

Special Ketchikan City Council meeting was called to order by Vice Mayor Sivertsen at 7:00 p.m., January 10, 2013, with the following members present: Sam Bergeron, Dick Coose, Kj Harris, DeAnn Karlson, Matthew Olsen, and Marty West. Mayor Williams was absent.

The Pledge of Allegiance was given by all persons in the Ted Ferry Civic Center.

Staff present were Manager Amylon, Assistant Public Works Director Brakke, Museum Director Naab, and City Clerk Suiter.

**COMMUNICATIONS** – None

In light of the fact that he felt many in the audience may want to ask questions after the presentation, Vice Mayor Sivertsen said people will have an opportunity to speak after hearing from the presenters.

**NEW BUSINESS**

**Centennial Building Assessment Project/Tongass  
Historical Museum Expansion**

Manager Amylon provided a brief history of the Centennial Building and introduced Museum Director Michael Naab. Mr. Naab said last year the Council authorized the hiring of Bettisworth Welsh Whiteley to provide an assessment of the Centennial Building, and at the same time Foraker Group developed a concept design to help with the pre-development of the plan along with costs and possible alternatives. He explained construction cost estimates were developed by HMS Incorporated, and the operation cost analysis was done by the McDowell Group. He reminded it is a first step, and ultimately will be up to the City Council as well as the citizens of Ketchikan how it will proceed from here.

Mr. Naab introduced Martha Schoenthal of Foraker Group, who discussed project development. Ms. Schoenthal provided an overview, citing their purpose was to develop good information for comparing options for repurposing the Centennial Building for the Tongass Historical Museum. She emphasized they are not looking for a decision tonight. She noted the combined Foraker Group Pre-Development Program and City of Ketchikan team met with the Feasibility Committee regularly for input. She advised there was vigorous public participation.

Ms. Schoenthal expounded on the following items: a space needs analysis that was conducted based on best practices for museums; a code condition assessment with cost analysis was performed; a concept design to renovate the existing building was examined to provide for the needs of the museum; another concept to demolish the existing building and replace it with a new facility; and the change in operating costs since the library moved out.

Ms. Schoenthal continued by pointing out the collections are overflowing into office and administration space, as well as the boiler room and two off-site locations. She said the heating, humidity and lighting controls do not meet museum standards, which risks damage to the collections. She felt staff was not as efficient as it could be due to the inadequacy of the facility, and she explained there is minimal permanent and temporary exhibit space and no program space at all.

In discussing space needs that are required by the museum, Ms. Schoenthal said they estimated the permanent and temporary exhibit needs; examined collections and made volume measurements; examined accessioning records and projected the 20-year storage requirements; and analyzed the needs for “back of the house” operations. She went on to explain the best practices recommendations confirmed that the Centennial Building footprint neatly fits the needs of the museum for the next 20 years. She outlined some aspects for the footprint, including: exhibit space that has more than doubled; classroom space for school and educational programs; consolidated collections storage space; and consolidated office and collections support functions. She pointed out that environmental controls and security systems would need to be included.

Tim Whiteley of Bettisworth Welsh Whiteley explained the condition analysis, which reviewed the conditions of the building systems, components and finishes; analyzed the suitability of the systems, components and finishes for continued use; reviewed accessibility, zoning and building code compliance; and made recommendations for required building upgrades and repairs. He reported the findings of the condition analysis of the Centennial Building. He said the mechanical and electrical systems are at the end of their useful life, costly to maintain, and do not meet standards for protection of collections. Mr. Whiteley pointed out upgrades are necessary to improve accessibility, and a new roof and windows are required. He cited code deficiencies, which include the need for a sprinkler system, fire alarms, handrail and guardrail improvements. He noted recommendations for additional thermal insulation wherever possible to improve energy efficiency, pointing out that minimal structural improvements are required but additional seismic upgrades are recommended.

Ms. Tracy Vanairsdale addressed design factors, outlining a concept to renovate the existing facility. She explained a series of workshops were held, at which the current building usage was examined to get a good idea of what the building actually is. She said exhibit planning was discussed and design options were presented. She outlined the process by which community groups arranged different elements related to the museum, which were brought back at a future workshop. She said the preferred option was voted on by the participants. She explained they addressed the need for improvement in mechanical and system operation, and added a penthouse which served to make an improvement to the image of the building.

Ms. Schoenthal addressed the additional option of new construction, emphasizing that due diligence in the pre-development process was required because of the importance to

compare the cost of renovations and upgrades against the cost to build a new structure. She said the assumption was that the same location and footprint would be used, demolishing the current building and constructing with approximately the same footprint, finishes and systems. She pointed out this was done mainly as a paper exercise, and provided the following figures: upgraded and repaired facility: \$6,880,000; renovations/concept design, including the above upgrades and repairs: \$8,260,000; new facility: \$9,580,000. In addressing operating and maintenance costs, which the Feasibility Committee asked them to examine, she said the operations and maintenance costs will increase due to the loss of the assistance toward such from the library. She noted increases can be offset by increased admission fees, with a modest increase in marketing. She cited some profits from the museum store and rent savings from elimination of the current offsite collections storage. She summarized the increase in cost of operations could be anywhere from \$3,000 to \$17,000.

In discussing capital funding notes, Ms. Schoenthal said Museums Alaska is working on writing legislation and are pursuing it this session to establish a museum matching grant construction program similar to the program established for libraries. She said State of Alaska legislative grants to municipalities remain the most viable source of substantial funding, and national and state foundations should be pursued.

Ms. Schoenthal concluded by outlining the next steps: evaluate the different options and selected the preferred one; develop a funding plan; formalize the Feasibility Committee as the Building Committee; and continue community support development and funding advocacy.

### **PERSONS TO BE HEARD**

Alaire Stanton urged the Council to move forward, stating it was 29 years ago that she was on the City Council, and they were talking about museum expansion then. She felt it was time to get it done.

Mary Henrikson felt this would be a great addition to the community, and was needed to preserve the history we have here. She cited some of the collections available locally, noting we are fortunate to have staff who has preserved photos.

Merle Hawkins expressed support for a new museum, as it costs only slightly more than it costs to remodel. She felt Ketchikan has a lot of history and there are a lot of items in storage.

Holly Churchill felt it was important for the youth to understand how Ketchikan became who we are today and she said a new facility made into today's standards would be easier to build than to remodel. She also spoke about marketing the museum.

Kathleen Light said the museum is very well located for economic development, and the Council has an opportunity to make a showpiece of it. She spoke to connecting it to the

creek, and urged the Council to keep Ketchikan's history intact and create a place for millions of people from the cruise ship to go.

George Schaffer felt that a couple of million dollars could be saved by remodeling the old building and save the history that is there in the building. He urged the Council to give it very serious thought.

Debbie Sanchez felt a lot of thought and work went into tonight's presentation, and encouraged the Council to consider a new facility. She stated she agreed with the comments made tonight about the benefits the museum brings to the community.

Delores Churchill said she has donated quite a few items to the museum but she is thinking of withdrawing them and donating them to the Haida Gwaii museum because they are never shown. She said she is concerned because it seems they are not being cared for as they should be.

Laurie Pool, President of the Tongass Historical Society, felt that Ms. Churchill makes a great point. She said the museum has a lot of artifacts and they could be doing a lot more exhibits and displays but there is not the space to either store or show. She stated Ketchikan has been waiting a long time for a nice museum, whether rebuilt or remodeled, and she hoped the Council would take serious consideration for it.

In response to Vice Mayor Sivertsen, Mr. Whiteley said his experience with the building official is that when there is a different occupant, it means there needs to be a code review, although the building official has the jurisdiction to make the final call. He said there may be some gray area, but there is a certain percentage rule that is used when remodeling is done. He stated there are advantages to the City just to maintain and protect the value of the property.

Vice Mayor Sivertsen felt with the numbers before us, it isn't going to happen right away. He hoped we could stage it in, noting one of the most critical things is to fix the roof. He reminded the City just went through two very large facility constructions supported by bonds. He didn't feel that the City currently has a funding source that will keep up with the bond indebtedness for those buildings and we'd have to take funding from other sources to maintain it. He said the community would have to be asked how they wanted to pay for it. He commented marketing would be very important, as the percentage of cruise ship visitors that go to the museum is very low. He thought the project would need to be done incrementally, and the Council would have to figure out how to make that work.

In response to Councilmember Coose, Mr. Whiteley explained different types of sprinkler systems that would be appropriate for museums. He stressed again the building official would make the call on what code compliance may be required when remodeling the existing building.

Museum Director Naab said they have worked with the admission fees for the museum a bit, and lowering it doesn't have much of an effect. He noted that raising it has an effect, and he felt part of the issue has been the physical configuration in the building. He said they don't have much of a presence, and part of what they would like to see in the future is to increase the visibility and profile of the museum.

Councilmember Olsen expressed surprise at the \$8 million price tag attached to the remodel, saying he felt the project should move forward. He said the one thing he wants to hear from the public is whether it should be remodeled or rebuilt as a new structure. He stated there was a lot of sentiment expressed during the library project that the Centennial Building was going to come down, something that was relayed at City Council meetings and during Library Building Committee meetings. He emphasized we need to move forward, and we need to put out funding for paying for the structure in place. He felt if we could utilize the state funding and possible funding from the cruise ship companies, that would be great.

Councilmember Coose pointed out if a bill goes through this year establishing a 50-50 grant, it will be two to three years before money is available. He pointed out the roof is leaking, and staff should be directed to figure out what could be done to repair it.

Vice Mayor Sivertsen agreed, noting it needs to be addressed soon. He continued that he would like to see a design to put a peaked roof on it and get rid of the flat roof. He thought if it was designed correctly it could provide room for a future air handling system.

Councilmember Harris pointed out the City has millions and millions of dollars worth of projects to do, and he reminded the citizens they will need to pay back whatever source is used to fix the museum, except for grants.

Manager Amylon asked the Council to remember there will be a grand opening for the new library, but it was over a ten-year planning effort. He stressed we are just at the very initial outset here, and he requested the opportunity to digest what he has heard, sit down with the Museum director and the Engineering Division to start the process of formulating a plan to move forward. He said he would keep the Council in the loop as the steps are developed, be it a plan to fix the roof, or a plan for some type of public survey, new vs. rehab. He emphasized this would not be done overnight, but he didn't want the Council to walk away from it either.

Councilmember West remembered the work on the library took a long time, and there are other things that should come first that are life and safety issues. She didn't know why this process cannot begin now, knowing it will be over a period of time.

Councilmember Bergeron commented the Council just went through a really brutal budget process where some tough choices had to be made. He pointed out some of the choices were raising taxes in order to meet the City's financial obligations now and

raising user fees now. He continued they are discussing a multimillion dollar project before the grand opening on the library is even done. He pointed out there are infrastructure needs as well as other needs. He wanted to establish a budget now, as well as a defined scope moving forward. He felt needless money was spent on the library project initially, and he didn't feel tearing the building down was appropriate.

Councilmember Coose didn't feel a decision had to be made tonight, and the Council needed to see the plan the manager comes up with. Councilmember Olsen said we would be remiss to sit here for three to four years waiting for legislation to go through, noting we should have plans in place when that occurs.

Martha Schoenthal said she understood one of the reasons for pushing through legislation for the matching grant program similar to the library program is to emphasize the importance of and help celebrate the sesquicentennial of 2017. She said this would allow museums a little bit of time for planning, upgrades and expansions for 2017. Councilmember Olsen said we need to keep this process moving forward, and as we get the plans developed we should be able to maximize any money that comes available.

In response to Councilmember Bergeron, Manager Amylon said there is no "no action" alternative at this time. He felt something could be brought back at the first meeting in February. He pointed out the Council is looking at close to \$2 million at city hall, and he reminded at how much the Borough spent on the Reid Building, both projects of which are a result of deferring maintenance. He said the same will happen at the hospital if we don't move a major project forward – our facilities are showing their age.

Councilmember Karlson felt the Council needed to remember the life, health and safety issues that the City doesn't have the money to pay for now. She commented it is hard to be doing all these things and not know how it will be paid for. She felt it needed to be very carefully thought out and very wisely developed into a plan that can be sustained as a community.

### **MAYOR AND COUNCIL COMMENTS**

Councilmember Karlson said Ketchikan is an amazing community, and we have so much here to offer. She stated, just like everybody's budget at home, we need to figure out a way to sustain it. She hoped we'd get more economic development in the near future, but until then we need to be very careful in spending money as we move forward.

Councilmember Coose thanked everyone who participated in the meetings, and felt the presentation opens your eyes as to how things really are. He agreed that the museum needs to be more presentable and the space needs to be used.

Councilmember Harris reminded everything costs money.

January 10, 2013

In response to Councilmember Coose, Manager Amylon said there have been some discussions about the bookshelves in the Centennial Building. He said there has been some discussion and potential interest from parties who may want them.

**ADJOURNMENT**

As there was no further business, the Council adjourned at 8:25 p.m.

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Bob Sivertsen, Vice Mayor

ATTEST:

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Katherine M. Suiter  
City Clerk