



MANAGER & FACILITY REPORT 2021 DECEMBER

- I've been discussing with Banner Bank about possible loans of up to \$10M requested by Commissioners to be able to purchase property without waiting for FAA approval. I spoke with Bond Counselor Cynthia Weed and she said she could get us a lot of money because the Port is worth \$3 Billion in Assessed Value, but repayment would come hard because we don't have the cash flow. I have learned that a \$1.3M loan with Banner will cost the Port \$74K a year payback, until the FAA reimburses. However, speaking with the FAA on 12/15/21 I learned that if they agree to the purchase of the property, our cash is too tight, and the Grant has been opened, they will send us the money in advance to pay for the purchase price. Which is what I plan to do with Vierthaler property going forward. When I asked Banner Bank about a \$5-\$10M loan they gave us chart showing that we would be in the negative for income vs expenses to pay it back.
- I spoke to Friday Harbor and asked what they do for funding for projects, and they stated, they use grants specific to marinas and grants from the FAA the airport. They do have some General Obligation bond as well.
- During my research of property lease land rates, I learned we are in line with Friday Harbor rates and by using the latest results of our land appraisal (by Fred Strickland in Nov 2020) for the EWSD, the report shows our land is worth \$10 SF for our parcel with private hangars. We charge .87 a SF for land which is in line with Friday Harbor, and in line with Return on Investment of other airports. Friday Harbor land value is \$11 SF and they charge .88 SF for land lease for hangars. Renton and Boeing are higher than any other that I have found. It is my recommendation that we do not order a 10-year appraisal at a cost of \$10K-\$15K quoted by Fred Strickland. The Port would be responsible for 2/3rd of that expense.

- SJC Treasurer Department will be moving Interfund Principal and Interest (OPID Loan) from Fund 6721 to Fund 6723 to make sure these get spent at the airport only.
- Continuation-The Port has a 3-year State Audit in December for the years 2018, 2019,2020.
- 12/7/21 at 5 AM we had a theft out of a truck in the parking lot. Owner is working with police. I emailed hangar owners and meeting notification email list letting them know they need to protect their assets and verify they have locked up.
- 12/15/21 I noticed another truck in the long-term parking lot that had their tool box broken into and called the owner.

FACILITY REPORT

- We have another tool for deterring birds at the airport. It is called an Aerolaser. As I mentioned last month the birds are a big threat to safety in the rainy weather because they are hanging out on the runway and taxiway. This is a safe way for the birds to teach them to go elsewhere. We shine the laser on the ground as if it is sneaking up on them and when the birds see the beam they feel it as a threat, so they fly off. They are not blinded nor are they harmed in any way. Safety features include keys to turn it on which only James and I have, and a vertical stop that will not allow the laser to shine more than a few degrees above the surface of the runway. James and I had Zoom meeting for training with an Animal Behaviorist, as well as an online course we had to pass. This tool is quite and will not leave cardboard cartridges in the grass like the noise makers to deter them as well. It has been very helpful.
- I spoke to Kendra Smith at Public Works for SJC. She stated that these are unusual rains and stated the county does have drainage on North Beach Rd, and it dumps out to the ocean North of the island, but when its high tide it has push back and will not drain. She said roads that have had 18" or 24" culverts have been not able to keep up and some have been changed out for larger ones. At this time, they have only talked about increase storm issues for infrastructure. I have a meeting with the FAA to talk about our options in a major rain. The North end of the airport gets flooded and needs some ideas of how to handle it. After talking with the FAA, they told me to talk with our lawyers as to what we can do in an emergency. A solution is to build up the runway, but that will all have to be determined during a Drainage Study. Another solution is to turn the Wetlands at the West into a holding pond.
- The Griot gate is out of order and the battery replacement suggestion by the repair company, did not work. I am now waiting on a replacement sensor that should arrive 12/14/21 on San Juan Airlines. I am not able to find the correct electrical breaker, so I will wait until James arrives tomorrow to replace it.

CARES REIMBURSEMENTS TO DATE (Expires 6-19-2024)

GRANT AMOUNT AWARDED \$1,041,561.00

\$206,038.56-Completed

\$52,722.10 Q1 2021 -Completed

\$175,245.60 Q2 2021 Completed (INCLUDED 3 ORDERS OF FUEL)

\$146,999.15 Q3 2021 (INCLUDED FUEL ORDER, CC MACHINE, ASPHALT, CAMERAS, BOTH GENERAL AND LIABILITY AIRPORT INSURANCE)

Remaining balance \$460,555.59 AS OF 11/1/21

ACRGP-CRRAA REIMBURSEMENT (Expires 4-27-2025)

GRANT AMOUNT AWARDED FOR \$13,000 (This grant can be used for any expenses like CARES)

\$4240.76 Completed

Remaining Balance \$ 8759.24 as of 11/1/21

ARPA REIMBURSEMENT (Expires 6-29-2025)

GRANT AMOUNT AWARDED FOR \$32,000

Remaining Balance \$32,000 as of 11/1/21

