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

January 26, 2015, 6:00 PM.
City Hall Assembly Chambers

Worksession - No public testimony

I. ROLL CALL

Deputy Mayor Mary Becker called the meeting to order at 6:00 p.m. in the Assembly Chambers.

Assemblymembers Present: Mary Becker, Karen Crane, Maria Gladziszewski, Loren Jones, Jesse Kiehl, Jerry Nankervis, Merrill Sanford, Kate Troll and Debbie White.

Assemblymembers Absent:

Staff present: Kim Kiefer, City Manager; Amy Mead, City Attorney, Rob Steedle, Deputy City Manager; Laurie Sica, Municipal Clerk; Jane Sebens, Assistant Attorney; Kirk Duncan, Parks and Recreation Director; Myiia Wahto, Recreation Superintendent; Lauren Anderson, Ice Rink Manager; Lindsay Brown, P&R Administrator; Hal Hart, Community Development Director; Rorie Watt, Engineering/Public Works Director; Alan Steffert, Eng/Architect I; Samantha Stoughtenger, Wastewater Superintendent; Michelle Elfers, Eng/Architect I; John Bohan, Chief CIP Engineer; and Bryce Johnson, JPD Chief.

II. APPROVAL OF AGENDA

Hearing no objection, the agenda was approved as presented.

III. APPROVAL OF MINUTES

A. January 5, 2015 Committee of the Whole Meeting - Draft Minutes

Hearing no objection, the minutes of the January 5, 2015 Committee of the Whole meeting were approved.

IV. AGENDA TOPICS

A. NOAA Task Force Report

Mr. Fisk gave a summary of the report. He said that after statehood we had control over the major fisheries in Alaska. Out of neglect, much of that industry moved south, and state sovereignty lost out and federal response ballooned. He said the majority of Alaska Fisheries research jobs are located in Seattle, and the report recommends making a concerted effort to move those jobs to Alaska. This is not to harm Seattle, but to benefit the research and Alaska. The task force's charge was to review past efforts on this issue, which were limited. We tried to track the positions and we created an action plan for change. This proposal is to stimulate discussion and prompt action.

Impediments to moving the Alaska Fisheries Science Center are that new and expanded facilities would be needed, there would be moving costs, and there would be a gravitational pull of the mass of employees in Seattle serving the industry there. Moving all positions from the lower 48 to Alaska could cost $175 million or more using a back of the envelope calculation.

A suggested funding mechanism would be to use state bonding authority through the AIDEA to build the facilities and pay for moving costs and to secure the bonds with a contractual commitment from NOAA (GSA) to lease the facilities. This was proven method used by Newport, Oregon to move NOAA's research fleet HQ from Seattle in 2010.

Similar initiatives are that NOAA Research Vessels dedicated to Alaska missions should be genuinely home ported in Alaska. The International Pacific Halibut Commission is similar in many ways to the AFSC. Juneau could be a permanent home for IPHC's 30 member science staff. The IHPC would be in Juneau for its conference in 2016.

Ms. Troll said that page 20-21 of the report contained the recommended strategies. There are benefits to get certain segments of NOAA here in units. We could focus on the vessel monitoring observer program which is a specific interest of Senator Murkowski.

Mayor Sanford asked if all of the goals of the plan are in the economic development plan. Mr. Fisk said he was not sure, the committee had provided significant information to the planners. Ms. Troll said it was encompassed in the objectives. Mr. Fisk said this was not an easy process - there would be inertia, resistance and the Washington Delegation would not want to see those jobs moved. With the new administration and great budget challenges, it should resonate in Alaska, and AIDEA is set up.

Randy Wanamaker said that the goals and objectives are in the economic development plan, and if we are successful, it is important that Juneau is able to provide affordable quality housing. This effort is important to continue. It is a long term project and it needs patience and thoughtfulness. Washington would watch every job, and the effort needs support from the Washington DC delegation.

MOTION, by Sanford, to direct staff to draft a resolution accepting the NOAA Task Force report for Assembly consideration at the next Assembly meeting. Hearing no objection, it was so ordered.

Ms. Crane said we need to carefully consider who and how things get done. We should have a specific plan to address the recommendations.

Ms. Becker agreed and said she would like to see the committee continue its work.

Ms. Troll said there was some benefit to keep the committee, but it would take a dedicated staff person to move this forward. The other communities in Alaska would need to be involved with a unified approach. It won't happen with just keeping the committee going.

Mayor Sanford asked if it was sufficient to include it in the economic development plan. Ms. Troll said it was encompassed in the initiative of Juneau being a research center

Mr. Wanamaker said he would be traveling to Washington DC and could take talking points back with him. Ms. Becker asked Mr. Wanamaker to talk directly with the Mayor and staff regarding that.

B. **Treadwell Ice Arena Task Force Report**

Mr. Jones said the task force was created to look at Treadwell Arena. It was tasked to look at three options: 1) the feasibility of an empowered board to reduce costs and provide services through management by Eaglecrest Area Board, 2) the feasibility of an empowered board to reduce costs and provide services through an alternate to the management by the Eaglecrest Board, and 3) any alternate management structure to managing the Treadwell Arena. On page 4-5 on the report, we answered the three questions asked and made a recommendation that was presented during our last Assembly meeting and was reviewed some by the HRC with a recomendation to forward to the Assembly the following recommendation: A Treadwell Ice Arena Advisory Board should be formed, including a liaison with the Parks and Recreation Advisory Committee, to help the CBJ Parks and Recreation Department deal with the challenges of balancing the need to reduce expenditures and increasing revenues. Several tasks were outlined to be included in such a resolution establishing a board. There are also measure included to determine if the tasks are completed. Parks and Recreation staff would need to have an investment with the process. We recommended the advisory board report back to the Assembly no later than May 2016 on the progress made do determine if the number of users have increased, if revenues increased, if revenue streams are diversified, if the cost recovery is at 50% or greater, if operational cost saving measures been implemented or identified, if a marketing strategy has been developed and if a user feedback system has been developed. Increasing users seemed to be the key to success.

<u>MOTION</u>, by Jones, to direct staff to draft a resolution establishing a board, structured similarly to Eaglecrest that is advisory and includes the metrics and duties outlined in the report. Hearing no objection, it was so ordered.

Mr. Jones said he would like the board positions established, advertised, selected and the committee formed as soon as possible.

Mayor Sanford suggested the resolution should go the the HRC committee.

Mr. Nankervis asked if the advisory board or the staff should report back on the duties and metrics. Mr. Jones said the staff would be actively involved, would provide statistics, but a board should be engaged to take on the efforts and report back.

Mayor Sanford said thanked the members of the task force for their work and he discharged the task force.

C. **Biosolids Update**

Mr. Watt said they hoped that they would have had centrifuge information tonight but it will be available at the next meeting available. The information on composting sludge is extensive. The numbers are not favorable but are based on assumptions. Haines and Ketchikan were composting but it is clear that there is not sufficient land for that in Juneau which would leave composting to be done in buildings, which drives the cost up. He showed photos of the Ketchikan biosolids operation. Ketchikan's volume was smaller and they had fewer sewer connections. If there was a lot of land the material could be rowed back and forth. In Haines, they use storage containers and use it for landfill cover. Juneau has so much volume to manage to class A standard before being able to dispose of it. We tried to envision these rows, with Juneau's rain, possibly next to private businesses.

Ms. Glad asked about Upper Lemon Creek, and Mr. Watt said it was not a flat place and would take significant earthwork to establish such a facility.

Ms. Troll asked if this was an all or nothing proposition, could part of the biosolids be composted. Mr. Watt said that could be done, but setting up and operating two systems was costly and inefficient.

Ms. Gladziszewski said it could also be seen as having a back up system. Mr. Watt said redundancy is needed and there is currently no plan B, but he did not believe composting was a good option due to the lack of industrial land and the near neighbors to the tracts that did exist. There is some composting that could be looked at, which was food waste. That could reduce volume at the landfill and that type of composting would be more acceptable to the public.

Ms. Crane said that due to the lack of industrial land, composting would not be the highest and best use of that land. Mr. Watt concurred and said Fairbanks was composting but they had flat land, few neighbors, a dry area, agricultural uses and this was a land intensive operation. Composting was a land intensive operation. Alternatively, a dryer reduces volumes.

Ms. Gladziszewski asked how many dryers there were in operation and Mr. Watt said there were many.

Mayor Sanford asked about the lack of readily available wood chips for composting, but those chips are needed for the dryer/burning system. Mr. Watt said there was a relatively easy amount of chips locally for burning, but for composting, trees would need to be harvested due to the volume needed.

Mr. Kiehl asked about the time to "turn around" compost and Mr. Watt said it took about 220 days to create the compost, but the holding of the volume took additional time.

Mr. Watt said that SBJ staff members visited some dryer installations to see them working. The heat recovery piece was a less common approach. They got some good news, but got some warning flags on the heat recovery. The Juneau Commission on Sustainability and the Planning Commission have weighed in. It would be a couple years before we could be operational and we have a fear of our current system failing - such as shipping of biosolids being discontinued as it is out of our control. It was a big dollar expenditure, but in the interest of not having an ultimate solution slip further into the future they would like to do more exploration of more details and we envision a multi-step approach. The first step would be a solicitation of biosolids dryers, preparation of a detailed technical scope and to select a dryer manufacturere that could later be bundled into a construction bid at a specific price and parameter. He would provide more information on centrifuges at a future meeting. He asked the committee for permission to proceed with the equipment specification and selection, which would not commit the CBJ to a specific course.

Mayor Sanford said this may be a $24 - 28 million project. Mr. Watt said yes, and the consulting engineer states that was intended to be a conservative number. Mayor Sanford asked the estimate of the cost to rebuild of the valley sewer plant. Mr. Watt said there were a number of maintenance projects both at the JD plant and MWWTP and they were also a significant outlay of capital. Mayor Sanford asked if this the rate increases encompassed the scope of work. Mr. Watt said there was $20 million for CIP from the rates study, but this also bought lower O&M costs.

Mayor Sanford asked how much was built in for the MWWTP rebuild and JDTP rebuild in the rate study.

Samantha Stoughtenger said the CIP included $20 million for biosolids, funding for MWWTP and JDTP headworks and for some of the infrastructure improvements at both of the plants. The only thing not included in the CIP was the overloading of MWWTP. That was still being assessed and the biosolids was the main issue now.

Mayor Sanford asked for a cost to rebuild both the MWWTP and the JDTP.

Mr. Kiehl asked about the difference with heat recovery or no heat recovery. A delta of $8.6 million up front over a 20 year bond is about $430,000 a year so an operating cost savings of $420,000 does not make it up because the money could not be borrowed interest free. Mr. Watt agreed and said that O&M savings did offset capital cost.

Ms. Troll asked if the dryer required wood waste to mix in with the biosolid and Mr. Watt said no. She asked about the location of the dryer recommendation to be at the JDTP. There are options for Lemon Creek. She asked about trucking biosolids through town. Mr. Watt said the JD Plant was likely the better option but we have not definitely said that and we have not replied yet to the Planning Commission comments about Lemon Creek.

Mr. Jones the Planning Commission suggested that CBJ should look at alternate sites but there are EPA siting rules that are already addressed at the current sites. There is a lack of industrial land and this plant would take up land as well. He appreciated the timelines from Mr. Watt. He wants to focus on the biosolids issues and existing projects before the discussion on plant replacement.

Ms. Crane said staff had asked the Assembly to make a decision on preliminary design and to move forward with some steps. She understood there was a lot of hesitancy but a year from now if there was a problem with shipment of biosolids, CBJ would be in a difficult position.

<u>MOTION</u>, by Crane, to allow the staff to move ahead with a preliminary design as outlined in Step 1 in the staff report (dated January 26, 2015) and for monthly or very frequent updates to the Assembly as the work progressed on Step 1.

There was discussion about heat recovery and how including that could affect the direction of preliminary design. Mr. Watt said an investigation of heat recovery would be part of Step 1. He said that staff would also bring back information on centrifuges, a future landfill site, and costs on rebuild of the treatment plant and an update of what is included in the rate study.

Roll call:
Aye: Becker, Crane, Jones, Gladziszewski, Nankervis, Troll, White, Sanford
Nay: Kiehl
Motion passed, 8 ayes, 1 nay.

D. **West Douglas Road Purpose and Need Statement**

Mr. Steedle said the topic of a lack of industrial land has arisen in several conversations and Mr. Watt has some solutions.

Mr. Watt said extension of the North Douglas / West Douglas Road was a significant permitting task through the Corps of Engineers and said a purpose statement was needed. He provided the Assembly a draft purpose statement in a memo listing the reasons why the road was needed now. A long term purpose was included in the West Douglas Concept Plan, but an interim purpose was needed. He asked if the Assembly agreed with the draft statement, and if so the staff would move forward with submitting the permit application.

DRAFT Purpose Statement:
The purpose of the West Douglas road extension is to open up CBJ and Goldbelt lands for development and recreational access. In accordance with adopted community plans, the developement is needed to allow for and facilitate community growth.

The road extension and land development improvements will be constructed in phases, likely over many years. The first phase of the roadway proejct will be a minimu width gravel roadway that will extend approximately 2.25 miles. The purposes of the gravel roadway include:

1) Allow direct access to parcels identified as "new Grown Areas" in the land development plans.
2) Allow easier access to the lands for planning, soils investigations, and marketing of the properties.
3) Allow access for detailed site specific study of smaller tracts.
4) Add value to the lands for subsequent sale and/or trade.
5) Allow for cultural use of the lands.
6) Allow for subsistence use of the lands.
7) Allow for recreational access to the lands.

Mr. Jones said the Assembly has not adopted the Economic Development Plan, but a milestone was to renew the CBJ / Goldbelt agreement on that road. He asked if making an agreement with Goldbelt for an end result that returns value to the CBJ, such as a deep water port, would help with permitting. Mr. Watt said the permit would identify the current agreement, which would initiate the Corps asking more questions regarding the reasonable forseeable impact to the environment. The Corps would talk to Goldbelt and look at the agreement, which expired this summer, and discussions would be taking place with Goldbelt regarding the agreement.

Hearing no objection, the purpose statement was approved by the Assembly.

E. **Assembly Direction on Local Marijuana Enforcement**

Ms. Mead asked for direction on implementation of the initiative. It does not define public and does not provide a fine schedule, so people in violation would need to go to court in lieu of fines. She wanted to ask about a fine amount and said that $100 was the state cap. She asked the Assembly about copying the state law which banned public consumption, which included the ingestion of marijuana, or just the smoking piece. Colorado said it was very difficult to enforce ingesting vs. smoking. She proposed amending the open container law to include smoking and consumption of marijuana in a vehicle and discussed the intricacies of CBJ and state law.

Mr. Kiehl asked why CBJ needed its own law about consumption and not just follow what the state decides. Ms. Mead said since there was no bail or fine schedule set so it overloaded the court and the state statute did not define what "in public" meant, so there was a potential legal challenge to a citation. The reason is to give the public clear direction on what is allowed and not allowed. If CBJ had its own ordinance, the fine amount would go to the CBJ.
Mr. Kiehl spoke about the difficulty of enforcing edibles, but in a practical sense, did that cause an enforcement challenge if the language was left broad, and Ms. Mead said no.

Ms. White asked if the definition of "in public" was changed for marijuana, would it be changed for other laws where that term exists? Ms. Mead said she proposed to use for a definition of "in public" would come from state criminal law in Title 11, which defined "public places" and any definition would be the same for all laws.

Ms. Gladziszewski asked if the marijuana committee would be set up and were these issues needing to be addressed by the February 24 date for the initiative.

Ms. Becker summarized that the Assembly was deciding to ask the attorney to draft a definition of "in public," establish a fine schedule, regarding following the language of the statute about consumption in public and smoking marijuana in vehicles similar to the open container in vehicles.
Mr. Kiehl asked if it was possible for setting a fine schedule for the first two offenses, but a third offense was a mandatory court appearance? Ms. Mead said yes and Mr. Kiehl endorsed that approach.

Mr. Nankervis asked if the fine schedule would be progressive. Ms. Mead said state law made marijuana consumption in public a violation subject to a fine of up to $100 so CBJ did not have the authority to exceed that number.

Mr. Nankervis questioned the consistency of consumption in a car, whether it be alcohol, cigarettes and marijuana. Ms. Crane said she did not think it was much different than the open container law with and Ms. Gladziszewski agreed that marijuana should be treated the same as alcohol in that regard. Ms. Troll said some studies argued differently. Mr. Kiehl said the issue was impaired driving. There was discussion about the application to recreational vehicles. Ms. Mead said RV's were covered under city and state open container laws which prohibited use, however, in those trunkless vehicles and open container was allowed behind the last upright seat in a motorhome if the open bottle was enclosed within another container, which was the same as proposed for the state law on marijuana. Ms. Mead said the open container fine was $200 non-progressive at the state level. There was no objection to that level.

Following additional discussion, Ms. Mead said she had sufficient direction to proceed.

V. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

None.

VI. ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 7:55 p.m.

Submitted by Laurie Sica, Municipal Clerk