

AIRPORT MANAGER'S REPORT – June 7, 2024

a. Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) Update on Congressional Language. After years of working with our DC Lobbyist and our Congressional Delegation, the language that would include the MALSR in the transfer, ownership and maintenance of approach lighting systems to the FAA was approved in the FY24 Reauthorization Bill even if acquired through Airport Improvement Program funding:

SEC. 728. TRANSFERS OF AIR TRAFFIC SYSTEMS ACQUIRED WITH AIP FUNDING.

(a) IN GENERAL.—Section 44502(e) of title 49, United States Code, is amended—

(1) in paragraph (1) by striking “An airport” and inserting “Subject to paragraph (4), an airport in a non-contiguous State”;

(2) in paragraph (3)—

(A) in subparagraph (B) by striking “or” at the end;

(B) in subparagraph (C) by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following new subparagraph:

“(D) a Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights.”; and

(3) by adding at the end the following new paragraph:

“(4) EXCEPTION.—The requirement under paragraph (1) that an eligible air traffic system or equipment be purchased in part using a Government airport aid program, airport development aid program, or airport improvement project grant shall not apply if the air traffic system or equipment is installed at an airport that is categorized as a basic or local general aviation airport under the most recently published national plan of integrated airport systems under section 47103.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect beginning on October 1, 2024.

Staff will be working on an FAA grant within the next couple of years to start the design for the remaining lights. The Airport has already been reissued a five-year Corps of Engineers wetlands permit in anticipation. Huge thanks to Katie Kachel in DC and our Congressional folks for making this happen.

b. Increase in Encampments on Airport Property. Airfield crew continues to see a number of illegal campsites and trash in the Jordan Creek greenbelt and other areas around the Airport. Juneau Police Department Airport Police are called to assist with the eviction while Airfield cleans out the abandoned items. The Airport will be looking at installing lights in part of the greenbelt for safety thanks to \$150,000 in funding from the CBJ Assembly.

c. Aircraft Rescue Fire Fighting (ARFF) Truck Update. The leased ARFF truck is now online and the Airport will be looking to surplus the old A2 ARFF truck. Additionally, the Airport has an updated quote for a new ARFF truck acquisition that has been forwarded to the FAA with the grant application update. This grant is anticipated shortly so that the Airport may move forward with procurement (still anticipated to be a year-plus out).

d. Aviation Worker Screening and Litigation Update. JNU and approximately ten other airports filed a Joint Petition for Judicial Review of TSA's worker screening amendment; paralleling the random screening phase-in. Airports Council International – North America (ACI-NA) provided the following summary on the litigation as of May 30, 2024:

“As you may know, ACI-NA joined 15 airports in petitioning the Court to review the TSA Aviation Worker Screening National Amendment and the agency’s denial of our petitions for reconsideration of TSA-NA-23-02 which mandated that airports carry out aviation worker screening (“AWS”).

“In order to provide airports additional time while the court considers the merits of the case, ACI-NA and the 15 airports petitioned the court to issue a motion to stay and thereby postpone the September implementation date of the National Amendment. However, on May 28, the D.C. Circuit Court for the United States Court of Appeals denied our motion.

“There is a high bar for obtaining a motion to stay. The Court must weigh: the likelihood of petitioners’ success on the merits, whether the petitioners will face irreparable harm if relief is denied, whether the respondents will face irreparable harm if relief is granted, and the public interest. It is also notable that the decision was made by a motions panel rather than the merits panel that will ultimately hear the substantive case and take a deeper dive into the legal arguments.

“While disappointing, yesterday’s ruling is by no means the end of the case. A decision from the Court on the merits could come close to or even after the compliance deadline set by TSA through the Notice of Informed Compliance.”

In the meantime, staff continues to work on the random aviation worker screening (AWS) in-house. This phase-in is part of the AWS implementation plan for the informed compliance period, which started September 25, 2023. Trial runs will continue weekly until fully implemented to nine hours/week required by September 2024.

e. Facilities Inspection for Occupational Safety and Health. Staff has reached out the City & Borough of Juneau (CBJ) Risk Management to perform a risk consultation for Occupational Safety and Health requirements. Codes have changed and the Airport wants to make sure it is in compliance with code. Both the Terminal and Airfield Divisions have requested the Airport facilities to be assessed.

f. Request for Taxi/Ground Transportation Extended Canopy. The Airport has been asked if a larger, or extended, canopy could be provided for taxis and ground transportation adjacent to the short-term lot. The current ‘bus’ canopy really only holds about four people with bags. Staff is looking at some ideas and costs before being brought back to the Board.

g. Parking Lot Concession Equipment Upgrades. Republic Parking informed Staff that their updated gates, ticketing and autopayment equipment has been delayed in shipping. It is now anticipated to arrive/install in late July.

h. Airport Fund Balance (AFB) and Capital Revolving Account Balance (CRAB) (Attachment #2). The Airport Fund Balance page reflects updates to the proposed FY25/26 budgets and reflects what has been submitted to the Assembly and approved by the Board. ***The Fund Balance is based on the balanced FY25 budget with increases to Airport Rates & Fees.*** The CRAB has been updated to reflect the transfer of \$123K back to the Capital Revolving Account from the Float Pond Access Road Project; and a transfer of \$25K from the Float Pond Access

Road Project (originally from CRAB) to the Runway Safety Area Shoulder Grading Design project match. This is pending Board and Assembly approval of transfers.

i. CARES/CRRSAA/ARG Fund Balance (Attachment #3). This shows the update for actuals. The Airport will be doing final drawdowns and closing out these grants/funding. The Board and Assembly will see some upcoming transfers and appropriating ordinances as the Airport cleans up the accounting on some of its projects and other Capital Improvement Program (CIP)/CARES accounts.

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

- **UPDATE** – *Runway 26 Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) approach lighting*. See above.

- **NO CHANGE** – *Juneau Douglas North Crossing Project*. - Alaska Department of Transportation (ADOT) continues with the second channel crossing project between Juneau and Douglas. ADOT has released the GIS information used in the draft level 2 screening evaluation. A link to the mapper will also be made publicly available on the website:

<https://www.jdnorthcrossing.com/>. 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** – *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. This contamination record was never mitigated, nor further testing done, and remained an open contamination case for both the Airport and Loken/Channel Flying. The Airport will continue to work with ADEC and Cox Environmental to close out this site, which may take some time.

- **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. 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*.

- **UPDATE** – *TSA Mandate for Employee Screening Going into Secured and Sterile Areas*. See Above.

- **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.
- **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 #2

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 | 4,057,215 | 4,057,215 | 4,057,215 | 4,057,215 |
| 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 |
| Operational Expenses: | (9,888,277) | (9,711,100) | (10,003,300) | (10,606,700) | (10,755,800) |
| 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): | 175,855 | | | | |
| JNU Total Revenues: | 11,174,524 | 9,711,100 | 10,003,300 | 10,606,700 | 10,610,000 |
| Increase (decrease) in Fund Bal (FB): | 1,286,247 | - | - | - | (145,800) |
| Ending Avail FB, including Reserve: | 4,057,215 | 4,057,215 | 4,057,215 | 4,057,215 | 3,911,415 |
| Less 3 Mo. Operating Reserve | (2,472,100) | (2,427,800) | (2,500,800) | (2,651,700) | (2,689,000) |
| Ending Available Fund Balance | 1,585,115 | 1,629,415 | 1,556,415 | 1,405,515 | 1,222,415 |

*** 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)

| Date | CIP Revolving Balance* | Reimbursed Amount (+) | Forward Fund Amount (-) anticipate reimbursement | Encumbered Amount (-) permanent/ <u>no</u> reimbursement | Description |
|--------|------------------------------|--------------------------|---|---|---|
| | \$819,246 | - | - | - | BUDGET |
| Apr-19 | | | (\$477,000) | ** | NO LONGER REQ. Termnl Recon |
| Jan-21 | | | (\$50,000) | | Property Acquisition Frwd Fund Specialist |
| Jan-21 | | \$40,000 | (\$40,000) | *** | Float Pond Fwrđ Fund Design |
| May-21 | | \$108,000 | (\$108,000) | *** | Float Pond Fwrđ Fund Design |
| Jan-05 | | \$542 | | | \$541.95 adjustment |
| Jun-24 | | | (\$25,000) | *** | RSA Shoulder Grading Design |
| | | | | | |
| | | | | | |
| | | | | | |
| | \$267,788 | | | | AVAILABLE BUDGET on A50-001 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

*** Pending Board & Assembly Approval June/July 2024

ATTACHMENT #3

CARES/CRRSAA/ARPA Grant Funding Use/Availability

| | | Description | Amount Proj | Actuals & Encumb | Status |
|-----------------|--|--|-------------------|-------------------|--------------|
| | | 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 | |
| | | TOTAL GRANTS: | 30,491,786 | 30,491,786 | |
| Type of Expense | | | | | |
| 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 portion in FY23 | (145,000) | (145,000) | 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 design, CA+construct 195.4k | (238,400) | (217,043) | Final |
| Ops Deficit | | FY23 Tenant Rent Relief | (1,250,000) | (1,250,000) | Final |
| Ops Deficit | | FY23 Operational Expenses | (950,900) | (2,092,716) | Final |
| | | Exp thru FY23 | (12,306,542) | (13,275,804) | |
| Ops Deficit | | FY24 Tenant Rent Relief (est) | (1,600,000) | (1,600,000) | Final |
| Ops Deficit | | FY24 Operational Expenses (est) | (118,700) | (522,502) | Final |
| Debt Service | | FY24 Airport GO Bond debt service | (657,125) | (657,125) | Final |
| Project - Match | | Ramp Project Match | (312,500) | (312,500) | Final |
| Project | | Terminal Seating portion in FY24 | (305,000) | (285,836) | Final |
| Project | | NWDA Electrical Upgrades | (296,400) | (247,222) | Final |
| NOT eligible | | Temsco Sewer hookup | (295,000) | 0 | NOT eligible |
| Project | | Bag Belt Replace - Est; + \$50K design (10/21) | (1,469,716) | (1,360,309) | Final |
| Project | | Parking Lot Design & Construction | (10,454,010) | (10,283,415) | Final |
| Project | | Parking Lot Construction - Quantity Amendment | (600,000) | (569,857) | Final |
| Project | | Gate K Culvert Replace (Design + Constr estimate) | (670,426) | (575,853) | Final |
| Project | | Gate K culvert Replace PFAS/Dewatering & remediation | (600,000) | (176,539) | Final |
| Project | | Sand/Chem bldg Back-up Electric Boiler Design&Trenching | (175,000) | (99,700) | Final |
| Abandoned | | Fuel Station Access Control & Generator | (35,000) | 0 | Abandoned |
| Project | | Buried Tank Removal & Replacmt (Old Shop UST remove/replace/cleanup) | (254,950) | (288,116) | Final |
| Project | | Man Lift | (20,000) | (19,210) | Final |
| | | Misc expenses approved by the Board in FY24: (like: Cox Environmental for DEC site characterization, Surveying NEDA & NWDA, Leased ARFF truck, AWS Legal Counsel, etc) | | (217,799) | Final |
| | | FY24 Expenses | (17,863,827) | (17,215,982) | |

Available CARES: 321,417 (0)

Actuals Lower than expected