

AIRPORT MANAGER'S REPORT – November 9, 2023

a. Phil Adams Resignation. Deputy Airport Manager Phil Adams tendered his resignation to accept a position with the State of Alaska (Fairbanks). Phil's last day is November 9. Phil leaves a big hole in the Administration department. Staff wishes Phil the best in his new position. The position is out for recruitment in the hopes of filling it quickly.

b. Parking Lot Concession Award. The Airport went out for Request for Proposals for the Airport public parking lots (long-term and short-term) concession. Three proposals were received. Republic Parking has been awarded the new contract and staff will be working to transition to the new contract (and new equipment) over the winter months. Staff look forward to continuing work with Republic Parking.

c. TSA Mandate for Employee Screening Going into Secured and Sterile Areas. Staff have been working with the local Transportation Security Administration (TSA) and stakeholders to prepare for the first trial of the aviation workers screening (AWS) plan. This trial is part of the AWS implementation plan for the first quarter of the informed compliance period, which started September 25, 2023.

The next quarter would be to discuss lessons learned from the trial run and to revamp the screening procedures as necessary and approved by the Federal Security Director. Notice and training would continue with all affected stakeholders on any changes to the screening plan. Trial runs will continue once a week during the second quarter (Jan. – Mar.). This plan is presuming that the lawsuit filed in the D.C. Circuit Court of Appeals would be unsuccessful.

d. Airport Fund Balance (AFB) and Capital Revolving Account Balance (CRAB) (Attachment #3). NO CHANGE since last month. The Airport Fund Balance page reflects updates to the FY23/24 budgets and reflects what has been submitted to the Assembly and approved by the Board.

e. CARES/CRRSAA/ARG Fund Balance (Attachment #4). No change at this time from the October meeting.

f. 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**– *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**– *Mendenhall River Flooding Damage to Airport.* On August 25, 2023, CBJ Engineering and Airport Airfield Maintenance staff assessed the downstream end of the existing riprap that was damaged in the recent flood event. Approximately 110 linear feet of riverbank

has lost riprap, exposing the original geotextile that was beneath the rock. The loss of riprap has left the top of bank undermined in places. It is estimated that the cost of repairing the damage (i.e., replacing riprap) at \$110,000 (based on 110 LF @ \$1K/LF). The Airport will need to proceed with repairs.

- **NO CHANGE**– *Juneau Douglas North Crossing Project*. Alaska Department of Transportation (ADOT) continues with the second crossing project over the channel between Juneau and Douglas. The Airport participates in the Technical Advisory Committee due to protection of aircraft approach corridors coming down the channel. JNU Airport will continue to voice concerns with any bridge option that will impact airport approaches, departures or future development. 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*. After introduction by Senator Sullivan, the language that would include the MALSR in the FY23 Reauthorization Bill (that would allow the transfer, ownership and maintenance of approach lighting systems to the FAA upon completion) has gained support from the House. The language would add MALSR equipment to the list of allowable lighting equipment and allow the transfer of this to the FAA even if paid for through Airport Improvement Program (AIP) funding. This is now pending final approval within the Reauthorization Bill. A new five-year Corps of Engineers wetlands permit has been issued.

- **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.

- **NO CHANGE** - *Encampments on Airport Property*. Airfield crew continues to clean up the illegal campsites and trash in the greenbelt areas around the creeks. They perform weekly clean-outs of these sites and belongings. Of safety concern are the number of drug needles they are finding in the greenbelt.

- **NO CHANGE** – *Transportation Security Administration (TSA) passenger screening checkpoint equipment*. This project is on hold due to construction requirements for the larger equipment.

- **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 due to through-the-fence operations.

- **NO CHANGE** – *Passenger Facility Charge (PFC) cap increase* JNU continues to discuss PFC increases with our DC Lobbyist and Congressional Delegation.
- **NO CHANGE** – *Capital Improvement Program (CIP) and Passenger Facility Charge (PFC) 10.* With FFY20 FAA AIP terminal grants covering the entire amount of FAA-eligible terminal construction, PFC (PFC9) collections may be abbreviated with less match required. Staff is monitoring the amount needed for the terminal project to assess when to start PFC10 application process.
- **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.

ATTACHMENT #3

Date	CIP Revolving Balance*	Reimbursed Amount (+)	Forward Fund Amount (-) anticipate reimbursement	Encumbered Amount (-) permanent/ <u>no</u> reimbursement	Description
	\$819,246	-	-	-	BUDGET
Aug-18		\$23,438	(\$23,438)		PFC9 reimburse Master Plan match (portion)
Feb-16		\$3,000	(\$3,000)		SREF Geothermal remaining encumbrance
Jan-14		\$39,063	(\$39,063)		RWY Rehab match (portion) anticipate 2019 reimb
Apr-15		\$32,849	(\$32,849)		RWY Rehab match (portion) anticipate 2019 reimb
Jul-18		\$310,000	(\$310,000)		Sand/Chem/Fuel Design.
Nov-18		\$21,988	(\$21,988)		Sand/Chem/Fuel Construct match antic 2019 reimb (org \$106,250)
Apr-19			(\$477,000)	**	<i>NO LONGER REQ.Termnl Recon -less Float Pond Design (\$40k and \$108K) / Property Acq (\$50k)</i>
Jan-21			(\$50,000)		Property Acquisition Frwd Fund Specialist
Jan-21			(\$40,000)		Float Pond Frwd Fund Design
May-21			(\$108,000)		Float Pond Frwd Fund Design
	\$144,246				AVAILABLE BUDGET

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

**Terminal bonds have been sold; all funding is in place; temp forward funded \$675K to be credited once Controller's completes transfer back to acct

ATTACHMENT #3

NET REVENUES v EXPENSES

Juneau International Airport
For Fiscal Years ending June 30

	Revised 2022	Actual 2022	Revised 2023	Projected 2023	Adopted 2024	Revised 2024	-
Operations Revenues (a)	\$6,103,600	\$5,922,987	\$7,260,000	\$7,591,900	\$7,498,000	\$9,592,400	\$0
O&M Expenses (b)	(\$7,941,600)	(\$8,376,776)	(\$9,045,200)	(\$9,203,100)	(\$8,919,500)	(\$9,711,100)	\$0
Operations Surplus (Deficit)	(\$1,838,000)	(\$2,453,789)	(\$1,785,200)	(\$1,611,200)	(\$1,421,500)	(\$118,700)	\$0
Non-Operational Expenses							
Other (c)	\$0	\$0	\$0	(\$2,340,400)	\$0	\$0	\$0
GO Bond debt service--Expense	(662,625)	(662,600)	-	(660,375)	-	(657,125)	-
Total	(\$662,625)	(\$662,600)	\$0	(\$3,000,775)	\$0	(\$657,125)	\$0
Non-Operational Revenues							
Airport fund balance applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COVID-19 relief grants drawn							
CARES	\$0	\$0	\$0	\$0	\$0	\$775,825	\$0
CRRSA	-	1,559,564	-	1,764,887	-	-	-
ARPA	-	1,559,564	-	2,847,088	-	-	-
Total (d)	\$0	\$3,119,128	\$0	\$4,611,975	\$0	\$775,825	\$0
Net Surplus (Deficit)	(\$2,500,625)	\$2,739	(\$1,785,200)	\$0	(\$1,421,500)	\$0	\$0
3-month Operating Reserve:	(\$1,985,400)	(\$2,094,194)	(\$2,261,300)	(\$2,300,775)	(\$2,229,875)	(\$2,427,775)	\$0

Revenue Abatements: Revenue not collected due to Abatements (approx. \$1.25m) is not factored into the Budget Revenue line (a) for Adopted, Revised,

Note 1: Projected budgets, but is reflected in Actuals for FY22. i.e. budget lines for FY23 & FY24 are shown "whole" so that rates and fees can be accurately derived.

Board-Approved CARES Expenditures: \$2,340,400 of Board-approved, grant-funded, expenditures are projected for FY23. These expenses are not included in the O&M expense line (b), so that they do not inflate the FY23 deficit for Rates and Fees calculations. The grant-funded expenses are shown on the Non-Operational Expenses line, Other (c).

Note 2:

Note 3: **Non-Operational Revenues, Total (d):** The CARES/CRSSA/ARPA grant draw for FY23 is projected at \$4.6M; this includes the operational deficit \$1.6M, GO Bond debt service \$660K, and Board-approved projects \$2.3M.

(a) See Attachment 1 for summary and Attachment 4 for detail by account.

(b) See Attachment 1 for summary and Attachment 3 for detail by account.

(c) Other includes: capital expenditures, transfer of sales tax to Airport fund, and transfers between Airport operations and

CIP projects, and other changes in restrictions of fund balance. At year end, the audited financial statements are not on a cash basis but on accrual--The Airport budgets/reports are revenues & expenditures – which are cash basis.

ATTACHMENT #4
CARES/CRRSAA/ARPA Grant Funding Use/Availability

	<u>Description</u>	<u>Amount Proj</u>	<u>Actuals & Encumb</u>	<u>Status</u>
	CARES grant Award (#82, 94, 95 & 99)	21,736,343	21,736,343	
	CRSSA grant Award (#84)	3,324,451	3,324,451	
	ARPA grant Award (#87)	5,430,992	5,430,992	
Type of Expense	TOTAL GRANTS:	30,491,786	30,491,786	
Ops Deficit	FY20 Operational Expenses	(724,664)	(724,664)	Final
Ops Deficit	FY21 Operational Exp incl tenant relief; yearend	(3,693,321)	(3,693,321)	Final
Ops Deficit	FY22 Operational Exp incl tenant relief+ 107.9K int hit	(2,456,528)	(2,456,528)	Final
Debt Service	FY21 Airport GO Bond debt service	(602,375)	(602,375)	Final
Debt Service	FY22 Airport GO Bond debt service	(662,600)	(662,600)	Final
Debt Service	FY23 Airport GO Bond debt service	(660,300)	(660,300)	Final
Project	TWY Regulator Upgrade (appropriated)	(118,814)	(118,814)	Final
Project	Terminal Suspended Ceiling Tile Replac	(350,000)	(213,506)	Final
Project	Terminal Seating	(450,000)	(450,000)	Final
Project	SREB Circulation Pump Upgrade	(165,000)	(183,949)	Final
Project	SREB Wash Bay Protection	(49,925)	(49,925)	Final
Project	Float Pond Electrical Upgrades	(190,000)	(156,348)	Final
Project	Forklift vehicle	(48,715)	(48,715)	Final
Project	Bagwell Gas Detect \$43k desgn+construct 195.4k pend	(238,400)	(210,766)	Final
Project	Parking Lot Design (max) - Estimate	(767,783)	(767,783)	In Progress
Project	NWDA Electrical Upgrades	(296,400)	(296,400)	In Progress
Ops Deficit	FY23 Tenant Rent Relief (est)	(1,250,000)	(1,250,000)	In Progress
Ops Deficit	FY23 Operational Expenses (est)	(950,900)	(950,900)	In Progress
Ops Deficit	FY24 Tenant Rent Relief (est)	(1,600,000)	(1,600,000)	In Progress
Ops Deficit	FY24 Operational Expenses (est)	(118,700)	(118,700)	In Progress
Debt Service	FY24 Airport GO Bond debt service	(657,125)	(657,125)	In Progress
Project - Match	Ramp Project Match	(312,500)	(312,500)	Final
Project	Temsco Sewer hookup	(295,000)	(295,000)	PENDING FAA
Project	Bag Belt Replace - Est; + \$50K design (10/21)	(1,469,716)	(1,469,716)	In Progress
Project	Parking Lot Construction -TBD -Est (in design)	(9,686,227)	(9,686,227)	In Progress
Project	Sand/Chem bldg Back-up Electric Boiler	(175,000)	(175,000)	In Progress
Project	Fuel Station Access Control & Generator	(35,000)	(35,000)	In Progress
Project	Gate K Culvert Replace (Design + Constr estimate)	(670,426)	(670,426)	In Progress
PENDING	Gate K culvert Replace PFAS/Dewatering addendum	(600,000)	(600,000)	PENDING FAA
Project	J Buried Tank Removal & Replacmt (Old Shop UST remove/replace/cleanup)	(254,950)	(254,950)	In Progress
Project	Man Lift	(20,000)	(20,000)	Final
Debt Service	FY24 & FY25 Airport Rev Bond Interest	(752,250)	(752,250)	In Progress
		169,167	347,999	

Actuals Lower than expected