

AIRPORT MANAGER'S REPORT

- a. John Coleman Retirement. John Coleman, our Business Manager, has announced his retirement after almost twenty-one years with the Airport. His retirement will be effective July 1, 2023. John has handled all aspects of Airport business from contracts and leasing, to budget and procurement; and the huge job of FAA grants, applications, administration and close-out. The Airport will begin recruitment immediately with the idea of having someone train alongside John prior to his departure. We wish John all the best in his well-deserved retirement, and thank him for his years of service. He has been an essential part of the airport administration and he will be missed.

- b. Airport Fund Balance (AFB) and Capital Revolving Account Balance (CRAB) (Attachment #1). The Airport Fund Balance page reflects updates to the FY23/24 budgets now and reflects what will be reported to/adopted by the Assembly. FY24 includes the two new CBJ recruitment and retention programs and the adjustment to the Rates and Fees Regulation for the small carrier Fuel Flowage Fees. The total shortage of \$118,700 will be covered with CARES funding. The CRAB reflects the approved use of the additional \$108K for funding the Float Pond Phase 2 Design work until reimbursed by the FAA grant.

- c. CARES/CRRSAA/ARG Fund Balance (Attachment #2). The breakdown of CARES Act/CRRSAA funds used and proposed to be used/proposed to-date is detailed below. This includes the March Board motions for FY24 budget updates and bid award; and proposed April bid awards/motions in this agenda. Attachment #2 shows the updated spreadsheet of the projects and expenses for the CARES Act funds. The list shows the projects and funding already in use, as well as projects for consideration. At this time, inclusive of the pending parking lot bid, the Airport is looking at \$2.4M still available. The spreadsheet provides further detail for the table (next page). The footnotes detail the lines where changes have occurred.

CARES/CRRSAA/ARG Act Use		4/6/2023
30,590,133	Grant awards*	
(727,145)	FY20 Operational Expenses	
(3,427,111)	FY21 Operational Exp incl tenant relief; yearend	
(602,375)	FY21 Airport GO Bond debt service	
(662,625)	FY22 Airport GO Bond debt service	
(203,028)	TWY Regulator Upgrade (appropriated)	
(1,610,000)	Bag Belt Replace - Est; + \$50K design (10/21)	
(600,000)	Parking Lot Design - Estimate	
1 (167,783)	Parking Lot Design Additional	
(238,400)	Bagwell Gas Detect \$43k desgn+construct 195.4k pend	
(165,000)	SREB Circulation Pump Upgrade *May 22 bids	
(175,000)	Sand/Chem bldg Back-up Boiler TBB July 2022	
(48,715)	Forklift vehicle	
21,962,951	Balance	
	<i>Proposed Use</i>	
(98,347)	Required Concession Relief (not for other use)	
2	FY22 Tenant Rent Relief (est)	
2 (2,453,789)	FY22 Operational Expenses (est) + 107.9K int hit	
(1,250,000)	FY23 Tenant Rent Relief (est)	
(1,250,000)	FY24 Tenant Rent Relief (est)	
(1,611,200)	FY23 Operational Expenses (est)	
3 (118,700)	FY24 Operational Expenses (est)	
(660,300)	FY23 Airport GO Bond debt service	
(657,000)	FY24 Airport GO Bond debt service	
	April 2022 Board Project Approvals	
(450,000)	Terminal Seating 11/9/22 Board inc by \$350	
0	Terminal Lighting	
(350,000)	Terminal Ceiling	
(20,000)	Man Lift	
(35,000)	Fuel Station Access Control & Generator	
4 0	TSA Bag Screening Floor	
(32,000)	SREB Wash Bay Protection	
(296,400)	NWDA Electrical Upgrades	
(190,000)	Float Pond Electrical Upgrades	
(604,313)	Gate K Culvert Replace (\$49.1K +\$523.1K est +32,113 bi)	
(147,150)	Old Shop UST remove/replace/cleanup	
5 (9,313,680)	Parking Lot Construction bid + CA&I	
2,425,072	<i>Proposed/estimated balance</i>	
1	Parking Lot Design line item for add'l \$167,783 (total \$767,783)	
2	FY22 close-out incl FY22 tenant relief	
3	\$118,700 incl. for FFF budget amdt and CBJ Payroll recruitment/retention program	
4	\$20K reduced for TSA screening flooring	
5	Parking Lot Construct update for bids & contract admin/inspect (pend approve)	

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

- **NO CHANGE** – *Juneau Douglas North Crossing Project*. Alaska Department of Transportation (ADOT) has started the North Crossing project, for a second crossing 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. The Airport continues to extend their concerns on approach corridors and future need during a recent public comment period. 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*. Senator Sullivan submitted language changes for the FY23 Reauthorization Bill that would allow the transfer, ownership and maintenance of approach lighting systems to the FAA upon completion. 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 Senate and House approval.
- **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 variance request on November 22, 2022. Staff was told to work with the Community Development Department (CDD) during their rewrite of Title 49 for inclusion of safety or other ways to allow limbing in this area.
- **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** - *Encampments on Airport Property*. Airfield crew continues to clean up the illegal campsites and trash in the greenbelt areas around the creeks. They are performing 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** - *United Parcel Service (UPS) Package Bin Theft*. Staff continues to work with UPS on the outgoing drop-boxes that fill/overflow to avoid theft of packages.
- **NO CHANGE** – *Alaska Department of Natural Resources (DNR) Land Conveyance/ Easement*. During the Airport Runway Safety Area (RSA) Project, the ends of the runway shifted and required additional land (safety area) at each end of the runway. The installation of the Runway 8/26 approach lighting (MALSF (Medium Intensity Approach Light Systems with Sequenced Flashing Lights)/MALS (Medium Approach Light System)) requires easement into State wetlands. Two tracts of land at each end are in the process of finalize conveyance to the Airport. Staff is working with DNR to close out this project. The conveyance process is in final

DNR review. Airport staff and DNR expect that the final review and recording soon. A third tract of land (west end) that is currently used for FAA approach lighting is easement only.

- **NO CHANGE** – *PFAS Testing and Monitoring*. Cox Environmental continues with their quarterly testing of groundwater, survey 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** – *FAA Disabilities Compliance and Title VI Review*. Staff is working on the self-evaluation programs with the terminal substantially complete.
- **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 #1

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 #1

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

Note 1: **Rent Abatements:** Revenue not collected due to Abatements (approx. \$1.25m) is not factored into the Budget Revenue line (a) for Adopted, Revised, 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.

Note 2: **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 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 #2

Projects for CARES Funding (DOES NOT INCLUDE OPERATIONAL USE)

4/6/23

Project #	Project Name	Cost Est.	Board Approved	Description	Status
	Public Parking Rehab - Design	\$767,783	\$600,000	Design Long, short, employee, rental car	Board approved
	SREB Circulation Pump Replace	\$165,000	\$165,000	Updated May 2022 Board meeting bid \$156.2K	Board approved
	Outbound Bag Belt/ Conveyor Sys	\$1,610,000	\$1,610,000	Design/Construct motor,belts, fire door, MCP	Board approved
	Sand/Chem Back-up Boiler	\$175,000	\$175,000	in design, tbb in July 2022	Board approved
	TWY Regulator Upgrade	\$203,028	\$203,028	cost	Board approved
	Bagwell Gas Detection System	\$238,400	\$238,400	Design and Replace pend bid approv \$195.4K	Board approved - pending
	Forklift for SREB/SCAB Chem	\$48,715	\$50,000	Approved Dec 2021	Board approved
1	Public Parking Rehab	\$9,313,680		LT, ST, employee, rental car, lighting, drainage ADA	incr 500K for drainage
2	Terminal Seating	\$450,000	\$450,000		Board approved
3	Terminal Lighting Replacement	\$0	\$75,000	LED replace fluorescent old/remaining terminal	FAA Elig now
4	Acquire Man Lift	\$20,000	\$20,000	In-terminal Man Lift for maintenance/cleaninng	Board approved
5	Fuel Station Access Control	\$20,000	\$20,000	Automated fuel access control	Board approved
6	Fuel Station Back-up Generator	\$15,000	\$15,000	In-Line and portable generator + enclosure cost ??	Board approved
7	TSA Bag Screening Floor Replace		\$20,000		Board approved
8	Ceiling Tiles Replacement Old/DL	\$350,000	\$350,000	350k-1M Bulk tile order replace all remaining	Board approved
9	SREB Wash Bay Protection	\$32,000	\$32,000	Ext curtains, ceiling protect, seal/paint dr	Board approved
10	Compactor Relocation / Replace	\$350,000		\$250k design/pad electrical \$100K compact	
11	Blk M, N, O trench drain/paving	\$1,000,000		Est for trench drains and paving	
12	Blk O paving behind hangars	\$280,000		may combine with above	
13	North AK Seaplane/Ward Paving	\$150,000		between tenant lease and TL, TL repair work	
14	Power/Electric to Float Pond	\$190,000	\$190,000	est only to extend down north rd, not to each dock	Board approved
15	Water/Sewer Float Pond/Other			TBD	
16	NWDA Electrical 3-Phase Site Only	\$296,400	\$296,400	brought to box only, not to lease lots update 6/22	Board approved
17	Gate K Culvert Replacement	\$572,200	\$604,313	culvert/pavement failure \$49.1K eng/CA, \$523.1K est	Pending bid approval
18	Old Shop UST remove/replace	\$120,000	\$147,150	remove UST/replace above tank/cleanup; desn \$47.150	Incr design/Pending bids
19	Biffy Dump Station	\$90,000		DOES NOT INCLUDE DESIGN/CA	
20	Compass Rose	\$10,500		Siting only; not include painting	
21	Penthouse (2009) DOAS Repair	\$100,000		est for entropy wheel compressors, etc	
22	Alex Holden Re-design/Repave	\$2,100,000		Cargo Road, raise bed, curb gutter, drainage, pave	
23	Sidewalk Blower/Plow	\$30,000			
24	SREB Maintenance /Addition	\$12,300,000		Est ECI, FAA ineligible maintenace bays/shops	
25	Penthouse (2009) Cooling System	\$30,000		erminal project	
26	Sand/Chem Ship Ladder - Mix Tank	\$15,000		plus shipping??? 2019 quote	
27	Floor Tile Replacment Dep. Lounge	\$10,000			
28	Lighting&Cameras/Security Upgrade			no est yet	
29	Coastal Helicopter Paving			TBD...part of RON parking in master plan	
30	Chain Drive Security Gates			tenant request	
31	Anchor West End Pull-out				
32	Power to N Terminal Ramp Side			tenant request	
33	Water to N Terminal Ramp Side			tenant request	
34	Lactation Pods North End			tenant request; not federal requirement	
35	Food Concession 1st Floor			tenant request; concessionaire viability	
		\$31,052,706	\$5,261,291		
	Total Project		Approved spending		NOTE: Projects only, not operational uses