

Minutes
Juneau Commission on Sustainability
Wednesday, April 3, 2019
Downtown Library, Large Conference Room
12:00 p.m. to 1:00 p.m.

- I. **CALL TO ORDER: @ 12:02** by Chair Duff Mitchell.
Commissioners present: Duff Mitchell, Christine Woll, John Smith, Gretchen Kaiser, Jim Powell, Iura Leahu, and Steve Benke
CBJ liaison: Tim Felstead
Planning Commission liaison: Michael LeVine
Assembly liaison: Michelle Hale
Invited guests: Catherine Fritz, Patty Wahto, David Epstein
Members of the public: Mike Stearns

- I. **AGENDA CHANGES:** Approved without changes

II. **APPROVAL OF MINUTES**

The meeting minutes for March 5, 2019 were approved.

- II. **PUBLIC PARTICIPATION:** Mike Stearns said he was here because he was interested in the topic of cruise ship emissions in Juneau. In 2017 he retired from major shipping company. He has been intrigued and following the articles in newspapers about cruise ship emissions and violations in Juneau. During his career he was heavily involved in these issues around heavy tonnage vessel emissions. He thinks that the scrubbers being utilized are not being operated correctly and/or are improperly. His position is that Alaska should consider using the same standards as the California Air and Resource Board, which requires running low sulfur fuel (0.1%) when within 24 miles of the coast. Heavy Fuel Oil (HFO) was not appropriate. He wrote a letter to DEC about what happens inside an engine (3 weeks ago). His point with that letter was that there are current technologies to deal with NOx, and the scrubbers do little to impact that. He mentioned that on a quantitative level, ships running into California are way cleaner than those into Alaska, and that discipline is in the engine room is what makes that the case. He has personally developed engine run practices that have become industry standards. He stated that all of the solutions are there and that all the heavy lifted has already been done in other places.

III. **ACTION/DISCUSSION ITEMS and INFORMATION ITEMS**

1. Airport Request for Exemption in Meeting LEED Standards

Duff Mitchell acknowledged that the Airport management and Board representatives have had several meetings with JCOS over the past months since November. Together, we have spent a lot of hours in research, in LEED standards, in the understanding the history of the Ordinance and even reviewing minutes of the meetings surrounding the creation and passage of the CBJ

LEED ordinance. We have held meetings, and presentations on this topic over the last several months to get us here. It should also be recognized that the Airport management has taken this issue seriously and have reviewed this matter in depth. We now have a memo from the Airport and we need to take action on an advisory. The JCOS does not make a decision on the Ordinance exception. That is a recommendation from the City Manager to the Assembly. As far as we know this is the first request for an exception to this Ordinance and that all previous CBJ buildings built since the passage of the LEED ordinance in 2010 have been LEED certified. We have scheduled on the agenda to make a Commission decision on whether to "recommend" an exemption from the CBJ LEED Ordinance for the Airport North Terminal project. Mitchell thanked the Airport Board Chairman for attending the meeting and thanked the Airport management for reviewing the costs of the project in detail.

Airport representatives, referencing the LEED certification table in the memo, stated that in order to be LEED certified, this project would have to achieve 40 points under the current LEED version in effect.

The Airport management in consultation with their consultant completed the LEED project checklist that identifies expected achievable points for LEED certification. In the Yes column the Airport had 44 points obtainable. Page 4 of the memo states would it take \$1M to reach 44 points. The consultants suggested trying to get more than 40 points which is why 44 points are shown in the matrix. This provides a 'margin of error' if a credit cannot be certified. 2 of the points are associated with a Waste management credit which would cost ~\$483,000 since all waste would need to be sent to Seattle for certified recycling. Suitable recycling does not exist in Juneau. A waste management plan (\$10,000) is a prerequisite requirement but it does not require implementation of the waste management plan. They would get 2 points for implementing the plan.

Of the 110 points available, they determined that 47 points were not achievable. They provided an example: you can get up to 16 points for being part of a LEED for Neighborhood Development location – and this project does not have this option. They estimated that the project must capture 64% of the available points because they are only eligible for so many.

Catherine Fritz reviewed the memo from the Airport. The numbers do not include the staff time and certification application costs. \$135,000 would be required to meet the 'prerequisites' required for LEED certification. In terms of prerequisites Catherine Fritz said that the advice from the Law Dept was that there was some flexibility often written into ordinances. There had been some discussion on whether this would be a narrow interpretation of the word in the LEED sense of its use or a broader interpretation where 'requirements' could be substituted for 'prerequisites' in the ordinance language. Catherine also stated that the LEED prerequisites cost relatively little to achieve and so the exception wasn't really very useful if the narrow in sense of the word even for a \$5M project.

Jim Powell – Was concerned about waste and asked about the waste management plan. It was clarified that the expensive part was the shipping to Seattle. The plan itself was only a relatively small cost (\$10,000). Jim Powell wondered if this was an opportunity for the community to address the lack suitable recycling approaches that would meet LEED standards. Jim Powell wondered if it would move the community forward if the Assembly paid for this for the Airport project.

Lura Leahu asked if the cost in the table for waste was in addition to the cost of disposing it locally or if there was always going to be some cost for local disposal albeit not ~\$483,000.

Gretchen Keiser asked about prerequisites. Third party commissioning is a prerequisite the Airport identified additional cost for LEED. She thought this was just standard in CBJ project. Catherine Fritz stated that third party commissioning is redundant because the design engineer already had to do testing/ commissioning as part of the project.

Steve Behnke asked the airport representatives about their interpretation of economically feasible. What do they think is economically feasible on this list of potential actions? There is extra cost associated with LEED. The Airport representatives said that they don't think any additional cost for LEED was economically feasible. They have a tight budget. Catherine Fritz stated that the FAA won't pay for some of the LEED requirements including the application costs which would additional costs to meet LEED certification would need to come from sources other than the FAA. This means CBJ will have to 100% fund the additional cost to obtain LEED certification. If this was fully funded by CBJ, maybe there would be more room. They don't think there are LEED aspects that are worthy of the effort.

David Epstein described how the Airport Board sees that the project has to be LEED or not attempt LEED as a binary function. The ordinance did not provide for a 'middle ground' where some LEED credits are pursued but not others. If an additional \$1M is spent on ensuring LEED is met then it takes away funding for other key elements of the project and contracts the scope of the project.

Jim Powell suggested that we think about sustainability and economical feasibility over the long-term and life cycle, not just the percentage of the cost over the budget that this costs. It may be more expensive initially, but we need to think about how it pays off in the long-term. He had a number of criteria in his thoughts on the exception 'Is it long term thinking?' and 'Is it showing the community values?'. Jim Powell wants the building to be high performance and doesn't want meeting LEED to be an obstacle to that. Jim Powell acknowledged that the Airport were already an efficient operation.

The Airport representatives stated that they thought that chasing points just for certification was not worthy of the cost.

Steve stated that he does not think that the Assembly is interested in LEED certification just for a plaque or recognition – they want to see a commitment to sustainability. He didn't agree it had to either be LEED or not attempt LEED. Any recommendation could be conditioned. He asked if money was not an issue, what on the list of LEED certified items would the airport suggest completing?

Catherine Fritz responded:

Building Level metering - would be problematic because there is nothing in the LEED methodology to account for when the portion of the building being considered has an open connection to another building [i.e. the previously renovated Terminal east wing]. In order to come up with the cost associated with this, they were assuming they only would need to do that in the new part of the building. Metering the North Wing would be irrelevant because the East Wing and North Wing would work together. They will be tracking consumption for the overall terminal.

Enhanced Commissioning - They said they would not suggest enhanced commissioning. [see discussion above].

Storage of recyclables – they will be doing this but not in the prescriptive LEED way. FAA requires recycling programs already and a waste management plan was a component of the Airport Sustainability Master Plan.

Waste Management Plan – it is required that a project waste plan be written for LEED but it does not need to be followed so would be meaningless. Steve Behnke disagreed because it would at least push the contractor to think about what they will do with their waste taking into account local waste disposal options.

Indoor water management – this requires low flow toilets that are problematic for maintenance and she felt that they would just be removed within a few years anyway. Their designers did not recommend them. Catherine felt this was wasteful in itself.

Michelle Hale asked if the analysis from the consultants had been run by the architects in CBJ Engineering. Patty Wahto stated that the Airport LEED analysis had not been reviewed by CBJ Engineering but that the Airport project was not a good comparison to other CBJ LEED projects. Catherine Fritz suggested that they are concerned that this is comparing apples to oranges. They did reference the conversations they had with other airports that got LEED certified in the first memo. The Airport project is not a good comparison to other CBJ LEED projects.

Michelle Hale stated from an Assembly perspective she was concerned when the LEED decision was described as being binary. She would have like to have seen an analysis showing how far they were going to reach LEED standards if an exception was granted rather than detailing the things they could not do. There may be a concern that there was an attempt to deliberately inflate costs when the very large waste management credit cost is put forward as reasonable.

Catherine Fritz responded that they put together the list to show what the impact of LEED certification would be. This is why we included waste management as an example. Patty Wahto, Catherine Fritz, and David Epstein all had concerns that LEED encouraged point chasing when there was no discernable benefit.

Duff Mitchell relayed that as part of the JCOS process, we have looked at the history of this ordinance to understand its intention. It started with all public and private buildings over \$5M; and then was narrowed to just CBJ buildings. JCOS looked at the history and intent behind the word prerequisites. Specific prerequisites have likely changed over time with different LEED versions and may have been less onerous in the past when the certification standards were lower. There have always been prerequisites in LEED though and is documented on the Green Building website so the Assembly Ordinance used the word prerequisites. The ordinance is clear that an exception may be granted if the project did not meet the “prerequisites. His view was that the project could meet all the LEED prerequisites and LEED minimum for \$500,000 if the expensive waste management effort was eliminated. Clarified that total project costs were \$22M including design etc. LEED certification registration and working toward LEED certification of \$135,000 was .06% additional costs and obtaining LEED certification with the half million figure was 2.33% additional cost to the project. He didn’t have a good ‘economically feasible’ definition but this didn’t seem to meet that economically infeasible

threshold. Additionally, the Airport Sustainability Master Plan itself passed in 2018 by the Airport Board refers several times to LEED standards.

Patty Wahto stated that any LEED costs would have to come out of a more limited \$6.8M local contribution so the % is actually higher [~13 to 14%].

Gretchen Keiser stated that for her, economically infeasible means that something doesn't eventually "pay off" – and she doesn't have that analysis. Anything not recouped in that time was 'infeasible'. Just saying that the budget is tight is not enough to mean economically infeasible. All budgets for all projects are tight. Gretchen did not feel she had sufficient information to approve an exception.

Jim Powell restated that he is considering if it meets the long term values of the community. Jim would be for an exception if it cannot be demonstrated there are long term benefits. Gretchen Keiser stated that she would go for the opposite – the Airport have to demonstrate there are no long term benefits to receive an exception.

Jim Powell and John Smith asked about what the city thinks, and John Smith suggested we connect with the engineers, and see if they are hitting the same walls and what could staff suggest in reviewing the Airports LEED analysis. Steve Behnke suggested that regardless, it is still our job as JCOS to make a recommendation at this stage.

Steve Behnke stated again the LEED is always going to cost more, as there are upfront costs for sustainability. But it still the JCOS job to think about the long-term benefit of the project. Catherine Fritz stated that if we are asking about long-term benefits of the project, they only thing that they think is useful is about acoustic performance.

Catherine Fritz did a quick review of what additional LEED components would deliver a long term benefit. Some would occur for the acoustics credit but for other credits there would be no long term benefit.

Duff Mitchell reminded everyone that our guidance on the Ordinance is clear. That JCOS makes an advisory recommendation to the City Manager on an exception based on whether a Project makes the prerequisites as stated in the Ordinance and if meeting the LEED prerequisites was economically infeasible.

Steve Behnke said there are other sustainable building schemes that could be followed but the Assembly said the LEED is the right one unless there are economically feasibility issues.

Christine Woll said she would echo much of what Steve Behnke had said. She would like to see anything sent to the Assembly and City Manager describe all the work building up to the JCOS decision. The memorandum could also say how JCOS could support an exception.

Gretchen Keiser wanted to acknowledge the work by CDD and the Planning Commission in their review and recommendations which seems to overlap with many of the LEED prerequisites. Catherine Fritz replied to say that the recommendations in Planning Commission review did not specify how the recommendations should be achieved. A recommendation on waste management in the Planning Commission recommendation does not mean they had to follow the LEED methodology.

Steve Behnke stated that JCOS did not have to make a decision today and would appreciate some more nuance. He would support something that went as far towards LEED as possible. Gretchen Keiser stated that the City Manager or Assembly can nuance an approach for example by requiring the Airport to work with CBJ Engineering.

Michelle Hale stated that she recognizes that there have been some lessons learned along the way. For example, this could have been thought about and addressed earlier in the process. The airport clarified that this project is unique in that it is not a new building; it is an addition on a building.

Action taken: Gretchen Keiser makes a motion in the affirmative to the Ordinance that *'The Juneau Commission on Sustainability approves the exception and recommends it would not be economically feasible to achieve prerequisites for LEED certification'*. Jim seconds it for discussion.

Gretchen Keiser restated that JCOS don't have enough information to say that this is not economically feasible. Steve Behnke suggests that we make sure to have a two part decision that allows for continuation of the conversation of what it would take for an exemption. Jim stated that we are moving towards sustainability.

Iura Leahu stated that he believed that LEED certification was economically feasible based on the information presented. The merits of LEED were discussed in 2009/10. However, he could support a conditional exception.

Yes (in favor of the motion) – Smith, Powell

No (against the motion) – Leahu, Keiser, Behnke, Woll, Mitchell.

Motion failed. The Commission did not support the exception.

Jim Powell wanted to be on record as saying he believes the proposed airport project (absent of LEED) is moving towards sustainability. He also wishes he had more information on the waste disposal element of the project.

Duff Mitchell suggests that we will put together all of the information that has been collected as part of this decision as a background document with our report to the City Manager. Due to the extensive efforts taken, we should provide our supporting documents as this recommendation was not made hasty. It should also let the record reflect that the JCOS supports the North Terminal Airport Expansion to serve our community and our surrounding community for years to come. With that he would like to make the recommendation that JCOS be on record to support the Airport in working with them to achieve LEED certification and that we should also make a recommendation to help support the community values as expressed in the LEED ordinance.

Action taken: Duff Mitchell proposes 2nd motion that *'Recommends the Assembly find the additional amount required to assist the Airport to achieve the LEED prerequisites (estimated at \$~135,000)'*. John Smith seconded.

Motion was unanimously passed.

Action taken: Iura Leahu made a motion that items not addressed on the agenda be continued to the next official meeting. John Smith seconded.

Motion was unanimously passed.

IV.ADJOURNMENT: Meeting Adjourned 1:30

**Submitted,
Christine Woll, Secretary for Meeting**

V . ATTACHMENTS:

Attach airport memo