THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - July 23, 2018

MEETING NO. 2018-22 The Regular Meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 7:00 p.m. by Mayor Ken Koelsch.

I. FLAG SALUTE

II. ROLL CALL

Assembly Present: Mary Becker (telephonic), Rob Edwardson, Maria Gladziszewski, Norton Gregory, Loren Jones, Jesse Kiehl, Ken Koelsch, Jerry Nankervis (telephonic), and Beth Weldon.

Assembly Absent: None.

Staff Present: Rorie Watt, City Manager; Amy Mead, Municipal Attorney; Beth McEwen, Municipal Clerk; Bob Barthlomew, Finance Director; George Schaaf, Parks and Recreation Director; Gary Gillette, Port Engineer; Rich Etheridge, Fire Chief; John Coleman, Deputy Airport Manager; Jim Mclean, Community Development Department Director; Tod Chambers, Assistant Fire Chief; Tim Felstead, CDD Planner; Kollin Monahan, Aquatics Manager

III. SPECIAL ORDER OF BUSINESS

A. Recognition: Capital Cup Winners

Mayor Koelsch recognized the team of Juneau tennis players who won the Capital Cup Tournament between Juneau and Whitehorse.

IV. APPROVAL OF MINUTES

MOTION by Ms. Gladziszewski to approve the minutes of the June 25, June 27, and July 11, 2018 Assembly meetings and asked for unanimous consent. *Hearing no objection, the minutes were approved as presented.*

A. June 25, 2018 Regular Assembly Meeting 2018-18

B. June 27, 2018 Special Assembly Meeting 2018-19

C. July 11, 2018 Special Assembly Meeting 2018-20

V. MANAGER'S REQUEST FOR AGENDA CHANGES

The City Manager requested Resolution 2830 be pulled from the Agenda as it was not ready for Assembly action at this time.

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Tom Boutin read a letter from *Bruce and Judy Bowler* requesting the Senior Citizen Sales Tax Exemption be reinstated.

Cathy Boutin read a letter from *Terry Harvey* requesting the Senior Citizen Sales Tax Exemption be reinstated and change the current "rebate" program.

Loretta Bevegni spoke to the steady economic base that senior citizen contribute to the local economy, and requested the senior citizen sales tax exemption be reinstated to maintain seniors remain within Juneau.

Ron Summerville requested the Assembly schedule the question of reinstatement of the senior sales tax exemption be put before a vote of the community on this year's election.

Bruce Weyhrauch requested the Assembly send a letter to the Federal bench to request that they appoint a magistrate to be stationed in Juneau. He explained that Leslie Longenbaugh has been the Federal Magistrate for a long time and is due to retire soon and the Federal bench is not intending to appoint either a full time or part time within the Juneau or Southeast area. There is a federal court in Juneau, with federal cases filed and assigned, as well as a naturalization ceremonies and Mr. Weyhrauch said he feels it is a slap in the face of Juneau as the Capital City for the federal bench not to appoint a magistrate in Juneau and asked that the Assembly send a strongly worded letter to that effect to the federal bench. Mr. Edwardson asked if there were other federal magistrates within Alaska to which Mr. Weyhrauch answered that there are magistrates in Anchorage and Fairbanks.

VII. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction

None.

B. Assembly Requests for Consent Agenda Changes

Mayor Koelsch requested removal of Ordinance 2018-11(G) CCFR Funding from the Consent Agenda.

Mr. Jones questioned the process of pulling an ordinance from the Consent Agenda. Ms. Mead explained the circumstances under which an ordinance may be removed by an Assemblymember for purposes of referring it to a committee.

Mr. Jones objected to the removal of Ordinance 2018-11(G).

Amendment by Mr. Jones to introduce Ordinance 2018-11(G) and refer it to the Finance Committee to be brought back for Public Hearing at the next regular Assembly meeting.

Additional discussion took place regarding Consent Agenda process with further explanation from Ms. Mead as well as from Mr. Watt regarding subsequent discussion of the topic covered by Ordinance 2018-11(G) planned for discussion under the staff report portion of the meeting.

Roll call vote on the Amendment:
Ayes: Edwardson, Gladziszewski, Gregory, Jones, Kiehl, Nankervis, Weldon, Koelsch
Nays: None
Motion carried.

[Clerk Note: Ms. Becker's telephonic connection had been lost at the time of the vote.]

C. Assembly Action

MOTION by Mr. Kiehl to adopt the Consent Agenda as amended with the removal of Resolution 2830. *Hearing no objection, the motion carried.*

1. Ordinances for Introduction

   a. Ordinance 2017-06(AV) An Ordinance Appropriating to the Manager the Sum of $9,387 as Partial Funding for the Industrial Boulevard Capital Improvement Project; Funding Provided by the State of Alaska Department of Transportation.

      The State of Alaska, Department of Transportation (ADOT) has refunded $9,387.37 to the City & Borough of Juneau (CBJ) for matching funds attributed to the ADOT reconstruction of Riverside Drive. The CIP was included in the CBJ's FY13 CIP program, and eventually closed out in FY16.

      The refunded amount was originally made available with sales tax funding, and will now be added to the Industrial Boulevard CIP.

      This item will be heard by the Public Works and Facilities Committee at its regular meeting on August 6, 2018.

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

   b. Ordinance 2018-11(D) An Ordinance Appropriating to the Manager the Sum of up to $29,492 as Funding for Multiple Training Events for the Juneau Police Department; Grant Funding Provided by the United States

Department of Justice, Office of Justice Programs, FY17 Edward Byrne Memorial Justice Assistance Grant (JAG) Program.

The Juneau Police Department has been awarded up to $29,492 in grant funding for various training opportunities.

The JPD leadership team has identified the following training opportunities to be funded with this grant, including: property and evidence management, information technology, computer forensics, emergency communications professionals, and creating a healthy police agency.

No local match is required for this grant.

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

c. Ordinance 2018-11(E) An Ordinance Appropriating to the Manager the Sum of $2,245,538 as Funding for various Capital Improvement Projects at the Juneau International Airport; Funding Provided by Passenger Facility Charge Fees.

This ordinance would appropriate $2,245,538 to various Airport capital improvement projects (CIPs). These funds will reimburse amounts that were forward-funded from the Airport Fund Balance and Airport revolving CIP accounts, and will also provide new match for grants.

Funding is provided by FY18 & FY19 Passenger Facility Charge (PFC9) collections, for the following CIPs:

Conduct Master Plan Study	$ 61,227
Rehabilitate Taxiways A & E (Design and Construction)	$1,125,000
Rehabilitate Airport Access Road	$ 64,610
Construct NE and NW Apron	$ 228,251
Rehabilitate ARFF Building	$ 50,000
Construct Snow Removal Equipment Building (SREB)	$ 72,750
Construct Sand and Chemical Building	$ 643,700

Total approved collections for PFC9 are over nine-million dollars, and anticipated to take 8 years. They will be appropriated year-to-year; this is the first.

At its July 10, 2018, meeting, the Airport Board approved this action.

This item will be heard by the Public Works and Facilities Committee at its regular meeting on August 6, 2018.

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

d. Ordinance 2018-11(F) An Ordinance Appropriating to the Manager the Sum of $1,972,000 as Funding for the Juneau International Airport Gate 2 Passenger Boarding Bridge Capital Improvement Project; Funding Provided by the Federal Aviation Administration and Sales Tax Revenue.

This ordinance would appropriate $1,972,000 to the Airport Gate 2 Passenger Boarding Bridge capital improvement project. Funding is provided as follows:

Federal Aviation Administration (FAA) grant:	$1,801,875
Sales Tax Revenue:	$ 170,125

The FAA funds 93.75% of the project with local match provided by Juneau International Airport from sales tax revenue, which also includes $50,000 contingency funds.

The Airport Board approved this action at its March 13, 2018, meeting. The Assembly approved forward funding this project in the amount of $1,801,875 via Ordinance 2017-06(AJ) at its meeting on April 4, 2018. If the Assembly adopts Ordinance 2018-11(F), the forward funding of $1,801,875 will be refunded to the Airport Fund's fund balance.

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

e. Ordinance 2018-11(G) An Ordinance Appropriating to the Manager the Sum of $350,000 as Supplemental Funding for Capital City Fire & Rescue; Funding Provided by General Fund's Fund Balance.

This supplemental appropriation of $350,000 provides funding to support an immediate need to add additional staffing to Capital City Fire & Rescue (CCFR) operations. The additional staffing is being added for the purpose of providing expanded EMS service and fire response readiness.

This ordinance will appropriate the funds needed to pay for the additional personnel costs within CCFR. The funds will come from the General Fund’s fund balance.

This issue was discussed with the Committee of the Whole (COW) at its July 11, 2018, meeting. The COW directed staff to prepare an appropriating ordinance and move it to the full Assembly for introduction and public hearing.

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

f. Ordinance 2018-28 An Ordinance Amending the Land Use Code Relating to Mining.

This ordinance would amend the City and Borough's Land Use Code as directed by the City and Borough of Juneau Mining Committee. As instructed by the Committee, Title 49.65 was rewritten and reorganized to improve clarity, without removing any substantive provisions.

The Planning Commission considered the ordinance at its meeting on June 26, 2018, recommending it be forwarded to the Assembly with one substantive change: to require the release of the financial warranty relating to mining exploration to occur within six months. That change is shown by strikethroughs and italics.

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

g. Ordinance 2018-38 An Ordinance Amending the Sales Tax Code Relating to Transportation Network Companies.

Alaska Statute 29.35.148(b) was recently amended by SB14, signed by the governor in June, to allow municipalities the ability to require transportation network companies (TNCs) to collect and pay the municipal sales tax on behalf of transportation network company drivers.

This ordinance would amend the CBJ sales tax code to implement the changes authorized by SB 14.

This issue was presented to the Assembly Finance Committee at its February 7, 2018, meeting, and the draft ordinance presented to the Committee at its June 13, 2018, meeting.

TNC company representatives recently contacted the CBJ with suggestions to improve the tax administration requirement.

The City Manager recommends this ordinance be introduced and set for public hearing at the September 17, 2018, regular Assembly

meeting.

h. Ordinance 2018-39 An Ordinance Increasing the Hotel-Motel Room Tax by Two Percent and Providing for a Ballot Question Ratifying the Increase.

This ordinance would place the question of increasing the hotel-motel room rental tax from seven to nine percent on the ballot at the next regular municipal election. In accordance with a request proposed by the Assembly Finance Committee at its meeting on June 13, 2018, the increase would be permanent, with an effective date of January 1, 2019.

The hotel-motel room rental tax was last increased in 1988. The increased rate authorized by this ordinance would initially generate an estimated $440,000 per year in additional revenue. It is the intent of the Assembly to use this increase in the hotel-motel room rental tax to provide partial funding for the construction of capital improvements for the Juneau Arts & Culture Center and as funding for improvements to Centennial Hall, visitor information, marketing services, and other tourism and visitor services and facilities. Additionally, if approved by the voters, proceeds could be used to help pay for debt service relating to the new JACC or Centennial Hall.

The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting, and referred to the Finance Committee meeting for discussion on July 25, 2018.

i. Ordinance 2018-40 An Ordinance Authorizing the Issuance of General Obligation Bonds in the Principal Amount of Not to Exceed $12,000,000 to Finance Capital Improvements to the Facilities of the City and Borough, and Submitting a Proposition to the Voters at the Election to Be Held Therein on October 2, 2018.

This ordinance authorizes placing on the October 2, 2018 general election ballot the question of issuing $12 million in fifteen-year general obligation bonds for the purpose of funding a variety of capital projects. The identified projects include:

· Renovations to Centennial Hall, including upgrading the HVAC system and expanding the lobby area;

· Construction and equipping of a portion of a new arts and culture center; and

· Construction of an enclosed and heated corridor between Centennial Hall and the new arts and culture center.

The temporary 1% sales tax approved by voters during the October 2017 general election will pay for $4.5 million of the debt service. Beginning in FY20 to pay off the remaining $7.5 million of debt and interest would require .15 mills in property taxes for debt service payments for 15 years. This amount of debt service would require an annual property tax levy of approximately $15 (.15 mills) per $100,000 of assessed value or approximately $59 for an average single family home (estimated 2018 value $393,000 per CBJ Assessor). The annual payment funded by property taxes would be about $719,000.

The Assembly Finance Committee will discuss this ordinance at its July 25, 2018, meeting.

The City Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting and sent to the Finance Committee for further discussion.

j. Ordinance 2018-42 An Ordinance Authorizing the Manager to Sell City and Borough of Juneau Property, Located at 9290 Hurlock Avenue, to Alaska Legacy Partners.

This ordinance would authorize the Manager to sell the 9290 Hurlock Avenue property to Alaska Legacy Partners for $350,000 for the development of a senior assisted living housing project.

After a lengthy committee process, on April 16, 2018, the Assembly Committee of the Whole chose the Alaska Legacy Partners (ALP) proposal. ALP proposes to purchase the property and redevelop it into a senior assisted living facility; this ordinance requires development that conforms with ALP's proposal.

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

2. Resolutions

a. Resolution 2828 A Resolution Expressing Assembly Support for an Application for Funding from the Alaska Department of Transportation and Public Facilities Through its Municipal Harbor Facility Grant Program in the Amount of $2,000,000 for Phase III of the Aurora Harbor Improvements Project.

This resolution would affirm the Assembly's support for Docks & Harbors to submit a $2M ADOT Harbor Grant application for the next phase of the Aurora Harbor reconstruction project.

The ADOT Harbor Grant is a 50-50 match program requiring CBJ to provide $2M in match to achieve a $4M project. Docks & Harbors proposes using $1.5M from the 2017 1% sales tax, as approved by the voters, and $500K from the Harbor Fund fund balance. The Docks & Harbors Board reviewed the resolution and recommended adoption at its June 28, 2018, regular meeting.

The City Manager recommends this resolution be adopted.

b. Resolution 2829 A Resolution Ratifying the Agreement Between the City and Borough and the Public Safety Employee Association, AFSCME Local 83, AFL-CIO.

This resolution would provide Assembly ratification of the terms of the tentative agreement negotiated between the City and Borough of Juneau and the Public Safety Employees Association (PSEA) for an economic reopener provided for in the current collective bargaining agreement.

The terms of the economic reopener include a 2% general wage increase and retention incentive bonuses for sworn staff. The total cost of these provisions over the life of the contract is projected to be approximately $281,000.

Because this is an economic reopener, there are no adjustments to general operating terms.

The PSEA membership has approved the terms of the tentative agreement. The agreed upon terms are consistent with Assembly direction.

The City Manager recommends this resolution be adopted.

c. Resolution 2830 A Resolution Ratifying the Agreement Between the City and Borough and the International Association of Fire Fighters.

This resolution would provide Assembly ratification of the terms of the tentative agreement negotiated between the City and Borough of Juneau and the International Association of Fire Fighters (IAFF) for an economic reopener provided for in the current collective bargaining agreement.

The terms of the economic reopener include a 2% general wage increase, retention incentive bonuses, and an adjustment to the wage rate for captains. The total cost of these provisions over the life of the contract is projected to be approximately $204,000.

Because this is an economic reopener, there are no adjustments to general

operating terms.

Ballots for the IAFF membership ratification of the terms of the tentative agreement were counted on Friday, July 20. The agreed upon terms are consistent with Assembly direction.

The City Manager recommends this resolution be adopted.

[*Note: Resolution 2830 was removed from the agenda per the City Manager's request at the beginning of the meeting.]

3. Bid Award

   a. Term Contract for Processing and Disposal of Abandoned Vehicles

   This term contract is for the processing and disposal of vehicles for the Juneau Police Department. For the purposes of this contract, vehicles include, but are not limited to, automobiles, buses, motorhomes, travel trailers, boat trailers, and boats. Vehicle distinctions shall be by Gross Vehicle Weight Rating (GVWR) of either less than or greater than 17,500 pounds.

   Bids were opened on the subject project on July 10, 2018; only one bid was received:

Bidder	Total Bid
Channel Construction, Inc.	$114,700.00

   The protest period ended on July 17, 2018. Staff recommends award to Channel Construction, Inc., on the basis of having the lowest responsive and responsible bid price in the amount of $114,700.00 based on total bid.

   The City Manager recommends award of this bid to Channel Construction, Inc. in the amount of $114,700.00.

4. Transfers

   a. Transfer T-1002 Transfer of $3,312,976 from Cruise Berth Improvement Capital Improvement Project to the Marine Park to Taku Uplands Improvements Capital Improvement Project.

   The CBJ Docks and Harbors director requests a transfer of funds from CIP account H51-101 (Cruise Berth Improvements) to CIP H51-116 (Marine Park to Taku Uplands Improvements).

   This transfer will provide funding for the next phase to include a land transaction (purchase and sale with Archipelago Properties, LLC),

transportation staging area and expanded open space through a deckover.

The Public Works and Facilities Committee reviewed this transfer at its July 9, 2018, meeting.

The City Manager recommends this transfer be approved.

b. Transfer T-1003 Transfer of $310,000 from Airport Revolving Capital Reserve Capital Improvement Project to the Snow Removal Equipment Building Capital Improvement Project.

The transfer provides funding for design of the second phase of the facility, consisting of a sand/chemical building & fueling station. The Airport Revolving Capital Reserve (ARCR) funding is temporary, and will be returned upon receipt of an anticipated Federal Aviation Administration grant for this design work.

At its meeting on July 10, 2018, the Airport Board approved this transfer.

The City Manager recommends this transfer be approved.

VIIIPUBLIC HEARING

A. Ordinance 2017-06(AW) An Ordinance Appropriating to the Manager the Sum of $119,853 as Funding for Various Capital Improvement Projects and Bond Debt; Funding Provided by General Obligation Bond Interest Income.

This ordinance would appropriate $119,853 in bond interest income that was earned on general obligation bond proceeds. 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.

Funding provided by unexpended bond interest income from ten capital improvement projects.

The City Manager recommends this ordinance be adopted.

Public Comment:
None.

Assembly Action:

MOTION by Mr. Edwardson to adopt Ordinance 2017-06(AW) and asked for unanimous consent. *Hearing no objection, the motion carried.*

B. Ordinance 2018-11(A) An Ordinance Appropriating to the Manager the Sum of

$53,000 as Partial Funding for the Treadwell Mine Park Preservation Capital Improvement Project; Grant Funding Provided by the Treadwell Historic Preservation and Restoration Society.

The project is to prepare and paint the exterior and interior of the existing concrete structure known as the Treadwell Office Building. This work continues recent historic preservation work at the Treadwell Mine Historic Park.

The Treadwell Historic Preservation and Restoration Society is contributing $53,000 to this project. Funds were obtained by the Society through private and corporate donations for the purpose of historic preservation activities at the Treadwell Mine site.

The City Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION by Mr. Gregory to adopt Ordinance 2018-11(A) and asked for unanimous consent.

Mr. Jones noted that this ordinance mentioned the appropriation is for partial funding and he asked what additional funding sources might be. Gary Gillette came forward to address that question. Mr. Gillette said that the Treadwell Preservation Project for the Office Building had received $150,000 from a Parks and Recreation Sales Tax Revenue fund and a $125,000 grant from the Rasmussen Foundation.

Hearing no objection, the motion carried.

C. Ordinance 2018-11(B) An Ordinance Appropriating to the Manager the Sum of $126,000 as Supplemental Funding for Waste Management's Fiscal Year 2019 Operating Budget; Funding Provided by the Waste Management Fund's Fund Balance.

This ordinance would appropriate $126,000 from the Waste Management Enterprise fund balance to the Waste Management operating budget to provide funding for the recycling program envisioned by Ordinance 2018-37. This appropriation would fund, through FY19, the increased contract cost between the existing recycling contract and the expanded contract contemplated by Ordinance 2018-37.

The City Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION by Ms. Weldon to adopt Ordinance 2018-11(B) and asked for unanimous consent. *Hearing no objection, the motion carried.*

D. Ordinance 2018-11(C) An Ordinance Appropriating to the Manager the Sum of $84,479 as Funding for the Parks and Recreation Department; Funding Provided by Hotel Tax Fund's Fund Balance.

On July 1, 2018, the CBJ entered into an agreement with the Juneau Arts and Humanities Council (JAHC) to manage the operations of Centennial Hall. Because the work of managing the hall will shift from public employees covered by the Public Employees Retirement System (PERS) to employees of a nonprofit organization not subject to PERS, the CBJ will incur a onetime termination cost of up to $84,479.00. This ordinance would appropriate the funds needed to pay for the termination costs to the Parks & Recreation Department. The funds will come from the Hotel Bed Tax Fund's fund balance.

This issue was discussed with the Assembly Finance Committee at its June 13, 2018, meeting. The AFC directed staff to prepare an appropriating ordinance and move it to the full Assembly for introduction and public hearing.

The City Manager recommends this ordinance be adopted.

Public Comment:
None.

Assembly Action:
MOTION by Ms. Gladziszewski to adopt Ordinance 2018-11(C) and asked for unanimous consent.

Mr. Jones said that during the budget process, they funded some things out of the hotel bed tax fund balance as well and asked what the current balance of that fund after this appropriation.

Mr. Bartholomew said after the adopted budget, they projected that fund balance was at $462,000 so the remaining balance would be determined by subtracting this appropriation from the $462,000. [Leaving $377,521]

Mr. Koelsch stated objection to this motion as he feels the fund source should be the general fund and not the hotel tax. He said they ask enterprise boards and places like Centennial Hall to come through and watch their money wisely and the head tax goes to Centennial Hall and Travel Juneau.

Amendment by Mayor Koelsch to change the fund source from Hotel Tax fund balance to the General Fund fund balance.

Additional discussion took place regarding the funding source for this ordinance.

[Ms. Becker resumed teleconference connection at 7:44 p.m.]

Roll Call Vote on Amendment:
Ayes: Gregory, Nankervis, Weldon, Koelsch, Becker
Nays: Edwardson, Gladziszewski, Jones, Kiehl
Motion carried 5:4

Ms. Mead asked for clarification from Mr. Bartholomew as to whether this fund balance change would substantially change the basic character of the ordinance such that it would require re-introduction. Ms. Mead said that she did not feel that the change in the funding source would trigger a re-introduction and public hearing since the public cannot dictate which funding sources appropriations should be drawn upon but she asked if Mr. Bartholomew could confirm that this is just a pot of money issue and not something more substantive. Mr. Bartholomew explained that it is a "color of money" issue and there is sufficient general fund balance and there is sufficient hotel tax fund balance so it is a matter of preference by the Assembly.

Hearing no objection, Ordinance 2018-11(C) passed as amended.

E. Ordinance 2018-12(A) An Ordinance Appropriating $40,000 from the Treasury for FY19 School District Operations with the Sole Purpose of Funding the Auto Shop Lease Costs.

   This ordinance would appropriate $40,000 to the Juneau School District, to be used solely for the rental payment relating to the facility use agreement between the district and the University of Alaska needed for the district's auto shop program.

   The issue was discussed by the Assembly Finance Committee at its meetings on April 4, 2018, and May 9, 2018.

   The Assembly heard public testimony on the topic at the Assembly meeting on June 25, 2018.

   The Assembly directed staff to draft this appropriating ordinance at its meeting on June 4, 2018.

   The City Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION by Mr. Kiehl to adopt Ordinance 2018-12(A) and asked for unanimous consent. *Hearing no objection, the motion carried.*

F. Ordinance 2018-36 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of USS 2305, Lot 9 Fraction (Northern Portion) and USS 2335 Fraction (Western Portion), Located at 4535 North Douglas Highway, from D-3 to D-15.

This ordinance would rezone lots on North Douglas Highway from D-3 to D-15.

The two lots (1.64 acres) are under the same ownership and together are currently occupied by one single family dwelling.

The requested rezone would be an expansion of an existing D-15 zone immediately to the north. The large lot to the north was rezoned from RR(T)D-3 to D-15 in 2014. The 2013 Comprehensive Plan identifies the immediate area around and including the lots as Medium Density Residential (MDR). This designation supports lots which have zoning with dwelling densities between five to twenty units per acre. The Comprehensive Plan notes that rural lands and lands in the North Douglas Subarea should be rezoned to higher densities when public water and sewer are provided to them. The subject lots were connected to public water in 1987 and public sewer in 2011.

The CBJ Land Use Code provides minimum restrictions for zone change requests. This proposal conforms to these restrictions as follows:

1. The request is for less than 2 acres, but if approved will expand an existing D-15 zoning district.

2. No similar request has been made in the past year.

3. This request substantially conforms to the land use maps of the 2013 Comprehensive Plan.

On April 18, 2018, a public meeting was held at the Douglas Library. On May 22, 2018, the Planning Commission recommended that the Assembly approve the rezone.

The City Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION by Mr. Edwardson to adopt Ordinance 2018-36 and asked for unanimous consent. *Hearing no objection, the motion carried.*

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Senior Citizen and Hardship Late-File Application Extension Requests

The following listed property owners are requesting that the Assembly authorize the Assessor to consider a late-filed appeal of their property assessment: Hutchins, McVey, Rasmussen, Morgan, Roldan, Ware, and Knapp. The action required by the Assembly is to determine whether or not the late-filed tax assessment appeal will be heard. Evidence on the assessment itself or the merit of the appeal is not relevant. The Assembly should consider each request separately and determine whether or not the property owner was unable to comply with the 30-day filing requirement.

2018 Hardship Exemptions

1) Applicant: Hutchins Parcel ID: 3B44010000093
Physical Address: 34200 Glacier Hwy.
Legal Description: Yankee Cove LT1

2) Applicant: McVey Parcel ID: 4B1801030170
Physical Address: 1650 Fritz Cove Road
Legal Description: USS 1547 FR

3) Applicant: Rasmussen Parcel ID: 4B1701140030
Physical Address: 2741 Engineers Cutoff
Legal Description: USS 3260 LT 13

2018 Senior Citizen/Disabled Veteran Exemptions

1) Applicant: Rasmussen Parcel ID: 4B1701140030
Physical Address: 2741 Engineers Cutoff
Legal Description: USS 3260 LT 13

2) Applicant: Morgan Parcel ID: 6D0701100090
Physical Address: 5700 N. Douglas Hwy.
Legal Description: USS 3159 LT 6 TR 3

3) Applicant: Roldan Parcel ID: 5B1301120540

Physical Address: 6590 Glacier Hwy SP 54
Legal Description: Switzer Village MH Park SP 54

4) Applicant: Ware Parcel ID: 1D050L260070
Physical Address: 3155 Pioneer Ave
Legal Description: Channel Heights II BL A LT 12

5) Applicant: Knapp Parcel ID: 1C060U04B030
Physical Address: Parkshore Unit B-3
Legal Description: Parkshore Condo B-3

The burden of proof is upon the property owner to show the inability to file a timely appeal. In this context, the word "unable" does not include situations in which a property owner forgot about, or overlooked, the assessment notice, was out of town during the period for filing an appeal, or similar situations. Rather, it covers situations that are beyond the property owner's control and would prevent a property owner from recognizing what is at stake and dealing with it. Examples of this would include physical or mental disability serious enough to prevent a person from dealing rationally with their private affairs. Disagreeing with the amount of the assessment does not constitute inability to submit a timely appeal, nor does a notice of assessment being sent to a wrong address. The property owner is responsible for keeping a current, correct address on file with the assessor's office.

If the Assembly decides to accept one or more late-filed appeals, those assessment appeals will be referred to the Assessor for review and action.

Mayor Koelsch asked Ms. Mead if they had to take these up individually or if they could be accepted as a group. Ms. Mead explained that the Assembly can do either but if they do take them up as a group, she would suggest they take them up as each separate category.

2018 Hardship Exemptions

MOTION by Mr. Jones to approve the 2018 Hardship Exemptions for applicants Hutchins, McVey, and Rasmussen and asked for unanimous consent.

The following clarifying questions were asked:
1) Is the deadline the same every year?
Answer: Yes.

2) Is the Assembly approving the applications or are they being accepted for the Assessor to then act upon?
Answer: The action would be to accept the application to be forwarded to the Assessor for review and action.

Mayor Koelsch asked for any objections to accepting the 2018 Hardship Exemption applications to be forwarded to the Assembly for review and action. Hearing no objection, the motion carried.

2018 Senior Citizen/Disabled Veteran Exemptions

MOTION by Ms. Gladziszewski to accept all five of the 2018 Senior Citizen/Disabled Veteran Exemptions for applicants Rasmussen, Morgan, Roldan, Ware, and Knapp and asked for unanimous consent.

Mr. Jones asked about the request from Ms. Knapp regarding the sale of her home and purchase of a new home to which the exemption didn't carry. He noted that she was informed by the Assessor's office that the exemption doesn't go with the person but rather the property. He asked how that worked and if it was a glitch in our system since the Senior Citizen exemption is based on the status of the individual owner. He questioned how and if CBJ is notified when the sale takes place since Alaska is a non-disclosure state.

Mr. Watt and Mr. Bartholomew explained that the non-disclosure of property sales is only with respect to the sale price of the transaction but not to the fact that a sale took place. Mr. Bartholomew did state that the state mandatory $150,000 exemption for seniors does follow the individual senior citizen and is not kept with the property. If that person does purchase another property, they would need to reapply for the exemption. He said the Assessor's office does receive property sale information from the State Recorder's office.

Mayor Koelsch asked for any objections to accepting the 2018 Senior Citizen/Disabled Veteran Exemption applications to be forwarded to the Assembly for review and action. Hearing no objection, the motion carried.

B. Seventh Day Adventist Christian School vs. CBJ Assessor - Appeal #2018-03

On July 13, 2018, the Clerk's office received an appeal of the Assessor's decision regarding the tax exemption status of the property owned by Juneau Seventh-day Adventist Christian School.

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.)

As this is a quasi-judicial matter, the City Manager makes no recommendation.

Mr. Jones asked about this coming back before the Assembly. He noted that last year there had been a similar appeal, that the Assembly decided to hear that appeal itself, assigned it to themselves, and then there was a settlement between the appellant and the Assessor's office. He asked about why the previous settlement didn't apply in this instance. Ms. Mead explained that the settlement was not one which could be carried forward from year to year.

Mayor Koelsch noted that the questions before the body for action:

1) Does the Assembly wish to hear the Appeal?

Hearing no objection, the Assembly decided to accept the appeal

1) Does the Assembly wish to hear the Appeal itself or assign it to a Hearing Officer?

MOTION by Mr. Gregory to refer the matter to a Hearing Officer.

Ms. Gladziszewski asked about the funding source if this were to be assigned to a hearing officer. Ms. Mead answered that at the last meeting at which an appeal was assigned to a hearing officer, then Clerk Laurie Sica noted that we were changing fiscal years and the hearing officer funds were available, however, those funds may need to be supplemented over the course of this fiscal year if additional appeals were being assigned to hearing officers.

Mr. Kiehl noted that the Assembly did not increase its budget for hearing officers and that they should start hearing appeal themselves.

Roll Call Vote
Ayes: Weldon, Nankervis, Becker, Gregory, Koelsch
Nays: Edwardson, Gladziszewski, Kiehl, Jones

Motion carried 5:4

C. Archipelago Land Deal

Mr. Watt noted that the Assembly heard a presentation at its July 11 Committee of the Whole meeting about the Archipelago land deal being proposed by the Morris Group (the Archipelago property owners) and the Docks and Harbors. He explained that CBJ Code Title 53 requires that the Assembly be notified when a proposer requests negotiations. Mr. Watt asked for an Assembly motion to allow for direct negotiations to take place between the Morris Group and Docks and Harbors Port Director.

Discussion took place regarding whether the "Manager" language of the code is referring to the City Manager or the Port Director as the "Manager" in this instance. Mr. Edwardson asked about the risk factor involved if the Assembly decided not to go with whatever deal came about as a result of these negotiations. Mr. Watt explained that ultimately the Assembly has the final say in the matter and could return any deal for further negotiations if it didn't agree with the outcome. They would also have to approve any appropriations on whatever final deal was decided upon.

Mayor Koelsch called for a brief recess to allow the Attorney time for additional code review.

The meeting recessed at 8:10 p.m. and reconvened at 8:20 p.m.

Ms. Mead clarified that Title 85 states that if land is assigned to the Docks and Harbors, then the Port Director stands as the "Manager" for the Title 53 language. She further clarified that since this negotiations as to do with uplands, it would be appropriate for the City Manager to be the negotiator.

MOTION by Ms. Gladziszewski for the City Manager to negotiate directly with the Morris Group regarding the Archipelago property. *Hearing no objection, the motion carried.*

XI. STAFF REPORTS

A. CCFR Staffing Update

Mr. Watt reported that since the Assembly COW meeting at which the Fitch Report was given, he and Ms. Cosgrove have been working on next steps. He stated that in an effort to jump start the process for adding staffing, they had initially drafted an appropriation ordinance and when that ordinance was initially drafted, the concept was a 12-hour ambulance crew and the $350,000 reflects the full year cost for that. He said they moved that forward faster than they normally would have because they wanted to get staffing relief for the department sooner.

He noted that since they brought the Fitch report and that ordinance to committee, they have received a fair amount of comment from the department. He has been working with Ms. Cosgrove and the Fire Chief and Assistant Chiefs to look at the two general ideas

that are out there to pull in more information as the next step for providing resources to the department. He said the call volume has increased significantly and the need for increased resources is not disputed.

Mr. Watt said he didn't have a recommendation for the Assembly at this meeting and did not want to give them a hasty recommendation. He said that he is glad that they have referred this to the Assembly Finance Committee thinks the Assembly needs to spend some time on it at that committee meeting. He said he will provide the context of the things he feels they should think about that are all interrelated when they consider this issue. He said he will also bring forward the other ideas that are out there for additional funding as this is certainly not the last funding request that they will receive. He said the $350,000 represents a complete fiscal year of 4 employees for 12 hour ambulance crew. The other idea that is out there is for six 24-hour employees for another $120,000 more. As a practical matter, by the time the changes are made for the department, they will be 2-3 months into the fiscal year and the appropriation will allow the latitude for any choice that is made. He said there are a couple of things that are important and that is for the Assembly to decide what level of detail it wants to be involved in on this and what level of staffing management ought to be taking place at the department level. He said he also thinks it is important to discuss the cost of service, the level of service, the staffing model, workforce culture. He said we all collectively have not acted quickly enough in the face of the escalation of the demand for services at the department and the bigger question in his mind is how to develop a process for moving forward that allows us to adequately resource the department and help the department to adapt to the continuous change of their services.

He said he has no recommendations at this time. He has heard the strong opinions and he has no philosophical objection or attachment to any particular staffing model. He said he thinks the Assembly needs to hear all the demands that it is likely to receive for resources and the AFC is a great forum to hear that.

Ms. Gladziszewski asked for clarification that they would be taking this up at the AFC meeting on August 8 and then have more robust discussion at the COW meeting on August 9.

Mr. Watt said it up to the Assembly to determine how much discussion they wish to have during the August 9 COW since there is already a substantial agenda lined up for that meeting already but he feels it is important that the Assembly gives it the time needed to make the right decisions for the right reasons rather than force a hasty decision. He said he thinks those decisions should be de-coupled from the appropriation ordinance so that the resources could be provided as soon as possible.

XII. ASSEMBLY REPORTS

A. Mayor's Report

Mayor Koelsch reported on the Uptown Neighborhood Gathering at McPheter's Hall and was focused on public safety. He attended the unveiling of the Princess Sophia marker and informational panel at Eagle Beach put on by the Pioneers of Alaska. He met with Tlingit-Haida President Richard Peterson and heard updates on how their programs are working in Southeast Alaska. He attended the AEL&P Anniversary Picnic at Cope Park which was well attended by the community. He visited today with Jenny Kline Chitwood and her two daughters. Jenny Kline Chitwood was the Juneau Mayor in 1975 and 1976. He noted that on July 24 an installation of a new sculpture was being unveiled at the Mendenhall Library.

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

Mr. Kiehl reported that the Assembly Finance Committee would be meeting on July 24. He stated he will be attending the Alaska Municipal League summer meetings in Healy soon. He also attended the Uptown Neighborhood meeting and he appreciated the wide range of CBJ staff who attended. He offered kudos to the Manager, Attorney, and the Mayor as well as members of DOT/PF and the Governor's office for their quick work on a water and sewer issue to think outside the box to make things happen within a tight timeline and enable projects to proceed. He also thanked the individuals who are putting on the National Guard appreciation dinner on July 30.

Mr. Jones provided a report on the work from the Assembly Public Works and Facilities Committee meeting of July 9. They took up the bid award that was on this Consent Agenda and they received an information item on Pederson Hill. During that meeting they discussed the Dudley Street Tree Removal issue and outside their normal procedures, they took public testimony from eight persons on that topic. The next PWFC meeting is August 6. He noted that the School Board did not meet in July. There is a worksession and regular meeting and August 14. Per their policy, next year's School Board meetings will be held at Thunder Mountain High School and not at JDHS. The Downtown Business Association (DBA) met on July 10 and received a presentation from Allison Eddins on the Historic Preservation Plan and that progress. The DBA has also began a discussion and are going to poll their members again to raise some money to hire some additional downtown security, likely through Goldbelt. He said that Officer Colon was there during that discussion. They have not determined on what hours, there is a difference of opinion amongst the DBA as to whether it should be during the early morning hours when employees are coming to work, or late at night as the bars close. He said that Ofc. Colon was helpful in that discussion. They are looking at the potential of a project starting sometime in September through December at about $4,500/month to hire additional security guards downtown. On July 13, their infrastructure committee met and they asked about possible grants for historic building restoration projects. Laura Boyce attended that meeting and provided information and she will also be heading up the Blueprint Downtown project.

Mr. Jones reported that the Juneau Commission on Aging met on July 10 and discussion about subcommittee and some of the things they want to be working on. Their next

meeting is August 14. He reported that the Douglas Island Neighbors Association on August 25 from 3-9 p.m. will be having the Douglas Island Community Party with Community picture at 6 p.m. Mr. Jones asked the Manager if he had anything else to add with respect to the Dudley Street/Adair-Kennedy tree removal issue. Mr. Watt reported that he has asked staff to update PWFC for the August 6 meeting on that topic with some follow-up information.

Ms. Gladziszewski reported that the Assembly Human Resources Committee (HRC) met just before the Assembly meeting recommended the following appointments to boards/commissions. Hearing no objections, the appointments were made as follows:

- *Linda Kruger to the Juneau Commission on Aging to a term starting immediately and expiring December 31, 2021.*

The HRC also heard a report from the Juneau Commission on Sustainability. They mentioned that they had sent a "livestock ordinance" to the Law Department in August 2017 and she asked what the status of that ordinance might be. Ms. Mead mentioned that the ordinance request didn't make it to the Law Department until more recently than that and CDD sets its priorities as far as which ordinances they push forward. She said that was initially pushed forward and then wasn't due to other issues that arose that they wanted other things to take more priority. She said it is currently moving forward.

Ms. Gladziszewski said they also need to schedule a meeting of the Full Assembly sitting as the HRC to interview applicants for the Docks and Harbors Board and it was suggested that they hold that meeting on Monday, August 27 after the Lands Committee meeting. Hearing and seeing no objection, that meeting will be scheduled for 6 p.m. on August 27.

Ms. Gladziszewski reported that Bartlett Regional Hospital (BRH) will meet on July 24. At their last meeting, they were working their way through the Moss-Adams report which is an operational review of the hospital. It has given some options for changes and they have been given a model for analyzing operations. The Affordable Housing Commission was scheduled for July 3 and they cancelled that meeting with their next meeting to be held August 7.

Ms. Weldon reported that the Aquatics Board met in a retreat with the board and the Parks and Recreation and Pool Administration staff at the Eagle Valley Center. She said their next meeting is August 21. The Planning Commission (PC) met on July 10 and it was a light meeting regarding an ordinance on Accessory Apartments with some housekeeping amendments. She said the Comprehensive Plan Ad Hoc Committee reported on their recommendation to the Assembly to update the Comprehensive Plan. The PC meeting of July 24 has been cancelled. Ms. Weldon reported that she attended the memorial wake for Rudy Ripley and it was nice to see many of the older Juneau community members there. She attended the disability/pride picnic and was reminded the "disability" is actually just "different" ability. She extended congratulations to the Gastineau Channel Little League Major Softball Team for winning the State

Championship. She said that she received a tour from George Schaaf of the Adair/Kennedy tree area. She went on a Treadwell Walking Tour with a member of the Treadwell Historic Society and that was a great tour. She said it was especially fun for her family as the building they just painted, her grandmother and mother had high tea there when her mother was young. She said she also attended the AEL&P picnic and walked down to the Gold Creek Hydro Plant. She said she visited with some of the Meander Way residents after the recent Jokkuluup and asked if there was any way the city could still help the residents of those 28 properties that had been identified. She suggested looking into an ordinance to possibly waive property taxes for a five year period while they are pouring at least $25,000 into a bank stabilization project. She said she isn't sure if that is even a possibility but she'd like to look into what it might take to do that. She also mentioned that Mr. Weyhrauch was here and she asked if the Assembly would be willing to address the letter that he wanted them to write with respect to the Federal Magistrate.

The Mayor asked for thumbs up or down regarding the Magistrate letter and members gave it a thumbs up.

Mr. Gregory reported that the Eaglecrest Board met on July 9 and introduced several new boardmembers. The Eaglecrest Manager is working on the procurement process for the new snow making equipment which is expected to be in place by this winter. They currently have 10 snow guns and with this new snow making equipment and the pumps, they will be able to make snow all the way up to the base of the Black Bear lift. The Juneau Community Foundation, as of the date of that meeting, raised $110,000 of the $125,000 needed for the new cabin that is being built at Eaglecrest. The JCF cabin is just a kickstarter for a larger cabin network in Juneau and on Douglas Island. They are looking to build two more cabins at Eaglecrest as well as other areas in the J-D area and along the Treadwell Ditch Trail. The JCF is maintaining a volunteer list for the cabin building project. The JCF is the lead on the cabin building projects so Eaglecrest staff can maintain their focus on winter activities. The new bridge by the Ptarmigan lift chair is done. The old bridge had collapsed and wasn't allowing enough water to flow through adequately. They continue to look at additional trail infrastructure and provide other opportunities for hiking and biking. There is discussion on what a mountain coaster would look like on Eaglecrest. The next meeting is Thurday, July 26. The Parks and Recreation Advisory Committee did not meet in July and the next meeting will be August 7. Mr. Gregory noted that he received many phone calls after the fourth of July about the concerns that people have about fireworks. He was concerned that some of these calls came from former service men and women who were experiencing PTSD, Flashbacks, and Migraine headaches and trauma due to the fireworks. He said it is a topic that needs continuous work and community education.

Mr. Edwardson reported that the Local Emergency Planning Committee did not meet in July and its next meeting is scheduled for August 8. He noted that Ms. Gladziszewski covered the JCOS information and he noted that their report was well written and

compact and that they are doing a number of efforts to implement the Juneau Renewable Energy Strategy (JRES). He said their next meeting is scheduled for August 22 and one of the things that brought up is the difficulty in getting their Assembly liaison to attend since their meetings land on the same days/times as the AFC meetings. They tried to change their meetings a few months back but that didn't stick so they are going to try to come up with some other times as well. He reported that Docks and Harbors (D&H) met on June 30 and said good bye to their three outgoing members and then David Seng made an announcement that he would be moving out of state and that is what is driving the need for interviews in August. He said that D&H received an update from Alaska DNR Division of Mining, Land, and Water on the Tug Lumberman. He said who is responsible for what is mainly triggered by certain events or non-events and he said that he feels D&H is doing a very good job trying to get to the bottom of what CBJ's responsibility or possible contributions are as relates to that tug.

Mr. Nankervis said that everyone else's reports covered much of what he would have touched on.

Ms. Becker reported that Lands Committee and Travel Juneau had each cancelled their most recent meetings. The Chamber of Commerce continues to meet weekly. The Alaska Committee has mainly been working on the C-Span vehicle that came up on July 21 & 22. She said that the Alaska Committee has a Visitor Satisfaction Survey going out in the public right now. The Palmer State Fair is coming up August 29-September 1 and they are hoping for a deal on Alaska Airlines and there will be a drawing for two airline tickets from AK Airlines. She said that the Alaska Committee and the Chamber are asking all of their members to donate to the Education Fund with the Juneau Community Foundation. The next meeting will be September 19. She said she attended the Overstreet Park ribbon cutting event. She agreed that it would be beneficial to have a conversation with the Police Chief about the Fireworks concerns that have been raised. She has heard a lot of good reports on how great Project Playground is looking.

Mayor Koelsch said that JPD, CCF/R, and Emergency Manager Tom Mattice did a great job in handling the information and crowd control with the Jokkuluup. Mayor Koelsch asked Ms. Weldon to get with the City Attorney to work on the Meander Way topic that she asked about.

C. Presiding Officer Reports

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

XIV. EXECUTIVE SESSION

MOTION by Mr. Kiehl to recess into Executive Session to discuss two topics, one of which the Gastineau Apartments Update is a topic the immediate knowledge of which

could be detrimental to the finances of the City and Borough of Juneau and the others, the evaluations of the City Manager and Attorney could tend to be prejudicial to the reputation or character of an individual.

There being no public testimony and hearing no objection, the meeting recessed into Executive session at 9:00 p.m.

The Assembly returned from Executive Session at 10:54 p.m.

Mr. Kiehl reported that during the Executive Session the Assembly heard an update from the City Attorney on the Gastineau Apartments case and gave direction in that legal matter. He also reported that they discussed the City Attorney performance/evaluation. They then talked with the City Manager and discussed his performance and evaluation.

A. City Manager and City Attorney Evaluations

B. Gastineau Apartments Update

XV. ADJOURNMENT

There being no further business to come before the Assembly, the meeting was adjourned at 10:55 p.m.

Signed:_____ Signed:_____
Elizabeth J. McEwen, Municipal Clerk Kendell D. Koelsch, Mayor