

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

February 3, 2020 7:00 PM

Assembly Chambers
Meeting No. 2020-06

Submitted By:

Duncan Rorie Watt
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

IV. APPROVAL OF MINUTES

- A. November 4, 2019 Regular Assembly Meeting 2019-34
- B. November 25, 2019 Regular Assembly Meeting 2019-35
- C. December 5, 2019 Special Assembly Meeting 2019-36
- D. December 18, 2019 Special Assembly Meeting 2019-39

V. MANAGER'S REQUEST FOR AGENDA CHANGES

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

VII. CONSENT AGENDA

- A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction
- B. Assembly Requests for Consent Agenda Changes
- C. Assembly Action
 - 1. Ordinances for Introduction
 - a. **Ordinance 2019-06(S) An Ordinance Appropriating to the Manager the Sum of \$200,000 as Funding for the Centennial Hall Renovation**

Phase II Capital Improvement Project; Funding Provided by the Hotel Tax Fund's Fund Balance.

This ordinance would appropriate \$200,000 from the Hotel Tax Fund to begin design work on Centennial Hall renovations and upgrades. These funds will allow design work to begin ahead of anticipated construction in the summer or fall of 2021. The scope of work will include items 1-4 as discussed at the December 9, 2019 Public Works and Facilities Committee meeting, which specifically includes upgrades to mechanical and electrical systems, renovation of ballrooms, and renovation and expansion of the building foyer. The source of the funds is the additional 2% hotel tax enacted on January 1, 2020 for the purpose of improvements to Centennial Hall, which is expected to generate new revenue of \$210,000 in FY2020.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

- b. **Ordinance 2019-06(T) An Ordinance Appropriating to the Manager the Sum of \$4,000,000 as Funding for Douglas Highway – David to I Street Water System Replacement Capital Improvement Project; Loan Funding Provided by the State of Alaska Department of Environmental Conservation, Alaska Drinking Water Fund State Revolving Fund.**

This appropriating ordinance provides \$4 million for the replacement of the water system in Douglas Highway between David Street and I Street, including a segment down Capital View Avenue to 2nd Street Douglas. The water system was constructed in the early 1980's, is past its useful life and prone to leaks and failures. This work is scheduled to occur during the 2020 construction season, prior to the Alaska Department of Transportation rehabilitating Douglas Highway during the next couple of years.

The Public Works and Facilities Committee moved the appropriation forward at their meeting of September 23, 2019.

The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

2. Bid Award

- a. **Bid Award - BE20-022 Douglas Highway Water Main Replacement Phase II**

This project consists of replacement of an existing ductile iron water main and associated services with HDPE along Douglas Highway from David

Street to the Crow Hill CBJ Water Pump Station building adjacent to Gastineau Elementary School. The work will also include erosion and sediment control, traffic control, sanitary sewer repair, removal and replacement of roadway asphalt, removal and replacement of concrete curb and gutter, removal and replacement of asphalt and concrete sidewalk and other miscellaneous related work.

Bids were opened on this project on January 22, 2020. The bid protest period expired at 4:30 p.m. on January 24, 2020. Results of the bid opening are as follows:

RESPONSIVE BIDDERS	TOTAL BID
Glacier State Contractors	\$3,361,727
Admiralty Construction, Inc.	\$3,423,220
Arete Construction Corp.	\$3,435,923
Engineer's Estimate	\$3,517,953

The City Manager recommends award of this project to Glacier State Contractors for the total amount bid of \$3,361,727.

b. Bid Award - Bid No. BE20-183 Household Hazardous Waste Facility

This project consists of the construction of a new CBJ Household Hazardous Waste Facility at Juneau's landfill located in Lemon Creek. The work includes site preparation, utilities, and all work associated with the new building construction. Site work generally includes AC pavement removal, clearing and grubbing, excavation, shot rock borrow, 2-inch minus shot rock with D-1 base course, storm drain improvements, water service, sanitary sewer service, gas infiltration prevention and venting system, grading, and asphalt pavement. Building work generally includes building foundation systems, pre-engineered metal building, modular building, electrical service, and other miscellaneous related work.

Bids were opened on this project on January 28, 2020. The bid protest period expired at 4:30 p.m. on January 30, 2020. Results of the bid opening are as follows:

RESPONSIVE BIDDERS	TOTAL BID
Alaska Commercial Contractors, Inc.	\$1,653,800.00
Dawson Commercial Contractors, LLC	\$1,668,712.03
AHTNA Environmental, Inc.	\$2,525,197.07
Engineer's Estimate	\$1,744,560.00

The City Manager recommends award of this project to Alaska

Commercial Contractors, Inc. for the total amount bid of \$1,653,800.

3. Liquor License

a. **Liquor License Renewals for Licenses: 3507, 4742 & 521**

These liquor license actions are before the Assembly to either protest or wave its right to protest the license action.

2020-2021 Renewal of Liquor Licenses

License Type: Package Store, License #3507

Carr-Gottstein Foods Co. d/b/a Oaken Keg Spirit Shops #1820

Location: 3011 Vintage Blvd., Juneau

License Type: Package Store, License #4742

Thibodeau's Market Inc., d/b/a Thibodeau's Liquor

Location: No Premises, Juneau

License Type: Package Store, License #521

Thibodeau's Market Inc., d/b/a Thibodeau's Home Liquor

Location: 465 W. Willoughby Ave., Juneau

Staff from the Police, Finance, Fire, Public Works (Utilities), and Community Development departments have reviewed the above licenses and recommend the Assembly waive its right to protest the applications. Copies of the documents associated with this license are in the Assembly's e-packet or available in hardcopy upon request to the Clerk's office.

The City Manager recommends the Assembly waive its right to protest the above-listed liquor license renewals.

4. Transfers

a. **Transfer T-1026 A Transfer of \$450,000 from Various Capital Improvement Projects to CIP R72-143 Aspen Ave – Mendenhall Boulevard to Taku.**

This transfer of \$450,000 of funds from two CIPs to the Aspen Avenue Reconstruction CIP will provide funding for the reconstruction of Aspen Avenue from Taku to Mendenhall Boulevard. Additional water and sewer infrastructure repair work was discovered and the construction cost estimate came in higher than anticipated. Bid documents are being prepared in anticipation of bidding the project during the month of February. The current construction estimate is \$1.3 million.

R72-131	Birch Lane Sewer Replacement	\$400,000
U76-115	Kaiser Forcemain Replacement	\$50,000

The Public Works and Facilities Committee recommended approval of this transfer at its January 15, 2020, regular meeting.

The City Manager recommends approval of this transfer.

VIIIPUBLIC HEARING

A. Ordinance 2019-30 An Ordinance Related to the Regulation of Nuisance Properties.

Over the last five years, the City and Borough of Juneau has dealt with multiple properties that received an inordinate amount of city resources. These properties have required years of time, attention, and resources from entities including Community Development, Engineering and Public Works, the Law Department, the City Assembly, and first responders like the Police Department and Capital City Fire/Rescue in an effort to abate the problem. Neighborhoods affected by these problem properties feel the process is inefficient and resolutions are far too slow. The Chronic Nuisance Ordinance will give the City a tool to ensure neighborhoods are not subject to problem properties for extended periods of time and to hold landlords and tenants accountable for their actions.

The chronic nuisance concept was presented to the Assembly Committee of the Whole on May 20, June 10, and September 23, 2019. Public testimony regarding the ordinance was taken at the Committee of the Whole on December 9, 2019, and the committee recommended the ordinance be forwarded to the Assembly.

The City Manager recommends the Assembly adopt this ordinance.

B. Ordinance 2020-01 An Ordinance Amending Title 69 of the City and Borough Code by Adopting the Uniform Alaska Remote Seller Sales Tax Code.

In 2018, the United States Supreme Court decided *South Dakota v. Wayfair*, allowing governments to assess sales taxes on remote sales. On November 2019, CBJ joined the Alaska Remote Sellers Sales Tax Commission, which is charged with developing and administering a *Wayfair*-compliant remote sales tax system. On January 6, 2020, the Commission adopted the Uniform Alaska Remote Seller Sales Tax Code, which implements the collection of remote sales tax. Pursuant to its membership agreement with the Commission, the CBJ is required to adopt the Uniform Remote Sales Tax Code. While the CBJ's authority to assess, collect, and remit remote sales tax will be delegated to the Commission, the CBJ retains its authority to establish and modify local sales tax rates and exemptions.

The Finance Committee reviewed this ordinance at its meeting on January 8.

The City Manager recommends the Assembly adopt this ordinance.

C. Ordinance 2020-05 An Ordinance Authorizing the Manager to Dispose of Eight Lots in the Vintage Business Park, Located near 3041 Clinton Drive, to

Torrey Pines Development for Fair Market Value.

In August 2019, CBJ acquired eight lots located in Vintage Business Park for \$1.519M, for the purpose of developing assisted living housing primarily for seniors. The CBJ solicited proposals to develop the proposed housing and Torrey Pines Development was determined to be the best and most qualified bidder. During negotiations, a proposal was made for Torrey Pines to purchase the eight lots for fair market value for the construction and operation of 80 units of senior housing, assisted living, and memory care. The Assembly Committee of the Whole heard the proposal on January 6, 2020, and recommended that the Manager proceed with negotiations for the sale.

The City Manager recommends the Assembly adopt this ordinance.

D. Ordinance 2019-06(Q) An Ordinance Appropriating to the Manager the Sum of \$2,000,000 as Funding for the Assembly's Senior Assisted Living Grant; Funding Provided by the General Fund's Fund Balance, and the Juneau Affordable Housing Fund's Fund Balance.

Torrey Pines Development requests a \$2 million grant to assist with overall construction costs, to help attract equity capital, and to ensure that rental rates for seniors remain low for potential residents. The grant would assist the overall viability of the project. Without the grant, it is estimated that in order to meet financial projections, room rental rates would be 20-25% higher than indicated in the proposal. If this happened, the rates would be too high for most prospective tenants and development of the project would not proceed.

Staff recommend that the source of the \$2 million grant be split between General Fund dollars and the Juneau Affordable Housing Fund.

- i. \$1.6 million in General Fund; and
- ii. \$400,000 grant from the Juneau Affordable Housing Fund covering the 8 Medicaid eligible beds at \$50,000 per unit.

At its January 8, 2020 meeting, the Assembly Finance Committee approved this action.

The City Manager recommends the Assembly adopt this ordinance.

E. Ordinance 2019-06(R) An Ordinance Appropriating to the Manager the Sum of \$1,000,000 as Funding for the Recycleworks Consolidated Facility Capital Improvement Project; Funding Provided by the Waste Management Fund's Fund Balance.

CBJ Engineering estimates an additional \$1,000,000 is necessary to complete the construction of the Recycleworks Consolidated Facility. It is anticipated that the eventual sale of the existing Household Hazardous Waste (HHW) building on Shaune Drive will more than cover this cost; however, the sale of that building will

not be complete prior to when funds are needed to award a construction contract. This ordinance would transfer the necessary amount from the Waste Management Fund's Fund Balance which will later receive the proceeds from the HHW building sale.

This ordinance was reviewed at the January 15, 2020, Public Works and Facilities Committee meeting.

The City Manager recommends the Assembly adopt this ordinance.

IX. UNFINISHED BUSINESS

A. Planning Commission Notice of Recommendation to Dispose of CBJ Property to Torrey Pines Development for Senior Assisted Living

At the Planning Commission meeting on January 28, 2020, the Planning Commission recommended the Assembly sell the eight CBJ-owned lots in Vintage Business Park to Torrey Pines Development for fair market value for the purpose of developing 80 units of senior assisted living.

The City Manager recommends the Assembly consider the Planning Commission's recommendation as the Assembly decides Ordinance 2020-05.

X. NEW BUSINESS

A. Hardship Late-Filed Real Property Tax Exemption Application: Dolitsky

XI. STAFF REPORTS

A. Ordinance 2019-37 re Nonconforming Development

The ordinance amending the land use code (Title 49) related to nonconforming development will be presented to the Assembly for introduction on February 24, 2020. The City Attorney is still conducting a final legal review.

B. River Road Junk Cars

Staff will provide an oral update at the meeting.

C. Whittier Street Parking Permit

XII. ASSEMBLY REPORTS

A. Mayor's Report

B. Committee Reports, Liaison Reports, Assembly Comments and Questions

C. Presiding Officer Reports

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

XIV.EXECUTIVE SESSION

XV. ADJOURNMENT

XVISUPPLEMENTAL MATERIALS

A. 1/29/2020 Agenda with Governor

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org