrilled to have received the FAA's 'signed non-objection letter for the Flying Squirrel coffee shop.' Sherri suggested that I reach out to you directly about the outstanding tasks.

As Letter of Non-Objection states, the FAA does not issue consents or approvals in these situations, but fortunately Molly has done a great job providing us with a clear roadmap to the finish line:

1. The first condition is to amend the Airport Lease and add Flying Squirrel's non-aero use in the tenant's authorized uses section. Happy to take the first crack at drafting the amendment for City counsels' review, this would take 5 minutes to complete.
2. Next, the rent must be updated to be the 'fair market value rent' paid to the Airport for non-aero use. This should also be a simple mathematical calculation based on the Airport Board's established rates in the CBJAC, which rates are updated from time to time to stay consistent with FMV, and which are codified here: 07 CBJAC 10.020(e)(2).
3. The FAA also states that the rent adjustment should be retroactive to the 'date of the installation of the coffee shop.' The coffee shop was installed in April 2024. I can prepare a spreadsheet of the final calculations for the Airport Board's review, again this is going to be simple arithmetic.
4. The Airport must update the Airport Layout Plan. Unfortunately I'm not sure how I can be of help here, but please let me know if there is any information I can provide that would assist in the process. This must be completed within 90 days of December 3, per the letter.

These are all the outstanding action items that I can glean from the FAA's Letter of Non-Objection. We'd like to help you and the Airport Board with these tasks to the best of our ability, realizing that you must have a long to-do list of more important airport matters than a little coffee stand, especially in light of the recent resignation of your Deputy Airport Manager and your upcoming retirement (BTW – Congratulations!)

Please feel free to reach out any time by email or phone (cell number is best: 206-239-8227). Or if this is something that is better handled in person or at the next Airport Board meeting, please let me know and I'll make arrangements.

Thank you, and we look forward to putting this issue behind us in an efficient and expeditious manner.

Tereza

ATTACHMENT TO EMAIL SENT BY TEREZA SIMONYAN

Dear Ms. Fierro,

Please accept this letter requesting approval for a coffee stand currently operating at our Airport.

The Airport supports a coffee stand as a benefit to our travelers and community. We appreciate the guidance in your previous correspondence regarding the approval process. The Airport has been working with Kalinin Facilities, LLC dba Alaska Seaplanes ("Alaska Seaplanes"), and the operator of the coffee stand – Barista LLC dba Flying Squirrel ("Flying Squirrel"). They have agreed to make certain adjustments to the relevant documents, in accordance with the Airport and FAA requirements, as detailed in this proposal for FAA approval. The following enclosures have been provided to the Airport by Seaplanes; the Airport supports the process of review and will comply with all FAA requirements.

Consistent with your instructions, we are directing this proposal to the civil rights division of the FAA (Airport Concessions DBE), for preliminary review and approval prior to the FAA's final approval.

Flying Squirrel is currently the only option for early morning/weekend travelers to purchase a pre-flight coffee pre-security. JNU and Seaplanes look forward to the FAA's prompt review.

Please do not hesitate to reach out with any follow up questions or additional supporting records for the information submitted in this proposal.


Patricia K Wahto 10/2/2024
Patty Wahto, Airport Manager

Enclosures Provided By Seaplanes:

- A. Information Pertinent to FAA Civil Rights Division Review
- B. Airport Manager's Authorization of Non-Aviation Equipment
- C. Amendment of Flying Squirrel License Agreement

APPENDIX A – Information Pertinent to FAA Civil Rights Division Review**1. Flying Squirrel/Terra Peters meet the eligibility requirements for ACDBE under 49 C.F.R. Part 23:**

Flying Squirrel is a prime example of a business that the ACDBE program is intended to promote.

Flying Squirrel is a 100% woman-owned business. Terra Peters, the sole owner, is a single mother, a born and raised Juneanite, and committed to creating an inclusive and supportive workplace. The majority of her staff consists of women, many Alaska Natives, including those who have not pursued post-secondary education. Her employees include unmarried women and women attending school, who often have limited availability due to academic commitments or childcare responsibilities. Flying Squirrel serves as a temporary stepping stone for these women, while also fostering an environment that offers opportunities for long-term employment and personal growth.

Flying Squirrel also meets the balance of the eligibility requirements of the DOT eligibility guidelines under 49 C.F.R. Part 23:

- Terra Peters possesses exclusive control over the direction of the management and policies of Flying Squirrel. She has been operating a coffee stand since 2009, has managed to turn a startup into a beloved institution in the Juneau area, demonstrating her overall understanding, and her managerial and technical competence and experience;
- Flying Squirrel qualifies as a small business by applicable SBA standards;
- Flying Squirrel does not have annual gross receipts in excess of the DBE/ACDBE size limits;
- Terra Peters' personal net worth is less than \$1.32 million;
- Flying Squirrel is not affiliated with any other business, its independence and control are entirely with Terra Peters.

2. Selection Process:

Alaska Seaplanes engaged in a thorough process in seeking out and selecting a qualified operator. Alaska Seaplanes initially solicited three coffee businesses in Juneau (Grind, Heritage Coffee, and Flying Squirrel) with a proposal to operate a coffee stand in Alaska Seaplanes' private cargo facility. Flying Squirrel was the only business that expressed interest in this opportunity after touring the coffee stand area, which Alaska Seaplanes had constructed consistent with the specifications and design plans approved by JNU.

Flying Squirrel is currently the only option for early morning/weekend travelers to purchase a pre-flight coffee at JNU. The only other coffee vendor at JNU, Tailwind Airport Concessions.

Notably, Tailwind Airport Concessions has expressed support for Flying Squirrel's operations in public social media posts.

3. Applicability of ACDBE Requirements to Flying Squirrel:

While Flying Squirrel clearly meets the ACDBE eligibility requirements, JNU acknowledges Alaska Seaplanes' contention that ACDBE requirements are not applicable to the circumstances of Flying Squirrel because it is not a concessionaire under the U.S. Department of Transportation's ACDBE regulations (49 CFR Part 23).

Flying Squirrel is a non-concessionaire under Part 23 because:

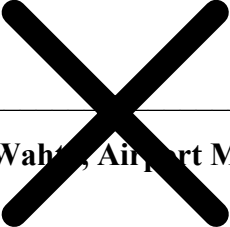
- a. The term "concessionaire" has a 3-prong definition under the ACDBE regulations: (i) a business located at a primary airport that receives FAA financial assistance (ii) engaged in the sale of consumer goods or services to the public (iii) under an agreement with the airport sponsor (CBJ), another concessionaire, or a terminal owner or lessee other than the airport sponsor. 49 CFR § 23.3.
- b. Flying Squirrel does not meet the third prong because the agreement governing Flying Squirrel's activities in Alaska Seaplane's facility (i.e. License Agreement) is neither with CBJ, another concessionaire, or a terminal owner or lessee. The governing agreement (i.e. License Agreement) is between Flying Squirrel and Alaska Seaplanes. Alaska Seaplanes, by definition, is not a concessionaire (as the ACDBE regulations expressly exclude scheduled air carriers in their normal passenger or freight carrying capacities. 49 CFR § 23.3); and Alaska Seaplanes' facility is not a "terminal" for purposes of the ACDBE regulations.
- c. "[A]n airport passenger terminal is a building or complex of buildings that serve as the interface between aircraft, travelers, and landside transportation elements." FAA Advisory Circular 150/5360-13A, "Airport Terminal Planning" (July 13, 2018), at § 6.3.1. Alaska Seaplanes facility is not a terminal because:
 - i. Passengers at JNU are not boarded from or deplaned into Alaska Seaplanes' facility. In fact, the opposite is true: Alaska Seaplanes departing passengers check in at the JNU passenger terminal; and after landing they pass through the JNU passenger terminal to exit the airport.
 - ii. The fact that a walkway connects the JNU passenger terminal to Alaska Seaplanes' facility does not convert the latter into a portion or continuation of the passenger terminal.
 - iii. CBJ has never considered the facility to be a passenger terminal, whether for federal airport improvement program purposes or otherwise. Indeed, the lease between CBJ and Alaska Seaplanes repeatedly refers to Alaska Seaplanes' facility and the JNU passenger terminal as two separate and distinct locations.

APPENDIX B – Airport Manager’s Written Approval of Non-Aviation Equipment

Flying Squirrel utilizes the following equipment in connection with its operations:

- 1 Espresso Machine (220 volt)
- 2 coffee grinders
- 2 blenders
- 3 refrigerators
- 1 refrigerated goods display

The Airport Manager has inspected the equipment, believes that it is safe and suitable for use at the premises, and hereby provides a written approval of the utilization of such non-aeronautical equipment at the premises.



Patty Wahle, Airport Manager

I have not inspected and cannot sign.
PW

Appendix C - Amendment of Flying Squirrel License Agreement

Alaska Seaplanes and Flying Squirrel have amended the License Agreement to include all contract provisions required for Obligated Sponsors. The amended License Agreement is enclosed with this Appendix D.

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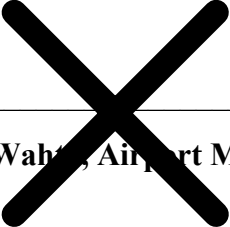
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