ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
MINUTES

December 12, 2016, 6:00 PM.
Municipal Building - Assembly Chambers

Assembly Work Session - No Public Testimony

I. ROLL CALL

Deputy Mayor Jerry Nankervis called the meeting to order at 6:05 p.m. in the Assembly Chambers.

Assemblymembers Present: Maria Gladziszewski (telephonic), Norton Gregory, Loren Jones, Jesse Kiehl, Ken Koelsch, Jerry Nankervis, Beth Weldon, Debbie White.

Assemblymembers Absent: Mary Becker.

Staff present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Laurie Sica, Municipal Clerk; Patty Wahto, Airport Manager; Ken Nichols, Airport Engineer; Bob Bartholomew, Finance Director.

II. APPROVAL OF AGENDA

Hearing no objection, the agenda was approved as presented.

III. APPROVAL OF MINUTES

A. November 21 2016 Committee of the Whole

Hearing no objection, the minutes of the November 21, 2016 Committee of the Whole meeting were approved with grammatical changes.

B. December 3, 2016 Committee of the Whole - Assembly Retreat

Hearing no objection, the minutes of the December 3, 2016 Committee of the Whole meeting were approved with a clarification to the motion on forwarding the discussion on an automatic protest on marijuana and liquor licenses to the Committee of the Whole and grammatical changes.

IV. AGENDA TOPICS

A. Willoughby Arts Complex Update

Mr. Watt introduced Nancy DeCherney, Executive Director of the Juneau Arts and Humanities Council, and said the staff was asking the Assembly to consider a five year extension to an updated resolution allowing time to work on a long term lease of municipal property for a new Juneau Arts and Culture Center.

Ms. De Cherney said the project was now called the "new JACC" and she distributed folders with the project overview. The decision was made that the current facility should be demolished and they have a schematic design and they are starting the capital campaign. They recently received a large donation from Ron and Cathy Maas. The new building will have a community hall that will parallel Egan Drive which is the same size as the current hall. A theatre seating between 280-300 will be added with a balcony and orchestra pit, a cafe, a larger gallery space than the current space, a lobby shop, a small event space, and offices for the JAHC and other non-profits on the

2nd floor are anticipated. The primary entrance will be on Whittier Street, and there would be connections to Centennial Hall and covered walkways.

Ms. Gladziszewski said the project had increased from $20 million to $24 million and asked about the decision to demolish the current building. Ms. DeCherney said that retrofitting the current building for something the community could use for another 50 years was proving difficult and the new facility will be much better. It was not an easy decision.

Ms. Gladziszewski asked if there was a resolution on parking in the area and for the project. Ms. DeCherney said several people, including Mr. Kiehl and Mr. Jones, had met to review the project possibilities and the matter is still under review. Mr. Jones discussed the meetings on parking and said that getting the funds for the project is now the bigger push. Ms. Gladziszewski asked about site control and Mr. Jones said he believed there was sufficient commitment to site control within the resolution, under consideration for extension. Mr. Watt said now that there was a design for the facility, it can be run through the parking code calculation review, and there was an ongoing effort regarding parking code waivers and there would likely need to be a finding by the Planning Commission on fee-in-lieu of parking for this project. Mr. Watt confirmed that this project was located in the downtown parking district.

Mr. Nankervis asked about the size of the theatre. Ms. DeCherney said this is a size of theatre that is not currently available in Juneau and was estimated to provide adequate seating for many local groups that would use the facility.

Mr. Gregory asked about any housing being part of the facility and Ms. DeCherney said they had looked at this idea but determined that was cost prohibitive to the project to incorporate housing. He asked about youth using the facility and she said she anticipated youth programs due to the proximity to Zach Gordon Teen Center and with other groups. He asked about any outdoor space for concerts or movies and Ms. DeCherney said the community hall was anticipated to be used as a better location for concerts in the park due to the weather and the intention is to extend events to the outdoors.

<u>MOTION</u>, by Jones, to direct staff to prepare an updated resolution in support of the project, extending Resolution 2642 for another five years. Hearing no objection, it was so ordered.

B. **Airport Master Plan**

Ms. Wahto said that the Juneau International Airport is busy, operating 24/7. She said they are at about 150,000 operations at the airport and it is at the second highest emplanement number in the airport's history, with roughly 2 million people going through the airport a year. There are 23 full time employees. They must be financially self-sustaining according to CBJ and the FAA. She reviewed the number of businesses at the airport. They are finalizing an economic impact study, which is running parallel to the airport master plan. They are currently building the snow removal equipment facility, and continuing work on the runway safety area. They are updating the Airport Rescue Fire Fighting station building now. The airport sustainability master plan is also ongoing. Goals include lowering the landing minimums for Alaska and Delta in inclement weather by installation of lighting (the MALSAR Project). This is being kept as an FAA program in full. There will be another phase of the Runway safety area with potential businesses, plane parking and improvements to the float pond. Alaska Airlines will phase out the "combi" aircraft and we are planning a jet bridge for that area to keep people out of the weather. Terminal renovations for the north end are a goal – that area will need to be removed, and we have some of that funding in place. The taxiway will need to be rehabilitated and the runway incursion mitigation will need to be fixed for entry and exit of planes on the runway. We have not ordered runway maintenance equipment until we could have a building that it would fit in. Alex Holden Way will need to be repaired, and the parking will need to be expanded at the airport.

Mr. Jones asked about the north wing project. Ms. Wahto said many studies had been done and it was determined that a complete overhaul to the ground, including the utilities, is needed. The schematic design has been done and we have $2. 6 million of FAA funds, and another $6.9 million in the bond and either through future bonds, or PFC's, we would need to capture a remaining $5.5 million. Mr. Jones asked about the traffic control tower and if there were timing issues. Ms. Wahto said that the master plan addressed the tower, it is an FAA component, it would be their funds that would relocate it, and it would be separate from the north end, where it is part of the north end now.

Ms. Gladziszewski asked about the lighting system, MALSAR. Ms. Wahto said they were looking at adding additional feet to the lighting system, which decreases the ceiling and visibility required for minimums. Ms. Gladziszewski said that this project seemed a top priority. Ms. Wahto said this has been on their list every year and they are trying to work through the FAA funding bank, to keep it an FAA owned and maintained piece of equipment. It would be great to get Assembly support for congressional action on this.

Mr. Watt suggested providing a resolution of support for this project. There may be other property owners that don't like to see additional lighting in their view shed, but he could work with Ms. Wahto to draft this for the delegation list. He said Mr. Healy and he could do a peer review on the North Terminal. If FAA will provide all the funding, you may not need more information, but if it goes to a bond, you may want more.

Mayor Koelsch asked how international flights could be accommodated. He thought the airport got a fair amount and would like to see both Customs and FIS (Federal Inspection Services, which is more encompassing, including cargo) accommodated. He asked if anyone at the airport was working to entice international flights. Ms. Wahto said they have worked with Air North out of Canada but they are only interested in charter flights. Mayor Koelsch asked if Delta returned on a year round basis, how it would be accommodated. She said they could have gates 5 and 2, and they could lease the others. They got special procedures to come in but their regional office pulled out. We are working with them to develop year round traffic. Mayor Koelsch asked about covered parking. Ms. Wahto said that was on the wish list.

Mr. Kiehl asked if FIS services would be paid for by the federal government. Ms. Wahto explained that the airport only collected about $50 now on passenger fees, but that type of service could generate more fees which could pay for the facility and it is an expected service at larger airports.

Mr. Nankervis asked about the 5 am start to 1 am operating schedule, and Ms. Wahto said the 4:20 flight came in with cargo every day. He asked if Alaska Air would have freight planes separated from passenger planes and she said yes. He thanked the Airport Board for replacing the sign at the airport. Mr. Hiaiiasen said the sign took ten years and $10,000 to build.

Mr. Gregory asked about the corner between AK Airlines and Federal Express and planes that don't look like they move. Ms. Wahto said that was LAB's area and they have been inspected, they are paying fees and they are slowly selling the planes.

Mr. Nankervis asked about Alex Holden Way. Ms. Wahto said the paving was a bandaid for the potholes but the drainage has not been fixed.

Ms. Wahto turned the presentation over to Ken Nichols and John Yarnish to review the airport sustainability master plan. The information in the plan will be submitted for review to FAA and there is much of the plan that will be approved locally.

Mr. Yarnish, consultant with ACOM, in Seattle, Washington, said the purpose was to take the many projects in a package to the FAA to raise the ability to get funding and to identify projects that respond to the demands of the community. We are in step four, with a complete list of projects and drawings to deliver to the FAA. If it makes sense to them, they approve and then the projects are eligible for funding. We will have the first meetings on the financial feasibility, how the projects will be paid for over a 15 year CIP based on cash flow at the airport. This document will guide the airport's future. He explained the public process on the plan. He reviewed the Master Plan recommendations included in the presentation in the packet. Mr. Yarnish said that once the FAA signed the Airport Layout Plan, it became an official document.

Ms. Gladziszewski asked about the EVAR extension, and what that meant for the trail. Mr. Nichols said they were doing an environmental study on the extension and said it was a little over a half mile from the existing end, and would make the trail a road. The section of trail that is not on the road, but in the wetlands, would remain.

Mr. Kiehl asked for the need for additional float plane docks and the level of demand. Mr. Yarnish said it would be over a 20 year period. All of the docks there were fully rented. There are four transient docks at one end and one at the other end used for those not renting a dock. Ms. Wahto said they are rented on an 8 month average –the use depends on when the pond freezes.

Mr. Jones asked about the narrative that went to the FAA, and asked who reviewed that, before submission. Mr. Nichol said the forecast of use for a 20-year planning horizon was reviewed by the Airport Board then went to the FAA. The land use plan will be reviewed by the Airport Board prior to submission to the FAA. The large sustainability plan with narrative and financial plan will go to the FAA, then the Airport Board, then the Assembly for final adoption.

Mr. Nankervis asked about the demand for hangar space. Mr. Nichol said he had a wait list of 16 commercial and private operators. It is a 20-year plan for development. Mr. Nankervis asked if the trend for personal aircraft was going up or down in Juneau. Mr. Yarnish said that the number of airplanes based in Juneau was stable and nationally has decreased. We find that the type of aircraft here are larger and more sophisticated and the growth area is businesses, vs. personal use. Mr. Nichol said there was no place to expand now, so there was pent up demand. Ms. Wahto said that as more hangars were built, there were fewer spots for tie downs, and creating hangars is more desirable based on the weather. Mr. Nankervis asked how the long term CIP works. Ms. Wahto said the airport had the five year plan, and a larger 20 year. The “100 year” plan included the tower from FAA. We are pretty firm on a five year plan, but the rest is a fairly realistic time frame. Mr. Yarnish said the projects were based on demand, so there was latitude in the timing on some of the projects. Mr. Nichol said that Alaska Airlines has asked to be part of the demand discussion.

Mr. Jones said the airport doesn’t really have any more land and was there any indication that the economic plan would be better if there were more land. Ms. Wahto said there were a few properties that could be obtained within the limits of airspace. This plan looks at capacity and the size of the airplanes landing. We haven’t thought about 30-50 years from now. Mr. Jones said it was important to identify potential areas to expand. Ms. Wahto said that the FAA had a five mile radius for construction issues including cranes, and some types of uses adjacent to the airport are restricted, such as schools.

Mr. Heueisen, Airport Board member, said many airports down south get income from businesses associated with the airports, which reduces the operating costs, and include uses like golf courses, so they would take every acre they could get.

Mr. Nankervis said he appreciated the work of all members of the board and congratulated the staff on running a great airport.

C. **Economic Development Plan Update**

Ms. Cosgrove referred to the materials in the packet that reviewed the highlights on progress on the Economic Development Plan and a breakout of implementing actions. This type of activity happens over long periods of time and she said there is good steady progress being made in part due to the Assembly moving things forward through staff and community partners. It is truly a community effort. The things that jumped out to her were that there were many issues moving forward with downtown revitalization, housing, the University and fisheries, North Douglas Highway construction is beginning and JEDC has done good work on their initiatives.

The Assembly and staff discussed the NOAA facility disposal in Auke Bay.

Mr. Nankervis appreciated the work Ms. Cosgrove provided and said he approved of the format.

Brian Holst distributed two handouts, including information on Juneau Monthly Employment Data. 2016 is seeing a lower level of employment and a loss of jobs, with the main loss in the government sector. He provided a population graph which showed a high number of young adults living in Juneau, and also a high level of 50 - 65 year adults over the national standard. He showed another graph indicating that people in Juneau were retiring, but staying in Juneau, based on levels of earned income and levels of retirement income.

Mayor Koelsch asked if the senior population in was growing and Mr. Holst said it was relative to the U.S. Mayor Koelsch asked if the senior population was growing as a portion of the overall Juneau population and Mr. Holst said yes. Mayor Koelsch asked about people retiring from state jobs but continuing to work locally and Mr. Holst said that is happening.

Mr. Holst said the Choose Juneau effort continues and offers companies a reason why companies would want to locate their firms in Juneau. There is an RFP out to make short videos out for that purpose. He spoke about the robotics tournament the past weekend. All of the schools are participating with 70 volunteers. This is a STEM education project for future jobs.

Ms. Gladziszewski said she was eager to see the videos to help in her recruitment efforts at work.

Mr. Jones asked if the University was a part of the attraction for recruitment in JEDC's efforts. Mr. Holst said yes. Mr. Jones said that Choose Juneau is a good approach which gives a benefit to other organizations in Juneau and asked about financial support or updates from those entities. Mr. Holst was told by the board not to continue it if there was no financial support. People find it valuable but we have not had luck getting organizations to write us checks to maintain the program. There was initial funding from CBJ, and we will need to find business support, or support from the Assembly, if it is to continue.
Mr. Nankervis thanked Mr. Holst for his information.

V. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

MOTION, by Kiehl, to move into executive session, to discuss a matter, the immediate knowledge of which could have a detrimental financial impact to the community, namely a potential partnership with the University. Hearing no objection, the committee recessed into executive session at 8:03 p.m.

The committee returned to regular session and Mr. Kiehl stated that the Assembly gave direction to the manager regarding partnerships with the University.

The Assembly discussed a plan to hold deliberations regarding the OLMO v PC hearing.

VI. ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 8:54 p.m.

Submitted by Laurie Sica, Municipal Clerk