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

March 4, 2019 7:00 PM

Assembly Chambers

Submitted By:

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Duncan Rorie Watt
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

A. **Proclamation - American Legion Centennial**

IV. APPROVAL OF MINUTES

A. **December 17, 2018 Assembly Meeting #2018-37 Minutes**

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 2019-09 An Ordinance Amending the Public Finance Code Relating to Investments and Collateral.**

This ordinance would amend the CBJ investment code. The CBJ investment code and policy were last updated in 2007 and 2009. The CBJ operates a "Central Treasury" for the management of all municipal

finances including the school district and enterprise funds. Over the past few years the amount of cash in Central Treasury has varied from $170 - $220 million; a portion of those funds are deemed available for longer term investments in order to maximize additional earnings potential. The existing code requires that an external manager be contracted for managing a portion of intermediate term portfolio, and the remaining portion to be managed by the Finance Director/staff internally.
Using policies from the Government Finance Officers Association (GFOA) and other Alaskan communities as a guide, this ordinance revises CBJ 57.25 to allow more effective management of CBJ investments, directs the Finance Director to implement investment code, requires an independent third party custodian to control investment securities, and prioritizes the investment objectives. This code also sets up the rules for investment of Long Term/Endowment Funds managed by CBJ.

The Assembly Finance Committee reviewed these amendments at its meetings on November 7, 2018, and January 9, 2019, and recommended adoption of these code amendments.

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

b. **Ordinance 2018-11(AE) An Ordinance Appropriating to the Manager the Sum of $600,000 as Funding for the Bartlett Regional Hospital Rainforest Recovery Center Detox Addition Capital Improvement Project; Funding Provided by Bartlett Regional Hospital Fund's Fund Balance.**

This ordinance would appropriate $600,000 from the Bartlett Regional Hospital (BRH) fund balance to supplement CIP B55-078 Rainforest Recovery Center (RCC) Detox Addition. The additional $600,000 will increase the funds in this CIP to $3,100,000, allowing the project to be advertised for construction in the spring of 2019.

The RCC Detox Addition project will demolish approximately 2400 SF of the west wing of the existing facility and will construct approximately 4400 SF of new space in its place. The new addition will house a four-patient detox suite, an ADA compliant main entry, a waiting area, an addiction assessment area, and five administrative staff offices. The project also includes roof replacement for the entire facility and a new power supply from the BRH main electrical room, eliminating the need for a separate back-up generator at the facility.

The project will allow detox and addiction treatment to be removed from BRH and integrated adjacent to the Rainforest Recovery Center's

residential care program creating a coordinated, full continuum of addiction care in a single facility.

The Public Works and Facilities Committee referred this ordinance to the Assembly for approval at its meeting on February 25, 2019.
The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

c. **Ordinance 2018-12(B) An Ordinance Appropriating and De-Appropriating Funds from the Treasury for FY19 School District Operations.**

The FY2019 school enrollment is above the level originally used to determine the Juneau School District (JSD) funding for the FY19 approved school budget.

This results in $536,284 more of state revenue and an increase of $122,714 to the contribution amount that CBJ is allowed to fund under the state cap.
The Board of Education passed a budget revision increasing state and local funding for the FY19 District's Operating Fund at its January 8, 2019, meeting.

The Assembly Finance Committee approved this action at its meeting on February 6, 2019.

In the FY19 CBJ budget proceedings, the Assembly also approved additional funding of $140,000 to JSD for Kinder Ready. As a housekeeping measure, the funding is now being appropriated for FY19 school District operations.

The total increase in expenditures authorized in this ordinance is $798,998. $536,284 is funded with state revenue and $262,714 is funded from local general government revenues.

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

2. Resolutions

a. **Resolution 2846 A Resolution Repealing Resolution 2506 and Disbanding the Juneau Affordable Housing Commission.**

The Assembly established the Juneau Affordable Housing Commission in January 2007, with a three-year sunset expiring in January 2010. In 2009, Resolution 2506 repealed the three-year limit and emphasized that affordable housing was a broad ranging issue for the community and its

municipal government.

Since then, the Juneau Affordable Housing Commission has worked to address many facets of Juneau's affordable housing and homelessness issues. CBJ has adopted a Housing Action Plan to guide affordable housing opportunities, created a Chief Housing Officer and a Homelessness Coordinator position, made land available for housing development, completed small area plans in Auke Bay and Lemon Creek, and has established three housing incentive programs – the Juneau Affordable Housing Fund, the accessory apartment incentive grant program, and the mobile loan down payment assistance program. Additionally, the Planning Commission is looking at providing an additional avenue for developer input into its code amendment process.

The tasks previously assigned to the Juneau Affordable Housing Commission can now be effectively managed by the Chief Housing Officer, the Community Development Department, the Planning Commission, and the Assembly. As the Assembly has taken substantial policy interest in housing topics it is appropriate that the policy discussions be held at Assembly meetings.

The Assembly Human Resources Committee reviewed this matter on January 28, 2019, and on February 11, 2019, and recommended disestablishing the Affordable Housing Commission as it has completed its mission.

The City Manager recommends this resolution be adopted.

b. **Resolution 2848 A Resolution Authorizing the Manager to Convey an Access Easement at Chicken Yard Park as Part of a Settlement Agreement.**

Legal vehicle access to 626 Fifth Street has been uncertain for a number of years. The current property owners alleged they had lawful vehicle access through Chicken Yard Park because of an easement by prescription, easement by estoppel, inquiry notice, and that the CBJ was exposed to an inverse condemnation claim if the CBJ prohibited vehicle access. The CBJ disagreed. Instead of litigating in court, the parties negotiated their positions. The CBJ brought various options to the Parks and Recreation Advisory Committee and the Assembly Lands Committee for comments. Ultimately, the City Manager and the property owners were able to reach a tentative settlement agreement with the following essential terms:

The CBJ would:

- Construct two parking spaces at the entrance to Chicken Yard Park;
- Grant to the owners of 626 Fifth St. exclusive easement to use these

parking spaces (no public parking will be provided in the park);
- Grant to the owners of 626 Fifth St. non-exclusive use of a driveway to access the parking spaces;
- Grant to the owners of 626 Fifth St. non-exclusive pedestrian access through the park to their home;
- These access rights run with 626 Fifth St.; and
- Provide a one-time payment totaling $5,000.

The owners of 626 Fifth Street would:
- Disclaim all current and future interests in Lots 5 & 6 (known as Chicken Yard Park), including any claim of access through prescriptive easement. This disclaimer of interest would carry forward to all future owners of 626 Fifth St.; and
- Be responsible for all maintenance of the parking spaces.

This resolution would authorize the City Manager to grant the access easements, which would settle a long standing point of contention in which neither party gets everything they wanted. At the same time, it avoids an uncertain legal process that would prove costly for all parties. Most important, it brings peace to a contentious situation that could divide a neighborhood and the CBJ and its citizens, and allows the Parks & Recreation Department to move forward with long-overdue improvements for a cherished community park. The City Manager intends to recommend additional resources for the renovation of the park through the Capital Improvement Program process.
The CBJ very much appreciates the owners of 626 Fifth Street being willing to work out an agreement on this issue.

The City Manager recommends this resolution be adopted.

c. **Resolution 2849 A Resolution Authorizing the Manager to Convey Easements to the Alaska Department of Transportation and Public Facilities for Culvert Replacement and Rehabilitation Along Glacier Highway in the Twin Lakes Area.**

The state Department of Transportation and Public Facilities requests to buy these easements as part of a culvert maintenance and repair project. The fair market value of the easements is $2,750. The Lands Committee passed a motion of support for granting these easements on October 11, 2018. The Planning Commission also passed a recommendation of approval for the easements on January 22, 2019.

The City Manager recommends this resolution be adopted.

3. Liquor License

a. **Liquor License Renewals for Licenses: #2533, #3720, #2641, #828**

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

Renewal of Liquor Licenses
License Type: Beverage Dispensary, License #2533
Jack D & Arlene D Tripp d/b/a Viking Restaurant & Lounge
Location: 216 Front Street, Juneau

License Type: Beverage Dispensary-Seasonal, License #3720
Goldbelt Aerial Tramway, LLC d/b/a Timberline Bar & Grill
Location: 1800 foot level, Juneau

License Type: Restaurant or Eating Place, License #2641
Saffron LLC d/b/a Saffron
Location: 112 N Franklin St, Juneau

License Type: Package Store, License #828
Thibodeau's Market Inc., d/b/a Thibodeau's Douglas Depot
Location: 1017 3rd Street, Douglas

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 these applications. Copies of the documents associated with each license are in the Assembly's e-packet or available in hard copy upon request to the Clerk's office.

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

VIIIPUBLIC HEARING

A. **Ordinance 2018-11(AD) An Ordinance Appropriating to the Manager the Sum of $1,300,000 as Funding for the Bartlett Regional Hospital Pharmacy Cleanroom Renovation Capital Improvement Project; Funding Provided by Bartlett Regional Hospital Fund's Fund Balance.**

This ordinance would appropriate $1,300,000 from the FY19 Bartlett Regional Hospital (BRH) operational budget to a new Capital Improvement Project (CIP): BRH Pharmacy Cleanroom Renovation. This project will create a pharmacy space to safely handle drugs necessary for the oncology unit. This project is needed to bring BRH into compliance with the requirements of USP<800> Hazardous Drugs-Handling in Healthcare Settings and USP<797> Pharmaceutical Compounding – Sterile Preparations.

BRH must be in compliance with the federal requirements by December 1, 2019.

This was approved by the Public Works and Facilities Committee on February 4, 2019.

The City Manager recommends this ordinance be adopted.

IX. UNFINISHED BUSINESS

A. NCL Invitation for 4-day cruise on the Joy for Mayor and Manager

Norwegian Cruise Lines (NCL) has invited the Mayor and City Manager to travel on the 4-day inaugural US cruise on the Joy. NCL established the value of the cruise to be $99. The CBJ conflict of interest code generally prohibits gifts of more than $50, except the Assembly may authorize the travel for the Mayor and Manager if four conditions are satisfied. CBJC 01.45.020(b). The attached memo explains the four conditions. If the Assembly determines the four conditions are satisfied, then the Assembly has discretion to authorize the Mayor and Manager to travel on the Joy. Alternatively, the Assembly may deny the travel for any reason or no reason at all.

X. NEW BUSINESS

A. Terraces at Lawson Creek vs. CBJ Assessor; Assembly Appeal

The Clerk's office received a timely filed appeal for the Terraces at Lawson Creek regarding the Assessor's Office denial of a 2019 request for charitable exemption. Recall, this property was recently denied the same exemption for 2018. The property owner was contemplating an appeal of the 2018 decision to superior court, which would have been due today.

In accordance with the Appeals Code, the Assembly must decide whether to accept or reject the appeal. If you determine, after liberally construing the notice of appeal in order to preserve the rights of the appellant, that there has been a failure to comply with the appellate rules, or if the notice of appeal does not state grounds upon which any of the relief requested may be granted, you may reject the appeal. If the appeal is accepted, you must decide whether the Assembly will hear the appeal itself or if it will assign the appeal to a hearing officer. If you decide to hear the appeal yourselves, a presiding officer should be appointed.

In hearing an appeal, the Assembly sits in its quasi-judicial capacity and must avoid discussing the case outside of the hearing process. (See CBJ 01.50.230, Impartiality.)

B. Harris Homes LLC v CDD; Assembly Appeal

The Clerk's office received a timely filed appeal from Harris Homes LLC from a Planning Commission decision to dismiss an appeal of a Community Development Department director decision. The Planning Commission's written decision is dated

February 26, 2019.

In accordance with the Appeals Code, the Assembly must decide whether to accept or reject the appeal. If you determine, after liberally construing the notice of appeal in order to preserve the rights of the appellant, that there has been a failure to comply with the appellate rules, or if the notice of appeal does not state grounds upon which any of the relief requested may be granted, you may reject the appeal. If the appeal is accepted, you must decide whether the Assembly will hear the appeal itself or if it will assign the appeal to a hearing officer. If you decide to hear the appeal yourselves, a presiding officer should be appointed.

In hearing an appeal, the Assembly sits in its quasi-judicial capacity and must avoid discussing the case outside of the hearing process. (See CBJ 01.50.230, Impartiality.)

C. **Liquor License Protest - Genuine Ventures LLC d/b/a Tracy's King Crab Shack License #4584**

The following 2019-2020 liquor license renewal application is being recommended for protest by the Finance Department/Collections Division.

Restaurant/Eating Place-Seasonal Liquor License #4584
Genuine Ventures, LLC d/b/a Tracy's King Crab Shack
Location: Lot C1 Juneau Subport, Section 23, Township 31S, Range 67 east

The Finance Department's Collections Division recommends the Assembly protest the renewal of this license until the balance due, along with any finance charges accrued, on a past utility bill from 10/25/2018, is paid in full.

The 60-day comment period for local governing body action ends as of March 30, 2019.

The Assembly Human Resources Committee also considered this matter at its meeting immediately preceding this Assembly meeting and will provide a recommendation to the Assembly for action. Packet items for this action are contained in the Assembly Human Resources Committee packet and include copies of the notice sent to the licensee as well as the CBJ Code sections and Alaska Statues pertaining to this matter.

AS OF MARCH 4, 2019: The CBJ removes its protest of the renewal of liquor license #4584. On February 25, 2019 the licensee paid the balance due in full. Memo noting the request for removal of protest included as a red folder item in the HRC and Assembly packets.

D. **AMCO Denial - Taku Lanes, LLC., Liquor License #5095 Renewal**
On February 25, 2019, the City Clerk's Office received notice from the Alcohol and Marijuana Control Office (AMCO) that AMCO had denied Taku Lanes, LLC (LL#5095) its recreational site license in accordance with AS 04.11.330(a)(6) which states:

"An application requesting renewal of a license shall be denied if...renewal of the license would violate the restrictions pertaining to the particular license under this title or the license has been operated in violation of a condition or restriction imposed by the board."

The Alcoholic Beverage Control (ABC) Board determined Taku Lanes did not meet the definition of a recreational site in order to qualify for a recreational site license under AS 04.11.210 which states:

(a) The holder of a recreational site license may sell beer and wine at a recreational site during and one hour before and after a recreational event that is not a school event, for consumption on designated areas at the site. (c) In this section, "recreational site" includes a location where baseball games, car races, hockey games, dog sled racing events, or curling matches are regularly held during a season.

Taku Lanes, LLC has 15 days to request an appeal of the ABC Board's decision.

Had AMCO not denied Taku Lanes, LLC's renewal request, this license would have been listed under the consent agenda for Assembly approval. This license has been added to New Business to keep the Assembly up-to-date; no action is needed from the Assembly at this time.

E. **Resolution regarding State Budget**

The Assembly has requested a strongly worded and diplomatic resolution that expresses its dismay at the budget that has been submitted to the Legislature by the Governor and his administration.

The City Manager recommends that the Assembly review and edit this draft resolution and pass it with unanimous consent.

XI. STAFF REPORTS

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

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