

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

May 13, 2019 7:00 PM

Assembly Chambers
Meeting No. 2019-22

Submitted By:

Duncan Rorie Watt
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

- A. **Proclamation - Building Safety Month**
- B. **Proclamation - Infrastructure Week May 13-20, 2019**

IV. APPROVAL OF MINUTES

- A. **January 17, 2019 Draft Special Assembly Meeting #2019-03**
- B. **January 28, 2019 Draft Regular Assembly Meeting #2019-06**
- C. **April 3, 2019 Draft Special Assembly Meeting #2019-20**

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 2018-11(AL) An Ordinance Appropriating to the Manager the Sum of \$1,535,300 as Partial Supplemental Funding for Various Departments' Fiscal Year 2019 Operating Budgets; Funding Provided by General Fund's Fund Balance, Airport Fund's Fund Balance, Docks Fund's Fund Balance, and Lands Fund's Fund Balance.**

The attached ordinance would appropriate \$1,535,300 for increases in FY19 operations among several CBJ departments.

We are requesting a budget supplemental for five organizations. Of the total request, \$950,000 is for CCFR and paid with general government funds. The other four requests are funded from their own operational revenues or fund balances.

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Airport

Airport anticipates exceeding its FY19 Assembly authorized spending authority by \$108,400. Airport staff discussed this at their budget presentation on April 10. Funding will be provided by the Airport Fund's Fund Balance.

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Capital City Fire & Rescue

The Fire Department is anticipating a shortfall of \$950,000 in the FY19 operating budget. This is due to approximately \$250,000 in negotiated IAFF wage and benefits increases and ambulance billing shortfall of approximately \$700,000. The shortfall is a result of: 1) continued decline in billable call volume, 2) over aggressive revenue projections and 3) higher than anticipated bad-debt and contractual write-offs. The anticipated funding for this increase is from General Government Fund.

Docks

The supplemental request would increase the Docks Enterprise spending authority in FY19 by \$35,000. Funding will be provided by FY19 revenues exceeding budget.

The Docks & Harbors Board approved the supplemental request at its March 20, 2019 regular board meeting. The Port Director staff discussed this at the budget presentation on April 10.

Lands Department

Lands' projected expenditures are anticipated to exceed their revenue collected by \$201,900 in the current fiscal year. This shortfall is due to a decrease in projected revenues from land sales. The timing of the South Lena Subdivision of Lot 1 Block B has pushed the sale of the resulting four lots into FY20. They were originally scheduled for disposal in FY19.

The anticipated funding for this increase is Lands Fund's Fund Balance.

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Risk

The Risk Management Department anticipates exceeding its FY19 Assembly authorized spending authority by \$240,000. This increase is due to higher than budgeted claims experience for health insurance. Funding will be provided by Health Account fund balance.

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

- b. **Ordinance 2018-11(AM) An Ordinance Appropriating to the Manager the Sum of \$620,700 as Funding for Fleet and Risk Funds; Funding Provided by General Fund's Fund Balance.**

This FY19 supplemental budget ordinance would allocate \$271,200 to add funds to various departments' equipment replacement fund accounts and allocate \$349,500 to the city's self-insured health care account.

Six organizations were requesting FY20 budget increments, totaling \$135,000, to increase contributions to their equipment accounts. The current balance in these accounts is less

than the projected upcoming equipment replacement needs. The requested deposit postpones the need for these increments for two years. Also the projected FY19 draw-down on the self-insured health account is higher than original budget projections. We are requesting \$349,500 go into the health account to help offset the larger than expected draw.

The source of funding for these two requests is the projected \$620,700 reimbursement, from the state Department of Administration, of past PERS Tier IV employer contributions. The funds are being returned for employees who terminated prior to having enough years of service to vest in the employer contributions.
The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

2. Bid Award

a. **Bid No. 19-140 - Airport Plow Trucks**

This bid is to acquire three heavy duty airport runway snow removal plow trucks. Bids were opened on April 26, 2019. The bid protest period expired on April 30, 2019. Results of the bid opening are as follows:

Responsive Bidders	Total Bid
Oshkosh Airport Products LLC	\$1,395,034.00
Construction Machinery Industrial, LLC	\$1,463,000.00
Estimate	\$1,950,000.00

The City Manager recommends award of this project to Oshkosh Airport Products, LLC for the total amount bid of \$1,395,034.00.

b. **Rainforest Recovery Center Detox Addition, Contract No. BE19-173**

Bids were opened on this project on April 30, 2019. The bid protest period expired at 4:30 p.m. on May 1, 2019. Results of the bid opening are as follows:

Responsive Bidders	Base Bid	Alt. No. 1	Alt. No. 2	Alt. No. 3	Total Bid
Alaska Commercial Contractors Inc.	\$2,114,000	\$115,600	\$61,900	\$53,400	\$2,344,900
Dawson Construction LLC	\$2,389,900	\$ 79,300	\$83,000	\$58,500	\$2,610,700
F&W Construction Co., Inc.	\$2,747,458	\$190,263	\$61,927	\$60,586	\$3,070,234
Architect's Estimate	\$2,283,000	\$115,000	\$76,000	\$44,000	\$2,518,000

The City Manager recommends award of this project, base bid and alternates 1, 2, and 3 to Alaska Commercial Contractors, Inc. for the total amount bid of \$2,344,900.

3. Liquor License

a. **Liquor License Renewal for License: 4731**

This liquor license action is before the Assembly to either protest or waive its right to

protest the license action.

Renewal of Liquor License

License Type: Restaurant or Eating Place, License #4731

DJ LLC d/b/a Asiana Gardens

Location: 9116 Mendenhall Mall Rd., Juneau

Staff from the Police, Finance, Fire, Public Works (Utilities), and Community Development departments have reviewed the above license and recommend the Assembly waive its right to protest the application. 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 renewal application.

VIII. PUBLIC HEARING

- A. **Ordinance 2018-11(AH) An Ordinance Appropriating to the Manager the Sum of \$1,150,367 as Funding for Various Capital Improvement Projects at the Juneau International Airport; Funding Provided by Passenger Facility Charge Fees.**

This ordinance would appropriate \$1,150,367 to the capital improvement projects (CIPs) listed below.

Rehabilitate Runway:	\$713,745
Terminal Reconstruction:	\$214,634
Taxiway A, E, D-1:	\$200,000
Sand/Chemical/Fuel Facility Construction:	\$ 21,988

Funding is provided by Passenger Facility Charge (PFC) collections. It will be used to provide new construction funds, and reimburse forward-funded amounts in these CIPs.

The Public Works and Facilities Committee approved this action at its April 8, 2019 meeting.

The Airport Board approved this action at its April 9, 2019 meeting.

The City Manager recommends this ordinance be adopted.

- B. **Transfer T-1014 A Transfer of \$610,759 from the 'Runway Rehabilitation' CIP A50-079 to the 'Terminal Construction' CIP A50-102 & 'Terminal Reconst Design/Const' CIP A50-096.**

In FY15, sales tax funds in the amount of \$610,759 were transferred from the terminal project to the runway project (via transfer T-955) to match a Federal Aviation Administration (FAA) construction grant, with the explicit intent to repay upon appropriation of replacement funding to the runway project. The current appropriation of Passenger Facility Charges (PFC) includes those replacement funds; the original funds can be returned to the terminal project.

The Public Works & Facilities Committee approved this transfer at its April 8, 2019 meeting.

The Airport Board approved this transfer at its April 9, 2019 meeting.

The City Manager recommends this transfer be approved.

- C. **Ordinance 2018-11(AI) An Ordinance Appropriating to the Manager the Sum of \$190,643 as Funding for a 3D Scanner and Thermal Imager; Funding Provided by the State of Alaska,**

Department of Public Safety.

The State of Alaska, Department of Public Safety was allotted funds for crime prevention and response and equipment. Through this program, they have approved reimbursing the Juneau Police Department \$190,643. This includes \$183,643 for a 3D scanner, supporting equipment, software and training. The remaining \$7,000 funding will be used to purchase a new thermal imager.

A 3D scanner is a tool used to accurately map complex crime scenes and locations. Use of a 3D scanner significantly reduces the time spent at an investigation, and increases the accuracy of the forensic data collected, improving the efficiency and accuracy of an investigation.

Thermal imagers are used at night or in dark locations to locate suspects, or people who are unable to verbally respond. JPD has a thermal imager; however, it is near the end of its life cycle.

There is no match requirement for this reimbursement agreement.

The City Manager recommends this ordinance be adopted.

D. Ordinance 2018-11(AJ) An Ordinance Appropriating to the Manager the Sum of up to \$35,000 as Funding for Visitor Information Kiosk Replacement Capital Improvement Project; Funding Provided by the Dock Fund's Fund Balance.

The CBJ Docks and Harbors Board requests approval of an appropriation ordinance to transfer \$35,000 from the Docks Fund's Fund Balance for construction of a new visitor information kiosk. The kiosk project is currently under construction. During the course of excavation for the foundation and drainage system unknown underground utilities including phone, data, and electrical vaults and cabling were discovered. The management of these systems within the design required additional work to prepare the site for the completion of the project. The Docks Fund's Fund Balance is currently \$2M.

The Docks and Harbors Board considered this item at its regular meeting on April 24, 2019.

The City Manager recommends this ordinance be adopted.

E. Ordinance 2018-11(AK) An Ordinance Appropriating to the Manager the Sum of \$175,000 as Supplemental Funding for Waste Management's Fiscal Year 2019 Operating Budget; Funding Provided by Waste Management's Fund Balance.

Increased public use of the waste management program has resulted in higher operational costs that require supplemental funding of \$175,000 in FY19. The CBJ junk vehicle disposal program, operated by Channel Construction, saw an 84% increase in vehicles surrendered to date for FY19, and we expect to see similarly higher usage April through June. \$100,000 is requested to keep this program working for the remainder of FY19. The recycling program contract with Capitol Disposal Inc. has experienced increased shipping costs, and as a result of global market pressures, revenue from the sale of the recyclable material is down \$75,000 from the prior year. Both of these programs are important to keeping Juneau clean and extending the remaining life of the landfill.

The City Manager recommends this ordinance be adopted.

F. Ordinance 2018-11(Q) An Ordinance Appropriating to the Manager the sum of \$23,992 as Funding for Various Capital Improvement Projects and Bond Debt; Funding Provided by General Obligation Bond Interest Income.

This ordinance would appropriate \$23,992.23 in bond interest income that was earned on general obligation bond proceeds allocated to the projects listed below. Per CBJ Charter and direction of Bond Counsel, the interest income is available to: 1) cover original projects expenditures, 2) pay bond debt service & IRS arbitrage fees or 3) other eligible Capital Improvement Projects. The proposed expenditures are in compliance with the guidance.

Gastineau Elementary Reno CIP	\$ 1,332.83	To Bond Debt
Eaglecrest Learning Center CIP	\$ 203.50	To Bond Debt
Centennial Hall Reno CIP	\$ 191.32	To Bond Debt
Dimond Loop Field Repair CIP	\$ 3,033.40	To Bond Debt
Waterfront Seawalk II CIP	\$13,430.24	To Bond Debt
Bond Debt Subtotal	\$18,191.29	
Restrooms, Paving & Concessions CIP	\$ 1,233.30	IN CIP
New Terminal Reno CIP	\$ 4,567.64	IN CIP
TOTAL	\$ 23,992.23	

The City Manager recommends this ordinance be adopted.

G. Ordinance 2019-07(b) An Ordinance Appropriating Funds from the Treasury for FY20 School District Operations.

This ordinance will appropriate to the school district an FY20 operating budget of \$87,171,500. This is an overall decrease in the budget of \$70,300 from the FY19 amended budget. The school district's operating budget is:

· General Operations	\$71,122,800
· Special Revenue (pupil transportation, food service, etc.)	7,063,500
· Education Restricted Grants	5,728,700
· Student Activities/Other	<u>3,256,500</u>
Total Budget	\$87,171,500

The FY20 school budget is supported with a combination of funding sources including CBJ local funding of \$27,874,300. The local funding consists of: \$26,497,800 for general operations, and \$1,376,500 for programs and activities outside of the state funding cap. These programs and activities include: \$1,181,500 million for student activities, \$50,000 for pupil transportation, \$50,000 for food service, and \$95,000 for Community Schools. The general operations support is a decrease of \$37,500 over FY19 Amended. The other program and activities funding is a decrease of \$180,000 over FY19 Amended, for a net funding decrease of \$217,500.

The original ordinance was introduced at the April 3, 2019, Special Assembly meeting and referred to the Assembly Finance Committee for deliberation. On April 24, 2019, a Special Assembly meeting was held to hear public comment and for the Assembly to state, by motion, the amount of local funding to be provided to the school district.

The Assembly Finance Committee approved and moved the b version of the ordinance back to the full Assembly for action, at its May 8, 2019, meeting. The charter requires adoption by May 31, 2019.

The City Manager recommends this ordinance be adopted.

H. Ordinance 2019-15 An Ordinance Authorizing the Manager to Amend the Wireless Communications Site Lease with Vertical Bridge S3 Assets, LLC at 3000 Jackson Road.

Vertical Bridge has requested to lease an additional 144 square feet from the CBJ. This lease will provide space for additional ground equipment to utilize open space on the tower. This lease amendment will update the contact information, extend the lease by adding an additional lease term of five years, and update the rent schedule to include increased rent for an additional sub-lessee.

The Lands Committee passed a unanimous motion of support for the lease amendment at its January 14, 2019 meeting. The Planning Commission reviewed the lease amendment on April 23, 2019 and had no comments for the Assembly.

The City Manager recommends this ordinance be adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Aquatics Fee Restructuring

The Aquatics Board is required to review and approve a schedule of fees and charges for use of the aquatic facilities at least annually. The Aquatics Board approved the attached schedule of fees at its meeting on January 22, 2019, and the fees are scheduled to take effect on July 1, 2019. Pursuant to CBJ Code 67.10.090(b), "The Assembly, by motion or resolution, may change any fee or charge approved by the Aquatics Board." Staff is available for questions and public participation is allowed on this item.

The City Manager recommends the Assembly move this item with "orders of the day."

XI. STAFF REPORTS

A. Junk/Impound Vehicles

B. Supplemental Agreement – Airport, Additional Apron Paving, SECON \$84,750.

XII. ASSEMBLY REPORTS

A. Mayor's Report

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

C. Presiding Officer Reports

1. Summary of Administrative Appeals

2019 Juneau I VOA v. Assessor <i>Appeal of tax exemption</i>	PO Gladziszewski	Prehearing conference held 4/25/19. Appeal hearing set for 9/12/19 with Assembly.
Harris Homes, LLC v. CDD <i>Appeal of PC Decision</i>	HO Brandt-Erichsen	HH's Opening Brief due 6/10/19. CDD Opposition Brief due 7/10/19. No hearing requested.
Mountainside Estates v. PC <i>Appeal of PC decision</i>	PO Gladziszewski	Prehearing conference held 4/23/19. Appeal hearing set for 9/9/19 with Assembly.

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

XIV. EXECUTIVE SESSION

XV. ADJOURNMENT

XVI. SUPPLEMENTAL MATERIALS

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