

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

August 21, 2017 7:00 PM

City Hall Assembly Chambers
Regular Meeting 2017-17

Submitted By:

Duncan Rorie Watt
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

IV. APPROVAL OF MINUTES

A. **July 31, 2017 Regular Assembly Meeting 2017-16**

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 2017-06(C) An Ordinance Appropriating to the Manager the Sum of \$9,939 as Funding for a New Master Plan for Riverside Rotary Park; Donation Provided by The Glacier Valley Rotary Club.**

The FY17 CIP provided \$250,000 from the voter-approved special 1% sales tax to perform improvements and upgrades to Riverside Rotary Park. The improvements include renovating and improving the playground and creating a new master plan for the entire park space.

The Glacier Valley Rotary Club has raised \$9,939 as a donation toward the project. These funds will be used to complete a new park master plan as part of these improvements.

The Public Works and Facilities Committee approved this request at its meeting on August 7, 2017.

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

- b. **Ordinance 2017-06(D) An Ordinance Appropriating to the Manager the Sum of \$25,000 as Partial Funding for the Historic Preservation Plan, Phase II; Grant Funding Provided by the State of Alaska Department of Natural Resources.**

The State Historic Preservation Office has awarded the CBJ a \$25,000 grant to update Juneau's Historic Preservation Plan. The funds, which will be used to pay a consultant to assist staff in updating the plan, come with a 40 percent match requirement. CBJ will meet this obligation with budgeted staff time.

CBJ's current preservation plan was completed 20 years ago. It remains in draft form, as it was never brought before the Assembly for adoption. CBJ is classified as a Certified Local Government (CLG), which makes it eligible for preservation grants. In order to maintain CLG status, cities are required to have adopted historic preservation plans. CBJ has been using the draft preservation plan for many years, but as funding becomes more competitive, it is prudent to have an adopted plan. Staff anticipates bringing the updated historic preservation plan before the Assembly to consider adoption in September, 2018.

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

- c. **Ordinance 2017-06(E) An Ordinance Appropriating to the Manager the Sum of \$109,800 as Supplemental Funding for the Law Department Fiscal Year 2018 Operating Budget; Funding Provided from the General Fund's Fund Balance.**

The requested appropriation would fund a new attorney position. The position would have a dual focus, working for both the criminal and civil sections. The position would alleviate the strain on the criminal side created by a dramatic increase in criminal cases being prosecuted as a result both of the criminal justice reform bill as well as the impact that bill has had on the local District Attorney's Office's resources and ability to handle a share of the misdemeanor caseload. The addition of the new

position would also allow the civil section to significantly increase the CBJ's collections efforts with respect to unremitted sales tax, as well as civil and criminal fines that have gone unpaid and the recovery of damages through the initiation of civil litigation.

The FY18 funding source is an increased draw on General Fund fund balance of \$109,800 over the recently adopted budget. The FY18 adopted Law budget reduced their budget's draw on the general fund due to \$100,000 increased cost reimbursement from BRH. Thus this requested increment only draws \$13,000 more on the general fund than their FY17 budget. This requested increase was discussed at the July 12 Committee of the Whole meeting. The direction to prepare an ordinance for Assembly introduction passed without objection.

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

2. Resolutions

a. **Resolution 2801 A Resolution of the City and Borough of Juneau in Support of Alaska Department of Transportation and Public Facilities Harbor Facility Grant Submission.**

Docks & Harbors desires to apply for an ADOT Harbor Facility Grant to retrofit Mike Pusich Douglas Harbor and Harris Harbor with zinc anodes to extend the useful life of the steel pilings. The approximate construction cost for Douglas Harbor is \$280,000 and for Harris Harbor, \$250,000. The Harbor Facility Grant requires a 50% local match. Docks & Harbors is prepared to provide up to \$265,000 from its Harbor Fund fund balance for this purpose.

The application is due on September 1, 2017, and the applicant receives an additional point (out of 56) with a local resolution of support.

The Docks & Harbors Board reviewed the language at its July 31, 2017, regular board meeting and recommends the Assembly adopt Resolution 2801.

The City Manager recommends adoption of this resolution.

b. **Resolution 2802 A Resolution Reestablishing the Juneau Commission on Aging and Repealing Resolution 2279.**

The Juneau Commission on Aging has struggled for the past year to maintain enough members to meet the quorum requirements necessary to take action and hold meetings. Assembly Human Resources Committee (HRC) Chair Loren Jones and members of the clerk's office met with current and former members of the commission in a series of public

meetings in May and June of 2017 to discuss the status of the commission and the possibility of refocusing its mission. A resolution was drafted incorporating the changes discussed.

The Assembly Human Resources Committee reviewed the draft resolution at its June 26 and July 31, 2017, meetings, and recommended forwarding Resolution 2802 to the Assembly for adoption.

The City Manager recommends this resolution be adopted.

- c. **Resolution 2803 A Resolution Repealing Resolution 2288 Approving Fees Relating to the Disclosure of Public Records.**

With the adoption of a new public records act, Resolution 2288, which established fees for the copying, certifying or conforming of public documents in response to a request, is now obsolete. This resolution would repeal Resolution 2288.

The City Manager recommends the adoption of this resolution.

- d. **Resolution 2804 A Resolution Affirming the City and Borough of Juneau's Commitment to Climate Action.**

At the June 26, 2017, regular Assembly meeting, during Assembly comments, a motion was made to have the Assembly support the Mayors' Climate Change Initiative. The motion passed. At the July 31, 2017, regular Assembly meeting, a motion was made to reconsider that vote. The motion passed. Subsequently a motion was made to introduce a resolution for the next Assembly meeting affirming Juneau's commitment to climate action. That motion passed.

The Assembly directed that such a resolution be included on the agenda for the August 21, 2017, regular Assembly meeting.

As this is an Assembly directed resolution, the City Manager has no recommendation.

3. Other Items for consent

- a. **Renewal of Marijuana License 10271 - Marijuana Product Manufacturing Facility, Licensee: Top Hat Concentrates, LLC at 2315 Industrial Blvd., Suite B, Juneau**

The above marijuana license renewal is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed this renewal and found the business to be in compliance with CBJ Code. Your packet contains the renewal application along with the AMCO notice to the local governing body. Additional license application documents are available through the Clerk's office upon request.

In the event the Assembly does protest this renewal, CBJ Code 20.30 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of Saturday, September 16, 2017.

The City Manager recommends the Assembly waive its right to protest the renewal of AMCO marijuana license #10271.

b. Renewal of Marijuana License 10315 - Standard Marijuana Cultivation Facility, Licensee: Green Elephant, LLC at 101 Mill Street, Suite A, Juneau

The above marijuana license renewal is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed this renewal and found the business to be in compliance with CBJ Code. Your packet contains the renewal application along with the AMCO notice to the local governing body. Additional license application documents are available through the Clerk's office upon request.

In the event the Assembly does protest this renewal, CBJ Code 20.30 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of Tuesday, September 5, 2017.

The City Manager recommends the Assembly waive its right to protest the renewal of AMCO marijuana license #10315.

c. Renewal of Marijuana License 10844 - Retail Marijuana Store, Licensee: Green Elephant, LLC at 101 Mill Street, Suite B, Juneau

The above marijuana license renewal is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed this renewal and found the business to be in compliance with CBJ Code. Your packet contains the renewal application along with the AMCO notice to the local governing body. Additional license application documents are available through the Clerk's office upon request.

In the event the Assembly does protest this renewal, CBJ Code 20.30 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of

Tuesday, September 5, 2017.

The City Manager recommends the Assembly waive its right to protest the renewal of AMCO marijuana license #10844.

4. Transfers

a. **Transfer T-989 Transfer of \$1.558 Million from 4 CIPs to the Pederson Hill Subdivision CIP.**

This transfer will move \$1.558 million from 4 CIPs into the Pederson Hill Subdivision CIP. The Pederson Hill Subdivision project is moving forward with the first phase of construction expected to begin in the fall of 2017. The \$1.3 million being transferred from the Whittier Street CIP was a loan from the West Juneau/Douglas Access Study CIP in February 2016 allowing the project to be constructed during the spring of 2016, ahead of the opening of the state library and museum complex. CIP funding was allocated for Whittier in the FY17 CIP which became available until July 2016.

The Public Works and Facilities Committee forwarded this request at its August 7, 2017, meeting.

The City Manager recommends this transfer be approved.

b. **Transfer T-990 Transfer of \$100,000 from the Construct RSA IIB CIP to the Taxiway A & Taxiway E CIP.**

This transfer will move \$100,000 from the Construct RSA IIB CIP to the Taxiway A & Taxiway E CIP.

The funding source is Airport Fund fund balance, which will be used to forward-fund weather-critical field work, including topographic surveying and geotechnical investigation, until a federal grant is received for this work.

At its August 8, 2017, meeting, the Airport Board approved this transfer.

The City Manager recommends this transfer be approved.

VIIIPUBLIC HEARING

A. **Ordinance 2017-18 An Ordinance Amending the Penal Code.**

This ordinance aligns the CBJ penal code with state statutes and adds penalty provisions. An annotated version of this ordinance, which explained each amendment, was presented to the Committee of the Whole on July 12, 2017. The Committee of the Whole approved a motion to forward the ordinance to the Assembly for introduction.

The City Manager recommends this ordinance be adopted.

B. Ordinance 2017-21 An Ordinance Amending the Discharging Firearms Ordinance.

This ordinance would amend the code section prohibiting the discharging of firearms in certain areas to remove an incorrect geographic reference.

CBJ 42.20.050 prohibits the discharge of firearms within a quarter mile of the Mount Roberts Trail. In describing the trail, the code specifically identifies the trailhead as beginning at Sixth Street. Although that trailhead still exists and is still in use, the official trailhead is now at Basin Road. Eliminating the specific reference to Sixth Street would result in both trailheads being recognized for purposes of CBJ 42.20.050.

At the April 3, 2017, meeting, an Assembly member questioned the reference to Sixth Street and asked staff to look into the question. This ordinance is a result of that inquiry.

The City Manager recommends this ordinance be adopted.

C. Ordinance 2017-22 An Ordinance Providing for the Levy and Collection of a Temporary 1% Areawide Sales Tax on the Sale Price of Retail Sales, Rentals, and Services Performed within the City and Borough of Juneau, to be Effective October 1, 2018, and Providing for a Ballot Question Ratifying the Levy.

This ordinance would place the question of extending the 1% temporary sales tax on the ballot at the next regular municipal election. The current 1% temporary sales tax expires on September 30, 2018. If approved, the temporary 1% tax would be extended five years, until September 30, 2023.

It is estimated that the temporary tax would generate a total of \$43.3 million in sales tax revenue. It is intended that this revenue be used for a variety of capital projects focused on addressing deferred maintenance needs of public utilities and facilities. These projects would improve the condition of city owned assets, thereby helping to hold down operating costs and allowing for smaller utility rate increases moving forward. The earmarked projects include the following:

- Wastewater: infrastructure maintenance and improvements
- CBJ-owned building maintenance
- Water: infrastructure maintenance and improvements
- Airport: matching funds for federally funded projects
- Augustus Brown Pool deferred maintenance
- Centennial Hall upgrades and deferred maintenance
- Schools: major building maintenance
- Bartlett Regional Hospital: Rainforest Recovery Center upgrades

- Information Technology: infrastructure upgrades
- RecycleWorks: Wastewater diversion program
- Affordable Housing Fund
- Park deferred maintenance
- Aurora Harbor reconstruction

This issue was reviewed by the Assembly Finance Committee at its meetings on June 14, June 28, and July 13, 2017. The Finance Committee recommended the ordinance be brought to the full Assembly for consideration.

The City Manager recommends this ordinance be adopted.

D. Ordinance 2017-24(c) An Ordinance Increasing the Hotel-Motel Room Rental 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 an amendment proposed by the Finance Committee at its meeting on August 9, 2017, the increase would be temporary, with an effective date of January 1, 2018, through December 31, 2022.

The hotel-motel room rental tax was last increased in 1988. The increased rate authorized by this ordinance would generate an estimated additional \$400,000 per year in revenue for each of the four years the temporary increase would be in effect. The intent is to use the funding initially for renovations to the Juneau Arts and Cultural Center, and then for improvements to Centennial Hall, visitor information and marketing services, and other tourism and visitor services and facilities.

Version (c) of the ordinance incorporates the changes approved by the Finance Committee on August 9, 2017:

1. Makes the two percent increase a temporary increase that automatically sunsets on December 31, 2022; and
2. Removes "parking infrastructure" from the list of items the increased revenue is intended to fund.

Version (c) also incorporates the changes made in version (b) from the ordinance as it was originally drafted: corrects the effective date in Section 5 to read "January 1, 2018," and adds a title to the proposition (Section 4).

On Tuesday, August 15, the board of the New JACC wrote to the Assembly requesting that you indefinitely postpone action on this ordinance. The City Manager recommends that you reject this ordinance.

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. 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.

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 the late-filed appeal, the assessment appeal will be referred to the Assessor for review and action.

- Senior Citizen Late File - Trivette and
- Hardship Late File - Trivette

- Senior Citizen Late File - Sumdum and
- Hardship Late File - Sumdum - one letter attached for both

- Senior Citizen Late File - Eldridge
- Senior Citizen Late File - Barron
- Hardship Late File - Preston
- Hardship Late File - Chantry
- Hardship Late File - Haight
- Hardship Late File - Myers
- Hardship Late File - Donnelly

B. Notice of Appeal - Affordable Auto Sales v CBJ

On July 17, 2017, the City Manager rejected a recommendation from the Sales Tax Board of Appeals relating to a request to abate penalties owed by Affordable Auto Sales stemming from unpaid sales tax from calendar year 2013. The July 17 letter also gave notice to Mr. Khmelev of his right to appeal the City Manager’s decision

within twenty days of receipt. The letter was sent certified mail. The return receipt indicates the letter was received on July 21, 2017, making the appeal deadline August 10, 2017.

On August 10, Mr. Khmelev sent an email to the Sales Tax Officer and the City Manager inquiring about the appeal process. The City Clerk responded, providing Mr. Khmelev an appeal form. On August 11, she followed up with an email giving Mr. Khmelev until the close of business on August 11 (one day past the twenty day deadline) to file any appeal.

Mr. Khmelev filed the appeal on August 14, 2017.

CBJ 01.50.030(c) provides:

Time for filing a notice of appeal. Unless otherwise provided in the Code, ordinance, resolution, or other provision which creates the right of appeal, no person shall be entitled to an appellate review of a decision who fails to file a proper notice of appeal with the municipal clerk within 20 days of the date the decision is filed with the municipal clerk if the decision is one which is required to be so filed; or, if the decision is not one which is required to be filed with the municipal clerk, then within 20 days of the later of:

- (1) The date the decision becomes effective; or
- (2) The date the appellant received personal notice of the decision, if such notice is required.

In accordance with the Appeals Code, the Assembly must now 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.

XI. STAFF REPORTS

XII. ASSEMBLY REPORTS

A. Mayor's Report

B. Committee and Liaison Reports

C. Presiding Officer Reports

XIII ASSEMBLY COMMENTS AND QUESTIONS

**XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA
ITEMS**

XV. EXECUTIVE SESSION

XVI. ADJOURNMENT

XVII. 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

THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - July 31, 2017

MEETING NO. 2017-16: 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, Maria Gladziszewski, Norton Gregory, Loren Jones, Jesse Kiehl, Ken Koelsch, Jerry Nankervis, Beth Weldon (telephonic) and Debbie White.

Assembly Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Amy Mead, Municipal Attorney; Laurie Sica, Municipal Clerk; Chad Cameron, Asst. Chief, CCFR; Dave Scanlan, Eaglecrest Ski Area Manager; Bob Bartholomew, Finance Director; Robert Barr, Library Director; Carl Uchytel, Port Director; Roger Healy, Engineering and Public Works Director.

III. SPECIAL ORDER OF BUSINESS

IV. APPROVAL OF MINUTES

A. June 26, 2017 Regular Meeting No. 2017-15

Hearing no objection, the minutes of the June 26, 2017 Regular Assembly Meeting 2017-15 were approved.

V. MANAGER'S REQUEST FOR AGENDA CHANGES

Mr. Watt requested that Item B under New Business, Docks and Harbors Regulations regarding Shorepower Access Fees, be removed from the agenda for consideration at a future date. Hearing no objection, the item was removed.

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

William Quayle spoke about his interest in allowing pedicab service at night. The permit can be used year-around. Today he paid for his insurance and he was looking forward to obtaining his permit. He continues to turn down rides. He is saving his money for his permit. He would like to be able to pay for his permit on an incremental basis. He would like to see the Assembly create the regulations, not the police. The police should just enforce the law.

Mel Perkins, owner of two Best Western properties, said he has a sense of the independent traveler and said an increase in the bed tax was punitive to independent travelers. That type of traveler is here all year and should be our lifeblood. If this tax goes forward we are 2% higher than Anchorage and 6% higher than Fairbanks. He would like to see how the bed tax is expended.

Elaine Schroeder said she is a recently retired psychotherapist and spoke about denial in the face of an overwhelming threat and likened this to people's reaction to climate change. She spoke about climate change and the hope that "someone else" will take care of it. She spoke about the signs of global warming in Juneau. Juneau is getting wetter and there is no denying the climate change is a local issue. She asked if the city has the moral courage to stand with over 360 other cities to sign the mayor's climate accord and encouraged them to do so.

Dana Owen spoke about the local response to global climate change, which is creating challenges to our way of life. He asked the Assembly to support the mayor's climate agreement. Juneau is perfectly positioned to join. Our citizens are well informed and talented, and he spoke about ongoing efforts locally to address climate change. There is much reason to hope and cheerleading from our local elected officials helps youth feel they are being supported in their futures.

Jamie Bursell asked the Assembly to join the climate mayor's network if the measure is reconsidered. There are no binding commitments in this action but it requires developing a community greenhouse gas inventory, setting targets to reduce emissions, and developing a climate action plan, actions which the Assembly took ten years ago. She said this would be sign to the world that Juneau is forward thinking and attract people to the community to help solve problems.

VII. CONSENT AGENDA

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

None.

B. Assembly Requests for Consent Agenda Changes

Ms. Becker asked to remove Resolution 2800, regarding park naming, to the regular agenda.

C. Assembly Action

MOTION, by *Nankervis*, to adopt the consent agenda, with the removal of Resolution 2800. Hearing no objections, the consent agenda was adopted.

1. Ordinances for Introduction

a. Ordinance 2017-18 An Ordinance Amending the Penal Code

This ordinance aligns the CBJ penal code with state statutes and adds penalty provisions. An annotated version of this ordinance, which explained each amendment, was presented to the Committee of the Whole on July 12, 2017. The Committee of the Whole approved a motion to forwarding the ordinance to the assembly for introduction.

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

b. Ordinance 2017-21 An Ordinance Amending the Discharging Firearms Ordinance.

This ordinance would amend the code section prohibiting the discharging of firearms in certain areas to remove an incorrect geographic reference. CBJ 42.20.050 prohibits the discharge of firearms within a quarter mile of the Mount Roberts Trail. In describing the trail, the code specifically identifies the trailhead as beginning at Sixth Street. Although that trailhead still exists and is still in use, the official trailhead is now at Basin Road. Eliminating the specific reference to Sixth Street would result in both trailheads being recognized for purposes of CBJ 42.20.050.

At the April 3, 2017, meeting, an Assembly member questioned the reference to Sixth Street and asked staff to look into the question. This ordinance is a result of that inquiry.

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

c. Ordinance 2017-22 An Ordinance Providing for the Levy and Collection of a Temporary 1% Areawide Sales Tax on the Sale Price of Retail Sales, Rentals, and Services Performed within the City and Borough of Juneau, to be Effective October 1, 2018, and Providing for a Ballot Question Ratifying the Levy.

This ordinance would place the question of extending the 1% temporary sales tax on the ballot at the next regular municipal election. The current 1% temporary sales tax expires on September 30, 2018. If approved, the temporary 1% tax would be extended five years, until September 30, 2023.

It is estimated that the temporary tax would generate a total of \$43.3 million in sales tax revenue. It is intended that this revenue be used for a variety of capital projects focused on addressing deferred maintenance needs of public utilities and facilities. These projects would improve the condition of city owned assets, thereby helping to hold down operating costs and allowing for smaller utility rate increases moving forward. The

earmarked projects include the following:

- Wastewater: infrastructure maintenance and improvements
- CBJ-owned building maintenance
- Water: infrastructure maintenance and improvements
- Airport: matching funds for federally funded projects
- Augustus Brown Pool deferred maintenance
- Centennial Hall upgrades and deferred maintenance
- Schools: major building maintenance
- Bartlett Regional Hospital: Rainforest Recovery

Center upgrades

- Information Technology: infrastructure upgrades
- RecycleWorks: Wastewater diversion program
- Affordable Housing Fund
- Park deferred maintenance
- Aurora Harbor reconstruction

This issue was reviewed by the Assembly Finance Committee at its meetings on June 14, June 28, and July 13, 2017. The Finance Committee recommended the ordinance be brought to the full Assembly for consideration.

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

- d. Ordinance 2017-24 An Ordinance Increasing the Hotel-Motel Room Rental 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.

The hotel-motel room rental tax was last increased in 1988. The increased rate authorized by this ordinance would generate an estimated additional \$400,000 per year in revenue. The intent is to use the funding initially for renovations to the Juneau Arts and Cultural Center, and then for improvements to Centennial Hall, the CBJ's parking infrastructure, visitor information and marketing services, and other tourism and visitor services and facilities.

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

2. Bid Award

- a. Mendenhall Wastewater Treatment Plant Biosolids Dryer Facility BE17-133

The project consists of the demolition of the existing ABF building and construction of a new ~18,734 GSF metal-clad CMU building atop the existing foundations.

Bids were opened on the subject project on July 11, 2017. The bid protest period expired at 4:30 p.m. on July 12, 2017. Results of the bid opening were as follows:

Responsive Bidders	Base Bid	Additive Alternative No. 1	Additive Alternative No. 2	Additive Alternative No. 3	TOTAL BID
Dawson Construction, LLC	\$15,414,000	\$546,000	\$25,000	\$55,000	\$16,040,000
Alaska Commercial Contractors	\$16,525,000	\$540,000	\$29,750	\$37,000	\$17,131,750
Engineer's Estimate	\$14,217,000	\$525,000	\$24,000	\$34,000	\$14,800,000

The City Manager recommends award of this project to Dawson Construction, LLC for the total amount bid of \$16,040,000.

3. Liquor License

- a. Liquor License #4493 - Renewal Kwang LLC dba Little Tokyo

The above liquor license renewal is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed this renewal and found the business to be in compliance with CBJ Code.

In the event the Assembly does protest this renewal, CBJ Code 20.25 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of Saturday, August 12.

The City Manager recommends the Assembly waive its right to

protest the above-listed liquor license renewal.

- b. Liquor License #4584 - Transfer From Doug Trucano d/b/a Zephyr (No Premises) to Genuine Ventures LLC d/b/a Tracy's King Crab Shack (Juneau Subport Location) and an Application for a Restaurant Designation Permit

The above liquor license transfer is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed the above transfer and found the business to be in compliance with CBJ Code.

In the event the Assembly does protest this transfer, CBJ Code 20.25 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of Monday, August 21.

The City Manager recommends the Assembly waive its right to protest this liquor license transfer and approve the application for a Restaurant Designation Permit.

- c. Liquor License #4742 - Transfer From Wal-Mart Stores, Inc. to Glacier Hwy LLC

The above liquor license transfer is before the Assembly to either protest or waive its right to protest. The Finance, Police, Fire, and Community Development departments have reviewed the above transfer and found the business to be in compliance with CBJ Code.

In the event the Assembly does protest this transfer, CBJ Code 20.25 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly. The sixty-day comment period for local governing body action will expire as of Saturday, August 12.

The City Manager recommends the Assembly waive its right to protest this liquor license transfer.

VIIIPUBLIC HEARING

- A. Resolution 2800 A Resolution Naming the Site of the Whale Sculpture, Located on the Tideland at West Ninth Street, the “Mayor Bill Overstreet Park.”

This resolution would name the area located around the whale sculpture as “Mayor

Bill Overstreet Park”. Bill Overstreet served as mayor of Juneau for three terms in the 1970s and 80s. Among many other good deeds and significant professional and volunteer achievements, Bill was instrumental in defeating the capital move vote in the critical 1982 election.

After serving as mayor of Juneau, Governor Bill Sheffield tapped him to be Alaska’s trade representative in Tokyo. While living there, Overstreet saw a full-scale humpback whale sculpture at the Tokyo Museum of Natural History and Science, which inspired him to undertake efforts to have a similar sculpture placed on Juneau’s waterfront.

Because of his tireless efforts on behalf of Juneau, it is appropriate to honor Mayor Overstreet by naming the park in his memory.

A motion recommending the park be named for Mayor Overstreet was approved by the Parks and Recreation Advisory Committee at its June 6, 2017, meeting. The Lands Committee considered the resolution at its July 10, 2017, meeting and approved a motion to forward it to the full Assembly for its consideration.

The City Manager recommends this resolution be adopted.

MOTION, by Becker, to adopt Resolution 2800. Hearing no objection, it was so ordered.

Ms. Jean Overstreet thanked the Assembly for their kind words and said the Mayor Overstreet was looking over us all. She was escorted by Mayor Bruce Botelho.

- B. Ordinance 2016-09(AR) An Ordinance Appropriating to the Manager the Sum of \$1,660 as Funding for AmeriCorps Training; Grant Funding Provided by the State of Alaska, Department of Commerce, Community and Economic Development.

The CBJ Parks and Recreation department applied for and was awarded funds from the State of Alaska, Department of Commerce, Community and Economic Development to send a Parks and Recreation employee to Anchorage to attend an AmeriCorps program planning meeting.

Attendance at this meeting provided the department with information needed to determine if it was appropriate to apply for a grant which would allow Parks and Recreation to administer the AmeriCorps program in Juneau.

Attendance of this meeting generated the information that was needed, and it was ultimately decided that this was not an avenue that the department would pursue, and better handled by the United Way. The grant covered all of the costs associated with this travel. This ordinance is a housekeeping measure to accept grant funds.

The City Manager recommends this appropriation ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION, by Gregory, to adopt Ordinance 2016-09(AR). Hearing no objection, it was so ordered.

- C. Ordinance 2017-06(A) An Ordinance Appropriating to the Manager the Sum of \$16,500 as Funding for the Library Department; Grant Funding Provided by the Friends of the Juneau-Douglas City Museum.

This ordinance appropriates \$16,500 in grant funding to the Library Department, for the purpose of expanding hours of operation at the City Museum. There is no matching requirement for this grant.

Grant funding is provided by the Friends of the Juneau-Douglas City Museum through donations made for this purpose by the Benito & Frances C. Gaguine Foundation, Michelle & Robert Storer, Alison E. Browne, and the Friends of the Juneau-Douglas City Museum. These funds were raised to increase hours of operations at the museum. The funds will allow an increase in museum staffing from 0.75 FTE to 1.00 FTE for FY18. The grant fully funds salaries and benefits for this increase; there is no impact to support from the general fund.

The City Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION, by White, to adopt Ordinance 2017-06(A). Hearing no objection, it was so ordered.

- D. Ordinance 2017-06(B) An Ordinance Appropriating to the Manager the Sum of \$15,000 as Funding for the Juneau Public Libraries; Federal Grant Funding Provided by Arts Midwest.

This ordinance appropriates \$15,000 in grant funding to the Juneau Public Libraries, for the purpose of participating in the Big Read, an initiative of the National Endowment for the Arts (NEA) in partnership with Arts Midwest.

Big Read broadens our understanding of our world, our communities, and ourselves through the joy of sharing a good book.

Grant funding is provided by Arts Midwest. This federally funded grant is contingent upon funds to be received by Arts Midwest from the National Endowment for the Arts: CFDA (Catalog of Federal Domestic Assistance) #45.024.

This program has a dollar-for-dollar matching requirement and is matched with staff time from the Library, a cash contribution from the Friends of the Juneau Public Library, and third party in-kind contributions from the University of Alaska, Southeast *One Campus One Book* program, Bartlett Regional Hospital, the Alaska State Library, and the 49 Writers group.

The City Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION, by Gladyszewski, to adopt Ordinance 2017-06(B). Hearing no objection, it was so ordered.

- E. Ordinance 2017-14(b) An Ordinance Proposing an Amendment to the Charter of the City and Borough Relating to Competitive Bidding.

This ordinance would place on the October 2017 ballot a proposed Charter amendment regarding method of procurement for the purchase of supplies, materials, equipment, and services. The CBJ Charter states that all public improvements and, whenever practicable, other purchases of supplies, materials, equipment, and services, shall be by competitive bid and awarded to the lowest qualified bidder, except in certain cases identified in the charter. The proposed amendment would add an exception to allow for competitive proposals and other alternative procurement methods adopted by the assembly by ordinance.

This issue was discussed at the Public Works and Facilities Committee meetings on May 1, 2017, and June 12, 2017. The committee approved moving it forward to the full assembly. The Committee of the Whole considered the ordinance at its July 12, 2017, meeting, also approving a motion to forward the ordinance to the full assembly..

Version (b) of the ordinance makes one small change (shown in underlined italics) to the proposition language in Section 4. This change, recommended by the Clerk, is intended to make the proposition question clearer to the voters.

The City Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION, by Jones, to adopt Ordinance 2017-14(b). Hearing no objection, it was so ordered.

- F. Ordinance 2017-17(b) An Ordinance Amending the General Provisions Code to Add a New Chapter Relating to Public Records.

The City and Borough of Juneau is required to comply with the Alaska Public Records Act (Alaska Statute 40.21.110 - 220) regarding the disclosure of public records. Although state law outlines the legal obligations that must be complied with by all municipalities, the procedural process provided for by state regulations that guides state agencies does not apply to municipalities.

At its meeting on April 3, 2017, the Assembly approved a request that an ordinance be drafted to formalize a uniform process for staff to follow in responding to requests for the disclosure of public records. This ordinance would create that procedural process.

The Committee of the Whole considered the ordinance at its July 12, 2017, meeting and recommended it be forwarded on to public hearing, with one small change to correct a typographical error in 01.70.080(d)(3), shown in underlined italics.

The City Manager recommends this ordinance be adopted.

Public Comment:

None.

Assembly Action:

MOTION, by Becker, to adopt Ordinance 2017-17(b).

Ms. Becker spoke in support of the request.

Ms. Gladziszewski felt the intention was good but the ordinance went too far. She understood that the requests can be burdensome but she felt this ordinance would require more costs to the requestor and she felt it would make it too hard for the public to obtain public records. In a time when trust in government was not high, this was not the right move.

Mr. Kiehl said the current law does need some changes and the current law puts the cost of large requests entirely on the city. This change says that if you have a large request, CBJ might waive \$500, but after that, the requestor pays the entire cost. He felt that

shifted the burden too far in the other direction. He preferred to have more specific deadlines for provision of records in the ordinance.

Mr. Nankervis said he did not believe this will prohibit citizens from getting information, it will prevent fishing expeditions that can put a grinding halt to the law department. He supported the motion.

Roll call

Aye: Becker, Gregory, Nankervis, Weldon, White, Koelsch

Nay: Gladziszewski, Jones, Kiehl

Motion passed 6 ayes, 3 nays.

IX. UNFINISHED BUSINESS

Mr. Kiehl asked about the appropriateness of bringing up the matter of the Granite Mountain appeal. A short recess was taken to review the matter.

MOTION, by Gladziszewski, to reconsider the ruling on the appeal by Granite Mountain LLC to reject the appeal.

Mr. Gregory said he had a personal conflict of interest due to a professional relationship with the appellant's attorney and stepped away from the discussion.

Hearing no objection, the matter was before the Assembly for review.

Ms. Mead said that there was another appeal on the agenda and the same rules and standards applied as outlined in the agenda. She said the Assembly must liberally construe the notice of appeal to preserve the rights of the appellant. She referred to a memo she had provided to the Assembly outlining the matter and said this was not the time to weigh the sufficiency of evidence, but only to determine whether or not, if everything the appellant states in the notice of appeal were true, if the Assembly could grant whatever relief is being requested.

Mr. Kiehl clarified with Ms. Mead that the motion to reject the appeal was on the table.

Mr. Kiehl said since the last meeting, he re-read the attorney's memo and said despite his last vote, he would vote against the motion based on the attorney's reasoning.

Ms. Becker asked for a brief update of the memo and Ms. Mead responded.

Mr. Nankervis said he agreed with Mr. Kiehl regarding the word "grudgingly" in reference to withdrawing his support to reject the appeal. The code unnecessarily handcuffs us.

Mr. Nankervis withdrew his motion to reject the appeal.

MOTION, by Nankervis, to accept the appeal. Hearing no objection, the appeal was accepted.

MOTION, by Kiehl, to assign this appeal to a hearing officer.

Mr. Nankervis asked what the options were. Ms. Mead said the Assembly can assign it to themselves and appoint a presiding officer, or appoint a hearing officer to hear the case and issue a decision for the Assembly to review, issue or reject. The Assembly budgeted \$10,000 in a line item specifically for hire of a hearing officer.

Ms. Gladziszewski discussed the cost to hire a hearing officer. She asked if there was a volunteer among the membership to serve as Presiding Officer. No hands were raised.

Hearing no objection, a hearing officer will be appointed.

Mr. Jones asked, for future consideration, as he is a board member of the Alcohol Marijuana Control Office (AMCO), if the attorney could let him know if he has a conflict in this matter.

Ms. Gladziszewski asked if it is possible to request changes to 01.50 regarding the criteria of appeal review. Ms. Mead said she could do that work at the will of the Assembly. There were many heads nodding to ask Ms. Mead to review potential options for amending the code.

X. NEW BUSINESS

A. Docks & Harbors Regulation Amending Fees for Commercial Use of Boat Launches 05 CBJAC 20

As part of the Docks & Harbors comprehensive fee review process, the Board proposes adding a daily commercial use fee for boat launches. The existing regulation requires commercial haulers to secure an annual permit fee of \$250 per trailer. This new regulation would allow commercial haulers to purchase a daily permit fee for \$30. This regulation would align the options similar to the recreational boat launch fees which provides for an annual or daily fee, currently \$90 and \$15 respectively.

These proposed regulations were advertised consistent with CBJ code and a public hearing at the July 27, 2017, Docks & Harbors Board. There were no comments received.

The City Manager recommends the Assembly adopt the regulations allowing a daily commercial use permit for boat launches.

Public Comment:

None.

Assembly Action:

MOTION, by Becker, to allow the regulations to become effective. Hearing no objection, the regulations were allowed to become effective.

B. Docks & Harbors Regulation Amending Shorepower Access Fees 05 CBJAC 30

As part of the Docks & Harbors comprehensive fee review process, the Board proposes changes to the daily shorepower access fee. These fees have not been adjusted since 2005 and are imposed on vessels that do not have metered accounts with the local electrical utility. This fee is typically assessed to visiting, transient vessels. The proposed rates were calculated by assuming 80% of the stated amperage load for a 24 hour period. The Board also reviewed the fees for summer monthly and fees for winter monthly, including live aboard electrical fees. The Board is recommending no changes to the monthly fees. These proposed regulations were advertised consistent with CBJ code and a public hearing at the July 27, 2017, Docks & Harbors Board. There were no comments received.

The City Manager recommends the Assembly adopt the regulations pertaining daily shorepower access fees.

Per a request from the Port Director, the Manager requested that this regulation be removed from the Assembly's agenda for further consideration by the Docks and Harbors Board. Hearing no objection, the matter was removed from the agenda.

C. Docks & Harbors Regulation Adding Wastewater Discharge - Marine Sanitation Devices / Requirements 05 CBJAC 45

Three new regulations collectively work to prohibit the discharge of raw sewage into the Juneau harbors. Although the federal Clean Water Act under 33 CFR Section 312 provides the statutory framework under which the EPA and the U.S. Coast Guard regulate sewage discharges from vessels, there are no local laws requiring the same within the harbors. To achieve Docks & Harbors' goal of attaining Alaska Clean Harbors recognition, the local governing body is required to establish regulations strictly prohibiting sewage discharge.

05 CBJAC 45.005 (Wastewater discharge) defines wastewater, provides a non-monetary penalty, and issues guidance to approved discharge methods. 05 CBJAC 45.010 (Marine Sanitation Devices) provides technical definition of the three types of Marine Sanitarian Devices certified by the Coast Guard for use aboard vessels. 05 CBJAC 45.015 (Marine sanitation requirements for vessels) requires that vessels in the harbors which have permanently installed toilet facilities must be compliant with Coast Guard certified Marine Sanitation Devices. Vessels in the

harbors with portable toilets are not considered permanently installed and are exempt from this regulation. However, live aboard vessels registered with Docks & Harbors must be equipped with an operable Marine Sanitation Device. These proposed regulations were advertised consistent with CBJ code and a public hearing at the July 27, 2017, Docks & Harbors Board. There were no comments received.

The City Manager recommends the Assembly adopt the regulations pertaining to wastewater discharge, marine sanitation devices and marine sanitation requirements.

Public Comment:

None.

Assembly Action:

MOTION, by Nankervis, to allow the regulations to become effective. Hearing no objection, the regulations were allowed to become effective.

D. SEAL Trust v CBJ Assessor 2017 - Notice of Appeal

On June 16, 2017, the CBJ Assessor denied a request from the Southeast Alaska Land Trust for charitable use exemption status for 14 properties. On July 14, 2017, an appeal of the Assessor's decision was filed.

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.

Ms. Mead said this appeal was related to a remand by the Assembly to the Assessor regarding the SEAL Trust property tax exemption request appeal case.

MOTION, by Jones, to accept the appeal.

Mr. Nankervis said he was not seeing anything different in this appeal. Ms. Mead said she spoke to Assistant Attorney Sebens. Pursuant to the last SEAL Trust case, the Assembly remanded the matter to the Assessor, and allowed SEAL Trust to submit evidence in support of the charitable use exemption. SEAL Trust did submit additional information, and the Assessor considered it and rejected the request for a charitable purpose status. So before the Assembly is that additional information and the rejection of the request.

Hearing no objection, the appeal was accepted.

MOTION, by Jones, to refer the matter to a hearing officer.

Mr. Jones said that the Assembly had reviewed this matter and many issues ended up on discussions on points of law. Having a hearing officer that is an attorney may be better approach. The attorney may be better able to sort through the issues.

Hearing no objection, the motion carried.

E. Approval of the Supplemental Agreement for the Pump Room and Restroom Construction under contract E16-128, Seawalk Bridge to Gold Creek, Phase III

The Supplemental Agreement will increase the Seawalk Bridge to Gold Creek, Phase III contract by \$1,264,470 or 43% of the original contract award amount. CBJ Code 53.50.040 allows for supplemental agreements on existing contracts and requires Assembly approval, if the amount is greater than \$250,000, and a public interest finding. The public interest finding shows that cost savings will be realized in construction, contract administration, operations and maintenance costs. Additional benefits include accelerating the construction timeline to allow for the project to be constructed in the fall and winter with a spring opening of the park, restroom and fountain.

The Assembly Public Works and Facilities Committee reviewed this request on July 13, 2017 and forwarded it to the Assembly for adoption.

The City Manager recommends the Supplemental Agreement be approved.

Public Comment:

Valerie Kelton asked for the source of funding for the project.

Mr. Watt said there is detail in the packet and the work is split between passenger fee and sales tax based on elements of the contract, and is broken down to \$650,000 in sales tax and \$614,470 in passenger fees. Ms. Kelton said there is a current lawsuit regarding the expenditure of passenger fees on this project and wondered why more passenger fees were being approved for this purpose.

MOTION, by Gregory, to approve the supplemental agreement.

Mr. Nankervis said he objected and was concerned about the source of funds for the project, as he thought the Assembly had stated that it would not be spending more tax money on this project. He did not object to the project being finished.

Roll Call:

Aye: Becker, Gladziszewski, Gregory, Jones, Kiehl

Nay: Nankervis, Weldon, White, Koelsch

Motion passed, 5 ayes, 4 nays.

F. ADOT Request to Purchase CBJ Property

The Alaska Department of Transportation and Public Facilities (ADOT) has requested to purchase a 507 square foot fraction of Lot 3, USS 3566 which is across Egan Drive from Centennial Hall. The Division of Lands & Resources received an application from ADOT to acquire the property from the City as part of the Egan Drive reconstruction project between 10th Street and Seward Street. ADOT has requested a series of easements along the reconstruction path, but since this property is 507 square feet, of which a majority will be incorporated as ROW, ADOT has requested to purchase this parcel. *Title 53.09.260(a) – Negotiated Sales, Leases and Exchanges* states that “the proposal shall be reviewed by the assembly for a determination of whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the assembly by motion, the manager may commence negotiations...” If supported by assembly motion, the proposal will go before the Lands Committee for discussion and will return to the Assembly for adoption by Ordinance.

The City Manager requests a motion of support to further consider this disposal with the original proposer, the Alaska Department of Transportation and Public Facilities.

MOTION, by White, to allow the manager to enter into negotiations with the DOTPF for disposal of said property, and that the matter be returned to the Lands Committee. Hearing no objection, it was so ordered.

G. CSP2017 0006 - Notice of Recommendation from Planning Commission re: Auke Bay Statter Harbor Improvements

Mr. Watt said that when the Planning Commission reviews projects under the City-State Project (CSP) review process, the commission issues a notice of recommendation. The handling of the recommendation to the Assembly has been done in an inconsistent manner in the past. Sometimes they have been referred to a committee for a city project,

sometimes if the comments are innocuous we have forwarded by email to the Assembly. In this matter, a member of the public requested to know of the process for when the Assembly would be notified and we realized the better course of action on these types of actions was to provide the notice of recommendation from the commission under New Business. If the Assembly chooses to take this up then I would recommend that this or others be referred to committee for work if it can't be dispensed with in short order. This is a new process to provide these notices of recommendation (NOR) under new business.

Ms. Gladziszewski asked what were the Assembly's options for action.

Mr. Watt referred to the NOR and the two recommended conditions from the Planning Commission. The Assembly could follow, alter or discard the recommendations.

MOTION, by Gladziszewski, to direct the construction of the project as outlined to the Planning Commission with the two recommendations outlined in the Notice of Recommendation.

Mr. Kiehl asked if the scope of this review included a potential self-fueling dock. Mr. Uchytel said the CUP was very broad and called for the installation of floats and associated upland development including the potential for a second floor building over what we call the "gateway" that will lead down to the for-hire floats and also requested and received approval for the potential for a second fueling station at Auke Bay.

Ms. Gladziszewski asked if a potential fueling dock would appear before the Planning Commission in the future, or if that matter was discussed during the CUP at the Planning Commission. Mr. Uchytel was not present at that meeting and was not sure.

Ms. Mead said that normally the way this works, prior to appropriating funding for a capital improvement project - a city project - the project plan goes to the Planning Commission and the PC gives a recommendation on the plan and then the Assembly funds the project. That is the action. I was told this project is partially funded. One of the conditions does not make sense in regard to non-public funding. The Assembly does not direct the issuance of building permits, so she was not sure why this project went through the CSP process and what the end result was supposed to be. She did not understand what the Assembly's options were in this case. She believed the next option the Assembly would take in this case would be to appropriate funds to the project.

Ms. Gladziszewski said that the recommendations were similar to conditions on a permit, which the Assembly did not involve itself with. If this is a broad permit and if this allows a 24-hour fueling operation without discussion of it at the Planning Commission, she would rescind her motion.

Mr. Uchytel said he had seen an email with concern about hours of operation and said there was some misunderstanding of the D&H proposal of the 2nd fueling float. D&H

sought information from the local fuel providers in Juneau regarding an inquiry about providing a second fuel float for the exclusive use of the charter operators. The concept is to be a self-serve operation for a variety of reasons, but it was never envisioned to be a 24-hour operation. We have no intentions of moving forward in the next phase with the fuel float. With the CUP process, we want to air everything we might consider in the future. This is an idea that is not driving this project.

Ms. Mead said that this CSP process does not give a right to proceed if there are other permits that are required, for example, a conditional use permit and that process. Even if you approve this recommendation there is nothing that happens from this.

Mr. Jones said he reviewed the CUP and did not see any reference to a fuel dock, so he was surprised to see the emails regarding a fuel operation. The staff report covers the CSP and the CUP. He asked if the Assembly has already funded a good portion of this project. Mr. Uchytel said that the plan was to be an 85 / 15 split between docks and harbors and state marine passenger fees. The corps of engineer's permit for dredging was under review.

There was some confusion regarding the combining of a staff report for both the CSP and the CUP. Ms. Mead said the CSP allows for Planning Commission review of large dollar city and state projects. There is no Assembly action that flows from this recommendation with the exception of the appropriation of funds, therefore, the recommendations have not always come before the Assembly and there was a desire to fix that. This process should be looked at more closely to determine the goal of the CSP, what the Planning Commission and Assembly's roles are in the review, and perhaps clarify this in code.

Ms. White explained some neighborhood concerns about the D&H Board constructions retail space that would compete with local merchants, thus some of the "odd" wording in the recommendation.

Ms. Gladziszewski clarified that she rescinded her motion. The Assembly took a brief recess.

MOTION, by Jones, for orders of the day. Hearing no objection, it was so ordered.

XI. STAFF REPORTS

A. Borough Annexation

Mr. Watt said Mr. Chaney has been unsuccessful in his attempts to arrange a meeting with Angoon officials. Mr. Watt recommended the issue be placed on the August 10 Committee of the Whole agenda. There was no objection.

XII. ASSEMBLY REPORTS

A. Mayor's Report

Mayor Koelsch established the CBJ Public Safety Task Force to examine the increasing crime rate and offer possible solutions to combat and alter this trend. The committee is composed of five members appointed by the Mayor: an Assemblymember to act as chair, a representative of the Police Department, Law Department, Bartlett Regional Hospital / Rainforest Recovery, and from the Juneau Re-entry Coalition. The task force will serve up to six months unless extended. He provided statistics on crimes. He appointed Deputy Mayor Nankervis to serve on this committee as chair.

Mayor Koelsch commented about a successful 4th of July celebration. He attended the Change of Command Ceremony for Sector Juneau with Janet Green being replaced by Captain Phillip Thorne. He toured Taku Smokeries and Alaska Glacier Seafood. He attended the Downtown Business Association annual meeting and Alaska Start-up Week. He attended the 10th Birthday of the Jensen Olson Arboretum and the Alaska National Guard Reunion on Sunday, and watched the last showing of the live broadcast of "Wild Alaska" on BBC/PBS. Today he attended the swearing in of Police Chief Ed Mercer.

B. Committee and Liaison Reports

Committee of the Whole: Chair Nankervis said the committee met on July 12 and discussed the Meander Way LID, public records, competitive bidding, misdemeanor prosecutions and Law Department staffing, and discussed the City Manager's evaluation. The next meeting is set for August 10, and the Mayor will chair in Mr. Nankervis' absence. The agenda will include a legislative update, Pederson Hill subdivision, a presentation by Hecla/Couer, annexation and Meander Way LID.

Public Works and Facilities: Chair Becker said the committee met and discussed airport construction projects. The next meeting is set for August 7.

Docks and Harbors: Liaison Becker said the artwork for project 16b will be erected in September. Corvus Designs will draft and present option for review regarding the urban plan. A contract has been awarded to PND to evaluate the little rock dump as a potential marine services location. UAS and the Board are getting closer to an agreement to share the former NOAA lab facility in Auke Bay. Tlingit Haida and the Board had agreed to a control burn of the Thane Ore House. The Planning Commission reviewed a CSP/CUP for Statter Harbor upland development and new floats. The next meeting is set for August 31.

Chamber of Commerce: Liaison Becker said Senator Egan would speak to the Chamber at its next meeting.

School Board: Liaison Kiehl said following a summer break, the board will next meet on September 6.

Finance Committee: Chair Kiehl said the committee considered the 1% sales tax extension at its meeting on July 13. The next meeting was set for August 9 and will review the potential increase of the hotel bed tax, Ms. Becker's draft ordinance on sales tax exemptions, and the question of a central treasury loan to the Pederson Hill project.

UAS Campus Council: Liaison Kiehl said the next meeting was set for August 7.

Alaska Municipal League: Liaison Kiehl said the AML will meet in Haines in Mid-August. The capital budget just passed by the legislature included an additional \$8 million for distribution through the "Community Assistance Program" (formerly known as Revenue Sharing).

Human Resources Committee: Chair Jones said the HRC met and discussed changes to the structure of the Juneau Commission on Aging and will return a resolution to the full Assembly on August 21.

The HRC recommended and without objection, the Assembly made the following board appointments:

Local Emergency Planning Committee:

Recommend to the State to appoint Zachariah Fisher to Seat 11A, Vulnerable Populations, for a term to expire December 31, 2019.

Treadwell Advisory Board:

Leah Farzin to a term to expire May 31, 2020.

Youth Activity Board:

Tim Wilson as a representative of the Juneau Sports Association - term to end concurrent with his service on the JSA.

Downtown Business Association: Liaison Jones said the next meeting is set for August 1 and the DBA would hold its retreat in October.

Airport Board: Liaison Jones said the next meeting is set for August 8. At the July 11 meeting there was discussion about Alaska Airlines and Delta Airlines frustration with delays in TSA passenger screening and equipment breakdowns and they are hoping the city can help facilitate repairs. There is also concern about the lack of a separated TSA Pre-Check line.

Parks and Recreation Advisory Committee: Liaison Gladziszewski said the PRAC met on July 11 and discussed the Treadwell Ditch trail work with Trail Mix, the master plan

for Chicken Yard Park, and work to maintain Mt. Jumbo Gym facilities. She said the next meeting will be in the form of a tour of parks with P&R staff, meeting at 6pm in the Chambers August 1 and moving on from there. She provided the tour route.

Bartlett Regional Hospital Board: Liaison Gladziszewski said the BHR Board met July 25 and recently hired a new Behavioral Health Officer, Bradley Griggs and a new Chief Financial Officer, Joe Wanner. The next meeting is set for August 22.

Juneau Commission on Sustainability: Liaison Gladziszewski said JCOS met July 19 and continued work on the energy strategy and plans completion of that work in a few weeks. The commission also discussed a "livestock" ordinance and is investigation membership in "Energy Secure Cities." The next meeting is set for August 9.

Planning Commission: Liaison White said the next meeting is set for August 8. At the last meeting, the PC reviewed lot disposals in Renninger subdivision and operation of a hydroponic facility.

Assembly Task Force on Homelessness: Liaison White said the next meeting is set for August 8 in Room 237, City Hall.

Travel Juneau: Liaison White said that the live television show, "Wild Alaska" has shown a spotlight on Juneau. She believes there will be an upsurge in independent travelers due to that show.

School Board: Liaison Weldon said the next meeting is set for August 8 at JDHS. The first day of school is August 16.

Juneau Economic Development Council: Liaison Weldon spoke about JEDC Alaska Start-Up week which focused on entrepreneurship. The next meeting is set for September 6.

Eaglecrest Board: Liaison Gregory said the next meeting is set for August 3 and will be the first meeting with the new Ski Area Manager Dave Scanlan.

Affordable Housing Commission: Liaison Gregory said the commission met and discussed workforce housing, seasonal housing, the 80% - 120% area median income market, a community lands trust, and Pederson Hill development. The next meeting is set for August 29.

Assembly Mining Committee: Liaison Gregory said the committee met on July 21 and directed the law department to review the current ordinance and the proposed changes by Jim Clark. The committee discussed adding two Planning Commissioners to serve on the committee and two members of the public. The committee will accept applications until August 7. The committee hopes to complete its work by November.

C. Presiding Officer Reports

None.

XIIIASSEMBLY COMMENTS AND QUESTIONS

Mr. Gregory said he attended a LYFT kick-off party at the new Pier 49, formerly known as Tracy's Crab Shack.

Ms. Weldon offered her congratulations to new Police Chief Ed Mercer.

Ms. White asked the Assembly for its approval to have the City Manager or Mayor sign and send a letter of introduction for some local investors who are interested in keeping the local power company stay in local hands. First AEL&P was sold to a Spokane based company called AVISTA, and now it is being sold to a Canadian company. She believed it would be better to have local control and ownership. The investors asked the Mayor for support, the Mayor deferred to the City Manager, who told her he needed to speak with the rest of the Assembly. Through the Regulatory Commission of Alaska, the power company is allowed to get a return on equity, not a return on investment. She said there is a great management team but she doesn't know how effective it will be working for a company in Canada and she would like to see our power company return to local control. She distributed one copy of a draft letter for the Assembly to review. She said the letter is not asking for an endorsement. She said it was also possible, with their backing from Aeries Financial, which is one of the biggest companies of that type which finds investments for people, that the municipality could be a stockholder. She was not sure if the Assembly was interested in pursuing that. This is planting a seed. She said she brought forward the letter in this manner, publicly, to be avoid complications with the Open Meetings Act. She said if the Assemblymembers had any questions they could come to her privately.

Ms. Gladziszewski asked Ms. White for clarification. She said the letter was addressed to Hydro One, not Avista. Ms. White said that Hydro One would need to be the one to approach as they had to get four different states to approve - it was a process to get ownership. When something as big as Avista is sold, their lawyers have drawn up documents stating that they don't want assets sold. We would need to contact the potential buyer. Ms. White said she did not have any financial incentive to get this done.

Ms. Gladziszewski said that the BBC "Wild Alaska Live" show was tremendous for the Tongass and for Juneau.

Mr. Jones clarified that CBJ/JSD Joint School Facility meeting would be meeting September 6 at Noon and the Assembly Homeless Task force would meet August 8 at 5pm. He said he had difficulty finding them on the Assembly's calendar.

Mr. Jones noted the 5th Annual Douglas Block Party would be held on Saturday, August

6, from 3 - 9 p.m. at the corner of 5th and Summer and it was a potluck sponsored by the Douglas Island Neighborhood Association. The Downtown Business Association is holding a neighborhood party August 19 at Capital Park.

Mr. Kiehl said he attended the JPD quarterly awards ceremony, the swearing in of Chief Mercer, and the National Guard Day dinner. He appreciated steps taken by Docks and Harbors and Tlingit Haida and asked staff if there were buildings, other than the Thane Ore House, that might not meet city codes. Mr. Watt said he was not aware of any, but could provide a report. Mr. Kiehl asked the Assembly if there was any objection to asking the School Board to review the child care proposal made by the Best Starts group to determine if there are opportunities to increase efficiencies, effectiveness, and make recommendations about the management of space, administration or any other opportunities. Hearing no objection, it was so ordered.

Mr. Nankervis asked the permission of the Assembly to meet with the Finance Department and possible changes to some exemptions to sales tax as it applies to non-profit organizations, such as the Sealaska Heritage Institute and the Juneau Arts and Humanities Council. He wondered about the appropriateness of having these organizations selling merchandise and the tax equity between them and other local businesses. Hearing no objection, it was so ordered.

Regarding the draft letter Ms. White presented to the Assembly, Mr. Watt said he and Mayor Koelsch met with the CEO of Avista a week ago to discuss the pending sale by Hydro One. He said the matter is complicated. He also met with the businessmen Ms. White referred to and Ms. White. The concept is a big one, and no small part is the concept that perhaps the City & Borough should consider pursuing a stake in the local utility. If the Assembly wants to pursue that route, we would need to allocate staff resources to financial and legal analysis.

Mr. Nankervis asked Ms. White what a "letter of introduction" means. On the face of the letter it seems like an endorsement. I don't think we disagree that local control is important. Ms. White said a letter of introduction might help them if they fly to Toronto. They wanted to do that last week but they were waiting for this meeting to happen. Mr. Nankervis asked for clarification of "we" and "they." Ms. White did not want to provide the names of the investors, as they may not want the public to know. These investors are looking at several different possibilities. They have financial backing from Aeries Investments to outright purchase but they also want to offer the CBJ an equity position. It is possible that \$12 - 15 million a year that is straight profit from that company could be used to pay down some bonds. But we can't even explore some of that - the investors didn't want to show up on Hydro One's doorstep, without something in their hands. Does the Assembly want to pursue this? Depending on how the finances are structured, CBJ could pay it off in a fairly reasonable period of time, and instead of that \$12 - 15 million leaving our economy and community, a future Assembly might have an easier time trying to figure out which projects to support. She said part of the reason the Municipality of

Anchorage does not have a sales tax is because they own an electric company. Ketchikan and Petersburg also own electric companies. If the city had part ownership, doing something like Best Starts might not be a problem. She asked the Assembly to explore the matter.

Mr. Kiehl said he was intrigued and shared Ms. White's preference for local control and the idea of cash flow coming into the local economy. It struck him that this might be doable. If the AEL&P assets are for sale and if we have local residents interested in looking into that, it is worth exploring. He was amenable to have staff investigate this and see if this is in the realm of possibility.

Mr. Jones said he had some concern that the letter says that the investors will be CBJ's representatives. He supported some kind of a letter to say that the people of Juneau are interested in what the options might be but he did not want to go much further than what was in the letter. It is very premature for us to decide on sending the letter based on whether we would or would not support potential investment in the electric utility whether it is CBJ or someone else. We were all excited when Avista purchased AEL&P, and they kept to their promises of keeping the local management team, but now we are dealing with a company out of Toronto and I don't know how much equity the Canadian government has in it but it exists. Whether they are willing to let go of the assets is worth finding out and it takes someone to be able to ask the right questions. This letter should only go forward to find out what the answers might be.

Ms. Becker agreed and said she was in favor of proceeding based on Mr. Kiehl and Mr. Jones comments.

Ms. Gladziszewski said a this was the first she had heard of this it was hard to form an opinion and the names of the individuals would be known as soon as the letter was public. We are all for local control. She did not know the business experience of the two investors named and what type of investments or plans they have so it is very premature to make any commitments. It is much supposition without information. If the assets were for sale, why wasn't the inquiry made to Avista?

Ms. White gave Ms. Gladziszewski a copy of a letter inquiring to Avista if they were interested in selling and they said no, they were going to be here forever. Ms. White had some more documentation that she provided to Ms. Gladziszewski. She said she hesitated in pre-talking to other Assemblymembers as there was so much concern about following the open meetings act.

Mayor Koelsch said that when we were able to meet with AVISTA, the sale did not sound imminent. He was not ready at this time to ask the manager to sign any letters. He preferred to spend time to talk with the former owner of AEL&P and get some advice from him.

Ms. Weldon said she was not comfortable sending a letter at this time and would like to tread cautiously. When Avista was bought out by Hydro One, Avista was to retain control of their corporation and AEL&P would retain control over our utilities, and the two people mentioned in the letter, although they have the financial backing, she did not believe they had expertise in running a utility. She did not want to discourage Ms. White from looking into this further.

Mr. Gregory said it was his understanding that the Canadian government held 49% ownership of the other utility company.

Ms. Weldon said she spoke with people at AEL&P and while it is scary to go to a larger company, there are also benefits, for one, their liability insurance was reduced by \$600,000. She did not believe the municipality could offer the same deal.

Ms. White said that more discussion appeared necessary, with the investors, and asked about the rules surrounding that type of meeting.

Ms. Mead said a meeting in open session would be needed because of the Anchorage case which held that the individual meeting between an Assemblymember and a contractor, outside of an Assembly meeting, prior to a bid award, was a violation of the open meetings act. If it is going to be a meeting for the purpose of garnering support for the letter, then it should probably be an open meeting instead of an individual, one-on-one meeting.

Ms. White said she would speak to the investors and see if they are interested. Now that the cat is out of the bag there are eight more people that have the names, it is no longer a secret, and she thought CBJ could lose the ability to do something good for this community in the long term.

Ms. Becker said she did not feel the letter created any obligation. It only added a credibility to the persons named to meet with another company.

Mr. Nankervis said he was okay with a letter of introduction but was not okay with them being a representative for CBJ. He said that did not create an obligation to anything other than stating they are residents of the community. Ms. White said she would like to see this move forward.

Mr. Kiehl said he didn't see anything in the letter that suggested commitment or representation of the city. He thought that opening a door is not objectionable.

Ms. Weldon said the first paragraph reads that the people are representing the community.

Ms. Gladziszewski read, "I have asked [these people] to lead the initial efforts for the

City and Borough of Juneau regarding our community's energy future." She suggested deleting that sentence.

Ms. White said she was sure it would be okay to remove that sentence and did not read any contractual obligation in that letter. She said this is a last ditch effort to try to keep local control over our utility. This consolidation is big in our industry.

Ms. Gladziszewski said we all agree local control is a good idea and she doesn't mind a letter of introduction but she does not want to imply any level of CBJ commitment.

Mayor Koelsch asked Mr. Watt if he would be able to compose a non-committal letter. Mr. Watt said he could draft a letter of introduction expressing a desire to explore the idea of local ownership with no commitment on behalf of the city towards any particular course of action. Ms. Mead said that sounded like what some of the members requested.

Mayor Koelsch said he would be okay if the manager and attorney drafted the letter and it did not obligate the community. Ms. Mead said that once the Assembly sent a letter, it would be a public record and the names would not be kept confidential. Ms. White said that was understood by the investors.

Hearing no objection, the letter, as revised, would be sent.

Mayor Koelsch passed the gavel to Deputy Mayor Nankervis.

MOTION, by Koelsch, to reconsider the vote at the previous meeting regarding the Mayor's signature on the Paris agreement adoption toolkit.

Mr. Koelsch said he reviewed Paris Agreement adoption toolkit and it does speak to a number of actions that we are taking and we do have a lot of the actions done. There was a community greenhouse inventory, near and long term goals were made. What it requires is occasional letters and statements of substantive actions, monthly conference calls to share progress, a press release on joining the Climate Mayors and an assembly resolution. All of those things are additions and he hoped the Assembly has read his "My Turn" column in the newspaper as to why he did not support this action. The Assembly would receive the energy report from its local Commission on Sustainability and that is the time to hold the discussion about its involvement. He did not want to debate an international agreement.

Mr. Jones objected to reconsideration.

Roll call:

Aye: Becker, Gregory, Nankervis, Weldon, White,
Nay: Gladziszewski, Jones, Kiehl

Motion passed, 6 ayes, 3 nays.

Ms. Gladziszewski rescinded her previous motion.

MOTION, by Gladziszewski, to introduce a resolution for the next Assembly meeting affirming Juneau's Commitment to Climate Action.

She distributed a draft resolution and information from the Climate Mayor's website. She understood the objection to the process and confusion regarding what supporting Climate Mayors means and she wanted an opportunity for the Assembly to understand and debate the matter. Joining Climate Mayors involves developing a greenhouse gas inventory, which has been done, setting near and long term targets to reduce emissions, which has been done, and to develop a climate action plan aligned with the targets, which has been done. This returns us to ten years ago when the Assembly began its work on this issue locally. We joined ICLEI - local communities learning from each other how to do this work. Juneau was an early adopter. Apparently the words "Paris Accord" sets people off, but she asked for support so the community can see this work.

The Assembly took a short recess to read the material.

Ms. Gladziszewski asked the Assembly to let her know if there was anything in this that was objectionable - she was happy to work on it to gain broad agreement.

Ms. White asked when the energy plan from the Juneau Commission on Sustainability would appear before the Assembly. Ms. Gladziszewski said it would be approximately in two weeks time. Ms. White expressed frustration that she was working on a project that could make a long term difference for the community and everything has to be all out in the open and due to that possibly has blown the whole deal just because we have to tell everyone the details before we get a signature on a letter. We have this report coming in a few weeks and we work hard to get people on boards and commissions. We are putting the cart before the horse if we sign this now before receiving the commission's report.

Mr. Kiehl clarified that the motion is to add this to the August 21 meeting. He said that gives the Assembly time to receive the report and to act in a deliberative manner. He would add a specific mention of the local fisheries economy in regard to the climate. He noted the letter from the Juneau Commission on Sustainability advising the Assembly take action. He said it was worth extending the courtesy to introduce and set for public hearing, debate and vote on the merits at the appropriate time.

Mayor Koelsch asked if the resolution obligated CBJ to join the Paris Agreement. Ms. Gladziszewski said the third paragraph spoke to joining with other cities in the Climate Mayors Network in undertaking local action to contribute to the world wide effort to mitigate and manage climate change, with the goal of limiting global temperature

increases to less than 2 degrees. She would like Juneau to join with other communities to do this work. She said this is a public pledge to do the commitments CBJ has already committed to. CBJ can't join the Paris Climate Agreement, it is not a country. She wanted CBJ to sign the Mayor's Climate Agreement, but if the Assembly objected to that, her intention is that the Assembly show the community that Juneau is leading this area with its efforts to address climate change. This would be a reminder and this is done within the limits of existing funds and available personnel.

Ms. Becker questioned the documents Ms. Gladziszewski provided and said it appears that the Assembly would be signing up.

Mayor Koelsch said in reading through his information, one of the things he noted was a statement "climate mayors recently released an open letter to President Trump to oppose his action thus far against climate action." He said the Assembly needed to be aware that that is part of what it would be joining.

Mr. Kiehl asked for a copy and urged the Assembly to follow the normal course of action to allow members to introduce legislation.

Mr. Nankervis supported introduction and debate following further study.

Mayor Koelsch objected to the motion.

Roll call:

Aye: Becker, Gladziszewski, Gregory, Jones, Kiehl, Nankervis, Weldon, White

Nay: Koelsch

Motion passed, 8 ayes, 1 nay.

XIV.CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

XV. EXECUTIVE SESSION

A. Executive Session: CLIA

MOTION, by Nankervis, to enter into executive session to discuss pending litigation, specifically the CLIAA lawsuit. Hearing no objection, the Assembly entered into executive session at 10/25 p.m. and returned to regular session at 10:55 p.m. In attendance along with the Assembly were Mr. Watt, Ms. Mead, Ms. Cosgrove and Mr. Bartholomew.

Upon returning to regular session, Mr. Nankervis said the Assembly discussed the

CLIAA litigation, received an update from staff and provided direction to staff on the subject.

XVIADJOURNMENT

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

Signed: _____
Laurie Sica, Municipal Clerk

Signed: _____
Kendell D. Koelsch, Mayor

Presented by: The Manager
Introduced: August 21, 2017
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-06(C)

An Ordinance Appropriating to the Manager the Sum of \$9,939 as Funding for a New Master Plan for Riverside Rotary Park; Donation Provided by The Glacier Valley Rotary Club.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of \$9,939 for a New Master Plan for Riverside Rotary Park.

Section 3. Source of Funds

Donation from The Glacier Valley Rotary Club : \$9,939

Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced: August 21, 2017
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-06(D)

An Ordinance Appropriating to the Manager the Sum of \$25,000 as Partial Funding for the Historic Preservation Plan, Phase II; Grant Funding Provided by the State of Alaska Department of Natural Resources.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of \$25,000 for Phase II of the Historic Preservation Plan Update.

Section 3. Source of Funds

State of Alaska Department of Natural Resources	\$25,000
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Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced: 08/21/17
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-06(E)

An Ordinance Appropriating to the Manager the Sum of \$109,800 as Supplemental Funding for the Law Department Fiscal Year 2018 Operating Budget; Funding Provided from the General Fund's Fund Balance.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriate. There is appropriated to the Manager the sum of \$109,800 as funding for the Law Department Fiscal Year 2018 operating budget.

Section 3. Source of Funds.

General Fund's Fund Balance	\$ 109,800
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Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this __ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2801

**A Resolution of the City and Borough of Juneau in Support of
Alaska Department of Transportation and Public Facilities
Harbor Facility Grant Submission.**

WHEREAS, the Alaska Department of Transportation and Public Facilities administers the Harbor Facility Grant program under AS 29.60.800 by reviewing, scoring, and ranking applicants seeking the limited state funds; and

WHEREAS, in connection with a Harbor Facility Grant application, applicant municipalities must commit to investing 100 percent of the design and permitting costs and 50 percent of the construction cost; and

WHEREAS, CBJ Docks & Harbors is committed to designing, constructing, and maintaining infrastructure under its charge in a sustainable and efficient manner commensurate with available resources; and

WHEREAS, due to fiscal limitations, the recapitalization projects at Mike Pusich Douglas Harbor and Harris Harbor were constructed without benefit of passive cathodic protection; and

WHEREAS, the addition of retrofitting existing harbor facilities with zinc anodes as corrosion protection could extend the useable life of the galvanized pilings 25 percent or more; and

WHEREAS, CBJ Docks & Harbors intends to submit an application under the Harbor Facility Grant Program and, as required by the program, will commit \$125,000 for Harris Harbor and \$140,000 for the Mike Pusich Douglas Harbor from the Harbor Fund fund balance.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. The Assembly of the City and Borough of Juneau strongly supports the retrofitting of existing City and Borough of Juneau harbor facilities with a corrosion protection system, and requests the Alaska Department of Transportation and Public Facilities provide matching Harbor Facility Grant funding for the project.

Section 2. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2802

A Resolution Reestablishing the Juneau Commission on Aging and Repealing Resolution 2279.

WHEREAS, the Senior Citizens' Advisory Committee was established in January 1977 by Resolution 430 (and amended with Resolution 434) to assist with Alaska State Housing Authority (ASHA) with the development, construction and management of a 42-unit elderly housing project (now known as Fireweed Place); and

WHEREAS, Resolutions 430 and 434 were repealed in August 1985 via Resolution 1121am, which dissolved the Senior Citizens' Advisory Committee and established the Juneau Commission on Aging to provide greater opportunities for citizen participation in the planning, development, operation, and maintenance of programs and services for Juneau's senior citizens; and

WHEREAS, Resolution 1121am was repealed in May 2005 and replaced with Resolution 2279, which changed the Juneau Commission on Aging's membership numbers and age criteria; and

WHEREAS, a series of public meetings were held in May and June of 2017 to determine the future of the commission or a similar advisory group; and

WHEREAS, following the recommendations coming from the public meetings, the Assembly Human Resources Committee agreed it was in the best interest of the community to reestablish the commission with a newly refocused mission and membership structure.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Commission reestablished. The Juneau Commission on Aging (JCOA) is reestablished.

Section 2. Membership. The JCOA shall consist of nine voting members appointed from the general public. Members shall be appointed to staggered two-year terms. Incumbents serving on the JCOA at the time this resolution is adopted may continue to serve the remainder of their present term and are eligible for reappointment. The assembly shall appoint members from a diverse population of people with knowledge of issues relating to aging or with expertise on health, housing, transportation, finances, insurance, and other

areas of concern for seniors in Juneau. At least five public members shall be 65 years of age or older. Four public members shall serve without restriction as to age.

Section 3. Purpose and mission. The purpose of the JCOA is to advise the Assembly on issues regarding seniors in Juneau and to promote awareness of Juneau's senior population, the quality of life of seniors; and the role of seniors in the social and economic life of Juneau.

Section 4. Powers and Duties: The JCOA's powers and duties may include the following:

- a. Promote senior citizen participation in the planning and development of programs which benefit and enhance the health, safety, and welfare of senior citizens in the City and Borough of Juneau.
- b. Build a coalition among established groups and support programs working to address the needs of seniors. Assess and identify gaps in the senior service delivery system. Share information within the coalition and report findings to the Assembly.
- c. Act to support the Assembly's Economic Plan as it relates to the senior economy.
- d. Collect facts and statistics, and make studies of, the conditions and problems pertaining to the employment, health, financial security, social welfare, and other factors that bear upon the well-being of older Juneauites. Act as plan manager and facilitator of the Juneau Senior Needs Survey.
- e. Coordinate events in May highlighting Older Americans Month.

Section 5. Procedures. The Commission's procedures shall be governed by the Rules of Procedure for Assembly Advisory Board, as amended from time to time.

Section 6. Staff Assistance. The Manager or Manager's designee shall provide such staff support and assistance for the Commission to the extent funds are available for such support.

Section 7. Duration. The duration of the Commission shall be as follows:

- a. If the Assembly is unable to appoint a qualified slate of commissioners to serve on the JCOA by December 31, 2017, then the JCOA will sunset as of that date.
- b. If the Commission does not sunset due to the Assembly's inability to appoint qualified members, the Commission shall sunset three years from the effective date of this resolution.

Section 8. Repeal of resolution. Resolution 2279 is repealed in its entirety.

Section 9. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced: 05/09/2005
Drafted by: J.W. Hartle

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2279

A Resolution Changing the Age Requirement for Service on the Commission on Aging, Making Other Minor Changes to the Commission's Charge, and Repealing Resolution Serial No. 1121am.

WHEREAS, the Commission on Aging serves as an effective forum for addressing issues relating to aging in Juneau; and

WHEREAS, the Commission on Aging has requested a change in the age requirements for membership on the Commission, and other minor changes to its charge.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. That there is established the Juneau Commission on Aging which shall consist of seven members who shall be appointed by the Assembly for three year staggered terms beginning on June 1, except those first appointed shall be for terms of one, two, and three years as designated by the Assembly. At least four members shall be 65 years of age and three may be 55 years of age or older.

Section 2. That the powers and duties of the Juneau Commission on Aging may include but not necessarily be limited to the following:

- (a) To promote programs which benefit and/or enhance health, safety, and welfare of senior citizens.
- (b) To promote maximum senior citizen participation in planning, development, operation and maintenance of facilities, services and programs designed to serve senior citizens principally.

- (c) To serve as a focal point for coordination of senior citizen functions among the several committees, subcommittees, task groups, city manager, and the Assembly of the City and Borough of Juneau.
- (d) To review and make recommendations upon plans, programs, budgets, staff, property and support facilities, management functions, contractual relationships affecting the senior citizens of Juneau and report findings directly to the Assembly.
- (e) To formulate and recommend to the Assembly a comprehensive areawide plan that identifies the concerns and needs of older Juneauites.
- (f) To collect facts and statistics, and make studies of conditions and problems pertaining to the employment, health, financial security, social welfare, and other concerns that bear upon the well-being of older Juneauites.
- (g) To make recommendations to the Assembly on establishment of special committees and/or task groups to meet both official and voluntary needs for coordination of functions with the Juneau Senior Center; Valley Senior Center; Alaska Housing Finance Corporation (AHFC); Alaska Commission on Aging (ACOA); Alaska Department of Commerce, Community and Economic Development; Alaska Department of Health and Social Services, Division of Senior and Disability Services; AARP; Retired Public Employees of Alaska (RPEA); National Association of Retired Federal Employees (NARFE) and similar groups.

Section 3. The Commission shall select its own officers, and shall hold regular meetings on a schedule established by the Commission as well as such special meetings as required to conduct business.

Section 4. The Manager or his designee shall provide such staff support and assistance for the Commission to the extent funds are available for such support.

Section 5. Resolution Serial No. 1121am is repealed.

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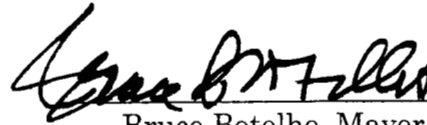
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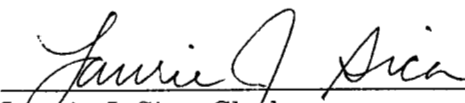
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Section 6. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 9th day of May, 2005.


Bruce Botelho, Mayor

Attest:


Laurie J. Sica, Clerk

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2803

A Resolution Repealing Resolution 2288 Approving Fees Relating to the Disclosure of Public Records.

WHEREAS, Alaska Statute at Chapter 40.25 requires public agencies, including municipalities, to provide access to, and copies of, public documents upon request, at a standard unit cost for duplication; and

WHEREAS, the Assembly, by Resolution 2288, approved fees for copying, certifying or conforming documents of the City and Borough of Juneau; and

WHEREAS, the Assembly has adopted Ordinance 2017-17 establishing uniform procedures for the disclosure of public records making Resolution 2288 obsolete.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Repeal of Resolution. Resolution 2288 is repealed.

Section 2. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: Assemblymember
Gladziszewski

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2804

A Resolution Affirming the City and Borough of Juneau's Commitment to Climate Action.

WHEREAS, consensus exists among the world's climate scientists that global warming caused by emissions of greenhouse gases from human activities is among the most significant problems facing the world today; and

WHEREAS, documented impacts of global warming include but are not limited to increased occurrences of extreme weather events (e.g. droughts and floods), adverse impacts on ecosystems, demographic patterns and economic value chains; and

WHEREAS, Alaska has warmed more than twice as fast as the rest of the nation, bringing widespread impacts such as rapid shrinking of sea ice and glaciers, thawing permafrost, more wildfire affecting wildlife habitat and human infrastructure, as well as impacts to valued marine fisheries from rising ocean temperatures and acidification; and

WHEREAS, the greenhouse gas emissions driving climate change acidify the ocean, which threatens Southeast Alaska's \$273 million annual sport fisheries; and

WHEREAS, less productive oceans due to climate change and ocean acidification threaten the income of 396 commercial fishing permit holders and 496 commercial crew license holders who live in Juneau, along with the \$22.5 million in seafood they deliver here; and

WHEREAS, the visitor industry is vital to the local economy and the rapidly retreating Mendenhall Glacier is a top attraction for visitors; and

WHEREAS, the City and Borough of Juneau formed a scientific panel on climate change in 2005 to examine the specific impacts of change on our community; and

WHEREAS, the findings of the scientific panel show that changes in Juneau are consistent with those that have occurred, or are expected to occur, on a statewide basis, including specifically:

- Over the past 60 years, the average winter snowfall at sea level in CBJ has decreased from 106 inches to 82 inches - average winter precipitation (rain plus snow reported as inches of liquid water) has increased by approximately 6 inches;

- During the same period, average winter time temperature has risen by approximately 4 degrees F. The average winter temperature in the CBJ increased above the freezing point of water in the early 1980s;
- By the end of the 21st century, shrubs and trees will have colonized elevations currently characterized as alpine or tundra habitat in southeastern Alaska;
- Rapid changes in the ecology of terrestrial and marine environments will alter commercial, subsistence, and recreational harvesting in ways that cannot be readily predicted; and
- Reductions in winter snow cover will negatively impact winter recreational activities in the CBJ.

WHEREAS, in 2007, Juneau joined other cities in pledging to conduct a greenhouse gas inventory, establish a greenhouse gas reduction target, develop an action plan, implement the plan and monitor and report progress (Resolution 2397(b)); and

WHEREAS, in 2009, Juneau fulfilled two of those commitments by conducting its first greenhouse gas inventory and adopting its first reduction goals (1 percent for the municipality and 20 percent for the entire community) (Resolution 2502); and

WHEREAS, in 2011, Juneau continued to fulfill commitments to climate action by adopting the Juneau Climate Action and Implementation Plan (Resolution 2593), including a goal of reducing emissions by 25 percent by the year 2032. CBJ also published a second greenhouse gas inventory that documented some progress in meeting emissions goals; and

WHEREAS, actions taken to reduce greenhouse gas emissions—including increasing the energy efficient of buildings, adoption of heat pumps, waste reduction, and recycling—save Juneau taxpayers and residents money through decreasing energy and material costs; and

WHEREAS, Juneau has become a leader in adoption of electric vehicles (EV), ranking among the top communities in the nation in terms of per capita EV ownership, with local businesses adopting electric buses and developing electric tour boats; and

WHEREAS, many Juneau residents continue to express a readiness to undertake local action to contribute to worldwide efforts in mitigating and managing climate change.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. The City and Borough of Juneau affirms its previous commitments to pursue actions to achieve emissions reductions targets including its commitment to reducing emissions through implementation of the 2011 Juneau Climate Action and Implementation Plan within the limitations of available funds and personnel; and

Section 2. The City and Borough of Juneau affirms its commitment to exploring the potential benefits and costs of adopting additional policies and programs that promote

the long-term goal of GHG emissions reduction while maximizing economic and social co-benefits of such action; and

Section 3. The City and Borough of Juneau joins other cities to undertake local action to contribute to worldwide efforts to mitigate and manage climate change. Among the organizations compiling and quantifying such efforts are the Global Covenant of Mayors for Climate and Energy, the Compact of Mayors, Climate Mayors, and America's Pledge.

Section 4. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

July 18, 2017

City & Borough of Juneau

Attn: City Clerk

Via Email: mcb_notice@juneau.org

License Number:	10271
License Type:	Marijuana Product Manufacturing Facility
Licensee:	Top Hat Concentrates, LLC
Doing Business As:	TOP HAT CONCENTRATES, LLC
Physical Address:	2315 Industrial BLVD Suite B Juneau, AK 99801
Designated Licensee:	John Nemeth
Phone Number:	313-318-5322
Email Address:	john@thcalaska.com

AMCO has received a complete renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.035(c)(2).

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.060 states that the board will uphold a local government protest and deny an application for a marijuana establishment license unless the board finds that a protest by a local government is arbitrary, capricious, and unreasonable.

At the May 15, 2017, Marijuana Control Board meeting, the board delegated to me the authority to approve renewal applications with no protests, objections, or notices of violation. However, if a timely protest or objection is filed for this application, or if any notices of violation have been issued for this license, the board will consider the application. In those situations, a temporary license will be issued pending board consideration.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Sincerely,

Erika McConnell

Erika McConnell
Director

Alcohol & Marijuana Control Office

Initiating License Application

5/26/2017 9:37:41 AM

License Number: 10271**License Status:** Active**License Type:** Marijuana Product Manufacturing Facility**Doing Business As:** TOP HAT CONCENTRATES, LLC**Business License Number:** 1035398**Designated Licensee:** John Nemeth**Email Address:** john@thcalaska.com**Local Government:** Juneau (City and Borough of)**Community Council:****Latitude, Longitude:** 58.366400, -134.605000**Physical Address:** 2315 Industrial BLVD
Suite B
Juneau, AK 99801
UNITED STATES**Licensee #1****Type:** Entity**Alaska Entity Number:** 10037169**Alaska Entity Name:** Top Hat Concentrates, LLC**Phone Number:** 313-318-5322**Email Address:** john@thcalaska.com**Mailing Address:** PO BOX 20842
Juneau, AK 99801
UNITED STATES**Entity Official #1****Type:** Individual**Name:** John Nemeth
[REDACTED]
[REDACTED]**Phone Number:** 313-318-5322**Email Address:** john@thcalaska.com**Mailing Address:** 1220 Glacier Ave
APT 204
Juneau, AK 99801
UNITED STATES**Entity Official #2****Type:** Individual**Name:** Benjamin Wilcox
[REDACTED]
[REDACTED]**Phone Number:** 907-419-0065**Email Address:** ben@thcalaska.com**Mailing Address:** 125 Wire St
Juneau, AK 99801
UNITED STATES**Entity Official #3****Type:** Individual**Name:** Tracy LaBarge
[REDACTED]
[REDACTED]**Phone Number:** 907-723-2004**Email Address:** tracy@thcalaska.com**Mailing Address:** 2913 Blueberry Hills Rd
Juneau, AK 99801
UNITED STATES**Note:** No affiliates entered for this license.



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

July 7, 2017

City & Borough of Juneau

Attn: City Clerk

Via Email: mcb_notice@juneau.org

License Number:	10315
License Type:	Standard Marijuana Cultivation Facility
Licensee:	Green Elephant, LLC
Doing Business As:	GREEN ELEPHANT, LLC
Physical Address:	101 Mill St. Suite A Juneau, AK 99801
Designated Licensee:	Jennifer Canfield
Phone Number:	907-209-7663
Email Address:	greenelephantalaska@gmail.com

AMCO has received a complete renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.035(c)(2).

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.060 states that the board will uphold a local government protest and deny an application for a marijuana establishment license unless the board finds that a protest by a local government is arbitrary, capricious, and unreasonable.

At the May 15, 2017, Marijuana Control Board meeting, the board delegated to me the authority to approve renewal applications with no protests, objections, or notices of violation. However, if a timely protest or objection is filed for this application, or if any notices of violation have been issued for this license, the board will consider the application. In those situations, a temporary license will be issued pending board consideration.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Sincerely,

Erika McConnell

Erika McConnell
Director

Alcohol & Marijuana Control Office

Initiating License Application

6/12/2017 5:45:22 AM

License Number: 10315**License Status:** Active**License Type:** Standard Marijuana Cultivation Facility**Doing Business As:** GREEN ELEPHANT, LLC**Business License Number:** 1036860**Designated Licensee:** Jennifer Canfield**Email Address:** greenelephantalaska@gmail.com**Local Government:** Juneau (City and Borough of)**Community Council:****Latitude, Longitude:** 58.287907, -134.385100**Physical Address:** 101 Mill St.
Suite A
Juneau, AK 99801
UNITED STATES**Licensee #1****Type:** Entity**Alaska Entity Number:** 10036013**Alaska Entity Name:** Green Elephant, LLC**Phone Number:** 907-321-5886**Email Address:** greenelephantalaska@gmail.com**Mailing Address:** PO Box 21315
Juneau, AK 99802
UNITED STATES**Entity Official #1****Type:** Individual**Name:** Richard Dudas
[REDACTED]
[REDACTED]**Phone Number:** 907-321-5886**Email Address:** greenelephantalaska@gmail.com**Mailing Address:** PO Box 21315
Juneau, AK 99802
UNITED STATES**Entity Official #2****Type:** Individual**Name:** Jennifer Canfield
[REDACTED]
[REDACTED]**Phone Number:** 907-209-7663**Email Address:** greenelephantalaska@gmail.com**Mailing Address:** PO Box 22437
Juneau, AK 99802
UNITED STATES**Note:** No affiliates entered for this license.



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

July 7, 2017

City & Borough of Juneau

Attn: City Clerk

Via Email: mcb_notice@juneau.org

License Number:	10844
License Type:	Retail Marijuana Store
Licensee:	Green Elephant, LLC
Doing Business As:	GREEN ELEPHANT, LLC
Physical Address:	101 Mill St. Suite B Juneau, AK 99801
Designated Licensee:	Jennifer Canfield
Phone Number:	907-209-7663
Email Address:	greenelephantalaska@gmail.com

AMCO has received a complete renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.035(c)(2).

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.060 states that the board will uphold a local government protest and deny an application for a marijuana establishment license unless the board finds that a protest by a local government is arbitrary, capricious, and unreasonable.

At the May 15, 2017, Marijuana Control Board meeting, the board delegated to me the authority to approve renewal applications with no protests, objections, or notices of violation. However, if a timely protest or objection is filed for this application, or if any notices of violation have been issued for this license, the board will consider the application. In those situations, a temporary license will be issued pending board consideration.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Sincerely,

Erika McConnell

Erika McConnell
Director

Alcohol & Marijuana Control Office

Initiating License Application

6/12/2017 5:46:26 AM

License Number: 10844**License Status:** Active**License Type:** Retail Marijuana Store**Doing Business As:** GREEN ELEPHANT, LLC**Business License Number:** 1036860**Designated Licensee:** Jennifer Canfield**Email Address:** greenelephantalaska@gmail.com**Local Government:** Juneau (City and Borough of)**Community Council:****Latitude, Longitude:** 58.287800, -134.385000**Physical Address:** 101 Mill St.
Suite B
Juneau, AK 99801
UNITED STATES**Licensee #1****Type:** Entity**Alaska Entity Number:** 10036013**Alaska Entity Name:** Green Elephant, LLC**Phone Number:** 907-321-5886**Email Address:** greenelephantalaska@gmail.com**Mailing Address:** PO Box 21315
Juneau, AK 99802
UNITED STATES**Entity Official #1****Type:** Individual**Name:** Richard Dudas
[REDACTED]
[REDACTED]**Phone Number:** 907-321-5886**Email Address:** greenelephantalaska@gmail.com**Mailing Address:** PO Box 21315
Juneau, AK 99802
UNITED STATES**Entity Official #2****Type:** Individual**Name:** Jennifer Canfield
[REDACTED]
[REDACTED]**Phone Number:** 907-209-7663**Email Address:** greenelephantalaska@gmail.com**Mailing Address:** PO Box 21315
Juneau, AK 99802
UNITED STATES**Note:** No affiliates entered for this license.

Presented by: The Manager
 Introduced: August 21, 2017
 Drafted by: Finance

TRANSFER REQUEST FOR THE CITY AND BOROUGH OF JUNEAU,
 ALASKA

SERIAL NUMBER T-989

It is hereby ordered by the Assembly of the City and Borough of Juneau, Alaska, that \$1,558,331 be transferred:

From: CIP

D14-050	Lemon Creek Subdivision	\$44,315
R72-041	West Juneau – Douglas Hwy Access Study	\$132,256
R72-043	Lemon Flats 2nd Access ROW	\$81,760
R72-124	Whittier Street	\$1,300,000

To: CIP

D14-051	Pederson Hill Subdivision	\$1,558,331
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The \$1,558,331 consists of:

F215	Sales Tax Temporary	\$132,256
F215	Sales Tax Areawide	\$1,381,760
F271	Lands Fund	\$44,315

Moved and Approved this _____ day of _____, 2017.

 D. Rorie Watt, City Manager

Attest:

 Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced: 08/21/2017
Drafted by: Finance

TRANSFER REQUEST FOR THE CITY AND BOROUGH OF JUNEAU,
ALASKA

SERIAL NUMBER T-990

It is hereby ordered by the Assembly of the City and Borough of Juneau,
Alaska, that \$100,000 be transferred:

From: CIP

A50-088	Construct RSA IIB	\$100,000
---------	-------------------	-----------

To: CIP

A50-087	Twy A & RIM	\$100,000
---------	-------------	-----------

The \$100,000 consists of:

F560	Airport Fund	\$100,000
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Moved and Approved this _____ day of _____, 2017.

D. Rorie Watt, City Manager

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-18

An Ordinance Amending the Penal Code.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJ 42.15.020 Larceny of money or property, is amended to read:

42.15.020 Larceny of money or property.

...

(b) Larceny of money or property is a:

(1) Class A misdemeanor if:

(A) The value of the money or property, adjusted for inflation as provided in AS 11.46.982, is \$250.00 or more but less than \$1,000.00; or

(B) The value of the money or property, adjusted for inflation as provided in AS 11.46.982, is less than \$250.00 and, within the preceding five years, the person has been convicted and sentenced on two or more separate occasions in this or another jurisdiction of larceny of money or property, concealment of merchandise, ~~or~~ theft of services, or buying, receiving, concealing, or disposing of stolen property.

or an offense under another law or ordinance with similar elements.

...

Section 3. Amendment of Section. CBJ 42.15.030 Buying, receiving or concealing stolen property, is amended to read:

42.15.030 Buying, receiving, ~~or~~ concealing, or disposing of stolen property.

(a) It is unlawful for a person to buy, receive, ~~or~~ conceal, or dispose of money, goods, bank notes or other things which may be the subject of larceny and which has been taken, embezzled, or stolen from another person, with reckless disregard that the property was taken, embezzled, or stolen.

(b) ~~(1) Reckless disregard that the property was stolen~~ The requisite knowledge or belief is presumed in the case of a dealer who:

(1) (A) Is found in possession or control of property stolen from two or more persons on separate occasions;

(2) (B) Has received stolen property in another transaction within the year preceding the transaction; or

(3) (C) Being a dealer in property of the sort received, acquires it for a consideration which the dealer knows is far below its reasonable value.

~~(c) (2) As used in this section: "Dealer" as used in this section means a person in the business of buying or selling goods.~~

(1) "Dealer" means a person in the business of buying or selling goods.

(2) "Receive" includes acquiring the possession, control, or title, or lending on the security of the property.

(d) ~~(3)~~ Buying, receiving, or concealing, or disposing of stolen property is a Class A misdemeanor.

(1) Class A misdemeanor if:

(A) The value of the property, adjusted for inflation as provided in AS 11.46.982, is \$250.00 or more but less than \$1,000.00; or

(B) The value of the property, adjusted for inflation as provided in AS 11.46.982, is less than \$250.00 and, within the preceding five years, the person has been convicted and sentenced on two or more separate occasions in this or another jurisdiction of larceny of money or property, concealment of merchandise, theft of services, or buying, receiving, concealing, or disposing of stolen property, or an offense under another law or ordinance with similar elements.

(2) Class B misdemeanor if the value of the property is less than \$250.00, adjusted for inflation as provided in AS 11.46.982. A court may not impose a sentence under this subsection of more than:

(A) Five days of suspended imprisonment and a term of probation of more than six months if the person has been convicted two or more times of an offense under CBJ 42.15.020—42.15.080 or 42.15.120 or a law or ordinance of this or another jurisdiction with substantially similar elements; or

(B) A sentence of active or suspended imprisonment if the person has not been previously convicted, or has previously been convicted once, of an offense under CBJ 42.15.020—42.15.080 or 42.15.120 or a law or ordinance of this or another jurisdiction with substantially similar elements.

Section 4. Amendment of Section. CBJ 42.15.040 Concealment of merchandise, is amended to read:

42.15.040 Concealment of merchandise.

...

(c) Concealment of merchandise is a:

(1) Class A misdemeanor if:

(A) The merchandise is a firearm;

(B) The value of the merchandise, adjusted for inflation as provided in AS 11.46.982, is \$250.00 or more but less than \$1,000.00; or

(C) The value of the merchandise, adjusted for inflation as provided in AS 11.46.982, is less than \$250.00 and, within the preceding five years, the person has been convicted and sentenced on two or more separate occasions in this or another jurisdiction of the offense of larceny of money or property, concealment of merchandise, ~~or~~ theft of services, or buying, receiving, concealing, or disposing of stolen property, or an offense under another law or ordinance with similar elements.

...

Section 5. Amendment of Section. CBJ 42.15.070 Theft of services, is amended to read:

42.15.070 Theft of services.

...

(c) Theft of service is a:

(1) Class A misdemeanor if:

(A) The value of the merchandise, adjusted for inflation as provided in AS 11.46.982, is \$250.00 or more but less than \$1,000.00; or

(B) The value of the service, adjusted for inflation as provided in AS 11.46.982, is less than \$250.00 and, within the preceding five years, the person has been convicted and sentenced on two or more separate occasions in this or another jurisdiction of the offense of larceny of money or property, concealment of merchandise, ~~or~~ theft of services, or buying, receiving, concealing, or disposing of stolen property, or an offense under another law or ordinance with similar elements.

...

Section 6. Amendment of Chapter. Chapter 42.15 Offenses against property, is amended by adding the following section:

42.15.085 Fraudulent use of an access device.

(a) A person commits the crime of fraudulent use of an access device if, with intent to defraud, the person uses an access device to obtain property or services with knowledge that:

(1) The access device is stolen or forged;

(2) The access device is expired or has been revoked or cancelled; or

(3) For any other reason, that person's use of the access device is unauthorized by either the issuer or the person to whom the access device is issued.

(b) Fraudulent use of an access device is a class A misdemeanor if the value of the property or services obtained, adjusted for inflation as provided in AS 11.46.982, is less than \$1,000.

Section 7. Amendment of Section. CBJ 42.20.060 Carrying deadly weapons, is deleted in its entirety and replaced with the following to read:

42.20.060 Misconduct involving weapons.

(a) A person commits the crime of misconduct involving weapons, an A misdemeanor, if the person:

(1) Possesses on the person, or in the interior of a vehicle in which the person is present, a firearm when the person's physical or mental condition is impaired as a result of the introduction of an intoxicating liquor or a controlled substance into the person's body in circumstances other than described in AS 11.61.200(a)(7);

(2) Discharges a firearm with reckless disregard for a risk of damage to property or a risk of physical injury to a person under circumstances other than those described in AS 11.61.195(a)(3)(A);

(3) Manufactures, possesses, transports, sells, or transfers metal knuckles;

(4) Sells or transfers a switchblade or a gravity knife to a person under 18 years of age without the prior written consent of the person's parent or guardian;

(5) Knowingly sells a firearm or a defensive weapon to a person under 18 years of age;

(6) Except for a peace officer acting within the scope and authority of the officer's employment, other than a preschool, elementary, junior high, or secondary school student, knowingly possesses a deadly weapon or a defensive weapon, without the permission of the chief administrative officer of the school or district or the designee of the chief administrative officer, within the buildings of, on the grounds of, or on the school parking

lot of a public or private preschool, elementary, junior high, or secondary school, on a school bus while being transported to or from school or a school-sponsored event, or while participating in a school-sponsored event, except that a person 21 years of age or older may possess:

- (A) A deadly weapon, other than a loaded firearm, in the trunk of a motor vehicle or encased in a closed container in a motor vehicle;
- (B) A defensive weapon.

(7) Being a preschool, elementary, junior high, or secondary school student, knowingly possesses a deadly weapon or a defensive weapon, within the buildings of, on the grounds of, or on the school parking lot of a public or private preschool, elementary, junior high, or secondary school, on a school bus while being transported to or from school or a school-sponsored event, or while participating in a school-sponsored event, except that a student may possess a deadly weapon, other than a firearm as defined under 18 U.S.C. 921, or a defensive weapon if the student has obtained the prior permission of the chief administrative officer of the school or district or the designee of the chief administrative officer for the possession.

(b) A person commits the crime of misconduct involving weapons, a B misdemeanor, if the person:

(1) Is 21 years of age or older and knowingly possesses a deadly weapon, other than an ordinary pocket knife or a defensive weapon:

- (A) That is concealed on the person, and, when stopped, detained, questioned, or addressed in person by a peace officer for an official purpose, the person fails to:
 - (i) Immediately inform the peace officer of that possession; or

(ii) Allow the peace officer to secure the deadly weapon, or fails to secure the weapon at the direction of the peace officer, during the duration of the contact.

(B) That is concealed on the person within the residence of another person unless the person has first obtained the express permission of an adult residing there to bring a concealed deadly weapon within the residence.

(2) Knowingly possesses a loaded firearm on the person in any place where intoxicating liquor is sold for consumption on the premises;

(A) This subsection does not apply to a peace officer acting within the scope and authority of the officer's employment.

(B) It is an affirmative defense under this subsection that:

(i) The loaded firearm was a concealed handgun as defined in AS 18.65.790; and

(ii) The possession occurred at a place designated as a restaurant for the purposes of AS 04.16.049 and the defendant did not consume intoxicating liquor at the place.

(C) It is a defense under this subsection if the defendant, at the time of possession, was on business premises:

(i) Owned by or leased by the defendant; or

(ii) In the course of the defendant's employment for the owner or lessee of those premises.

(3) Being an unemancipated minor under 16 years of age, possesses a firearm, switchblade, or gravity knife without the consent of a parent or guardian of the minor;

(4) Except for a peace officer acting within the scope and authority of the officer's employment, knowingly possesses a firearm:

(A) Within the grounds of or on a parking lot immediately adjacent to an entity, other than a private residence, licensed as a child care facility under AS 47.32 or recognized by the federal government for the care of children, except that a person 21 years of age or older may possess an unloaded firearm in the trunk of a motor vehicle or encased in a closed container of a motor vehicle;

(B) Within a

(i) Courtroom or office of the Alaska Court System; or

(ii) Courthouse that is occupied only by the Alaska Court System and other justice-related agencies;

(iii) It is a defense under this section if, at the time of possession, the person was authorized to possess the firearm under a rule of court.

(C) Within a domestic violence or sexual assault shelter that receives funding from the state. It is a defense under this subsection if the person, at the time of possession, was authorized in writing by the administrator of the shelter to possess the firearm.

(5) Is less than 21 years of age and knowingly possesses a deadly weapon, other than an ordinary pocket knife or a defensive weapon, that is concealed on the person, unless, at the time of possession, the person was:

(A) In the defendant's dwelling or on land owned or leased by the defendant appurtenant to the dwelling; or

(B) Actually engaged in lawful hunting, fishing, trapping, or other lawful

outdoor activity that necessarily involves the carrying of a weapon for personal protection.

(c) For purposes of this section, a deadly weapon on a person is concealed if it is covered or enclosed in any manner so that an observer cannot determine that it is a weapon without removing it from that which covers or encloses it or without opening, lifting, or removing that which covers or encloses it; a deadly weapon on a person is not concealed if it is an unloaded firearm encased in a closed container designed for transporting firearms.

(d) For purposes of this section, a firearm is loaded if the:

(1) Firing chamber, magazine, clip, or cylinder of the firearm contains a cartridge; and

(2) Chamber, magazine, clip, or cylinder is installed in or on the firearm.

(e) For purposes of this section, a "peace officer" means a peace officer of this state or a municipality within this state, or a peace officer employed by another state or a political subdivision of another state who, at the time of the possession, is:

(1) Certified by this or another state as a peace officer; and

(2) Acting within the scope and authority of the officer's employment.

Section 8. Amendment of Section. CBJ 42.20.110 Harassment, is amended to read:

42.20.110 Harassment.

(a) A person commits the crime of harassment, a class B misdemeanor, if, with intent to harass or annoy another person, that person:

(1) Insults, taunts, or challenges another person in a manner likely to provoke an

immediate violent response;

(2) Telephones another or fails to terminate the connection with intent to impair the ability of that person to place or receive telephone calls;

(3) Makes repeated telephone calls at extremely inconvenient hours;

(4) Makes an anonymous or obscene telephone call, an obscene electronic communication, or a telephone call or electronic communication that threatens physical injury or sexual contact;

(5) Subjects another person to an offensive physical contact:-

(6) Except as provided in AS 11.61.116, publishes or distributes electronic or printed photographs, pictures, or films that show the genitals, anus, or female breast of the other person or show that person engaged in a sexual act;

(7) Repeatedly sends or publishes an electronic communication that insults, taunts, challenges, or intimidates a person under 18 years of age in a manner that places the person in reasonable fear of physical injury.

(b) A person commits the crime of harassment, a class A misdemeanor, if, with intent to harass or annoy another person, that person: ~~Harassment is a Class B misdemeanor.~~

(1) Subjects another person to an offensive physical contact and the contact is with human or animal blood, mucus, saliva, semen, urine, vomitus, or feces;

(2) Under circumstances not proscribed under Alaska statute concerning sexual abuse of a minor, the person subjects another person to offensive physical contact and the offensive physical contact is contact by the person touching through clothing another person's genitals, buttocks, or female breast.

Section 9. Amendment of Section. CBJ 42.30.040 False reports to law enforcement authorities, is amended to read:

42.30.040 False reports to law enforcement authorities.

(a) It is unlawful for a person knowingly to give false information to any law enforcement officer:

(1) With ~~with~~ the purpose of implicating another person; or

(2) Concerning the person's identify while the person is

(i) Under arrest, detention, or investigation for a crime; or

(ii) Being served with an arrest warrant or being issued a citation.

(b) It is unlawful for a person to:

(1) Report to law enforcement authorities an offense or other incident within their concern knowing that it did not occur; or

(2) Pretend to furnish such authorities with information relating to an offense or incident when that person knows he or she has no information relating to such offense or incident.

(c) Violation of this section shall be punished as a Class A misdemeanor.

Section 10. Amendment of Section. CBJ 42.30.060 Violating a domestic violence protective order, is amended to read:

42.30.060 Violating a ~~domestic violence~~ protective order.

(a) A person commits the crime of violating a protective order if the person is subject to a protective order containing a provision listed in subsection (b) of this section and knowingly commits or attempts to commit an act with reckless disregard that the act violates or would

violate a provision of the protective order. in violation of that provision.

(b) This section applies to a protective order which:

(1) Prohibits the respondent from threatening to commit or committing domestic violence, stalking, or harassment;

(2) Prohibits the respondent from telephoning, contacting, or otherwise communicating directly or indirectly with the petitioner or a designated household member of the petitioner specifically named by the court;

(3) Removes and excludes the respondent from the residence of the petitioner, regardless of ownership of the residence;

(4) Directs the respondent to stay away from the residence, school, or place of employment of the petitioner or any specified place frequented by the petitioner or any designated household member;

(5) Prohibits the respondent from entering a propelled vehicle in the possession of or occupied by the petitioner;

(6) Prohibits the respondent from using or possessing a deadly weapon if the court finds the respondent was in the actual possession of or used a weapon during the commission of domestic violence; or

(7) Directs the respondent to surrender any firearm owned or possessed by the respondent if the court finds that the respondent was in the actual possession of or used a firearm during the commission of the domestic violence.

(c) Violation of this section is a Class A misdemeanor.

(d) In this section, "protective order" means an order issued, ~~or~~ filed, or recognized under AS 18.66.100—AS 18.66.180, 18.65.850, 18.65.855, 18.65.860, or 18.65.867.

Section 11. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2017.

Attest: _____
Kendell D. Koelsch, Mayor

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-21

An Ordinance Amending the Discharging Firearms Ordinance.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJ 42.20.050 Discharging firearms, is amended to read:

42.20.050 Discharging firearms.

(a) It is unlawful for any person except a peace officer in the line of duty, to fire or discharge any firearm within one-quarter mile of any public street, road or highway within the City and Borough of Juneau, except that, unless otherwise prohibited by state or federal law, it is not unlawful to discharge:

(1) A shotgun within the Mendenhall Wetlands State Game Refuge or on property within the shotgun discharge area as shown on the Shotgun Discharge Area Map, dated March 2, 2017;

(2) A firearm at a shooting range operated by the Hank Harmon Memorial Rifle Range, the Juneau Gun Club, or the federal or state government; or

(3) A firearm at a shooting range approved as required under CBJ 49.25.300, Table of Permissible Uses.

(b) It is unlawful for any person except a peace officer in the line of duty, to fire or discharge any firearm within one-quarter mile of the Mount Roberts Trail, from the trailhead at ~~Sixth Street~~ to the top of Gastineau Peak, including Gold Ridge, from May 1 through September 30.

(c) It is not a violation of subsection (a) of this section if the discharge is in accordance with rules and regulations governing a biathlon or other competitive event involving the discharge of firearms when such biathlon or other competitive event has been authorized to take place in the area or facility by the person responsible for the management of such area or facility.

(d) Discharging a firearm in violation of this section is a Class B misdemeanor.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-22

An Ordinance Providing for the Levy and Collection of a Temporary 1% Areawide Sales Tax on the Sale Price of Retail Sales, Rentals, and Services Performed within the City and Borough of Juneau, to be Effective October 1, 2018, and Providing for a Ballot Question Ratifying the Levy.

WHEREAS, the present 5% areawide sales tax rate in the City and Borough comprises a permanent 1% tax, a temporary 1% tax, and a temporary 3% tax; and

WHEREAS, the 1% temporary component of the sales tax expires on September 30, 2018, unless the voters approve extending the duration of the tax; and

WHEREAS, the Assembly has determined that an extension of the temporary 1% sales tax, to become effective on October 1, 2018, for a period of five years, would provide a stable revenue base for important municipal services and projects; and

WHEREAS, with the extension of the 1% temporary tax, the total sales tax rate in the City and Borough would remain unchanged at 5%.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. Section 2 of this ordinance, if approved by a majority of qualified voters voting on the question pursuant to Sections 3 and 4, shall be of a general and permanent nature and shall become a part of the City and Borough code, until it expires under its own terms. Sections 3 and 4 are noncode sections.

Section 2. Amendment of Section. CBJ 69.05.020 Imposition of rate, is amended to read:

69.05.020 Imposition of rate.

(a) There shall be levied and collected a tax equal to the percentage of the selling price on retail sales and rentals made and services performed within the City and Borough as follows:

(1) Within the entire City and Borough – 1%

(2) Within the entire City and Borough – an additional 3%

(3) Effective October 1, 2018 ~~2013~~, within the entire City and Borough – an additional 1%.

~~Subsection (a)(3) of this section shall be automatically repealed on September 30, 2018.~~

(4) Subsection (a)(3) of this section shall be automatically repealed on September 30, 2023.

...

Section 3. Submission to the Voters. In accordance with Section 9.17, of the Home Rule Charter of the City and Borough of Juneau, the question of whether the extension of the temporary 1% areawide sales tax herein provided shall be levied and collected effective October 1, 2018, for a period of five years, shall be submitted to the qualified voters of the City and Borough at the next regular municipal election. The Municipal Clerk shall prepare the ballot proposition as provided by this ordinance and shall perform all necessary steps in accordance with law to place this proposition before the voters at the next regular municipal election.

Section 4. Proposition. The proposition to be submitted to the voters as required by Section 3 shall read substantially as follows:

Explanation

Juneau currently has a permanent 1% sales tax, a temporary 1% sales tax, and a temporary 3% sales tax. The existing temporary 1% sales tax is automatically repealed on September 30, 2018. The existing temporary 3% sales tax is automatically repealed on July 1, 2022. The total of all CBJ sales taxes currently levied is 5%.

This ballot proposition would continue the current 1% temporary sales tax rate for an additional five years, until September 30, 2023. Accordingly, if this proposition is approved, the total sales tax rate would remain at 5%.

It is the intent of the Assembly that taxes collected under this proposed extension of the temporary 1% areawide sales tax be appropriated by the Assembly for the following purposes:

- Wastewater: infrastructure maintenance and improvements
- CBJ-owned building maintenance
- Water: infrastructure maintenance and improvements
- Airport: matching funds for federally funded projects
- Augustus Brown Pool deferred maintenance
- Centennial Hall upgrades and deferred maintenance
- Schools: major building maintenance
- Bartlett Regional Hospital: Rainforest Recovery Center upgrades
- Information Technology: infrastructure upgrades
- RecycleWorks: Wastewater diversion program
- Affordable Housing Fund
- Park deferred maintenance
- Aurora Harbor reconstruction

PROPOSITION NO. _____

Authorization to Extend the Temporary 1% Areawide Sales Tax Effective October 1, 2018, for a Period of Five Years.

Shall the City and Borough of Juneau, Alaska, continue to levy and collect a temporary 1% areawide sales tax on the sale price of retail sales, services, and commercial rentals within the City and Borough for an additional five years , effective October 1, 2018, until September 30, 2023. If this proposition is approved, the total sales tax would remain at five percent.

Extend the 1% sales tax for five years YES []

Extend the 1% sales tax for five years NO []

Section 5. Effective Dates. (a) The amendment of subsection (a) of CBJ 69.05.020 set forth in Section 2 of this ordinance shall become effective on October 1, 2018, if the proposition required by Sections 3 and 4 of this ordinance is approved by a majority of the qualified voters of the City and Borough voting on the proposition at the next regular municipal election.

(b) Sections 3 and 4 of this ordinance authorizing the submission of the ballot proposition to the qualified voters of the City and Borough shall be effective 30 days after adoption of this ordinance.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-24(c)

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

WHEREAS, the City and Borough of Juneau has an existing hotel-motel room tax that provides funding for the development and promotion of tourism, and the municipality's convention and community centers; and

WHEREAS, the proposed temporary two percent increase would serve as an appropriate source of revenue to further develop the visitor, arts, and convention industries in the City and Borough of Juneau.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. Section 2 of this ordinance, if approved by a majority of qualified voters voting on the question pursuant to Sections 3 and 4, shall be of a general and permanent nature and shall become a part of the City and Borough code until it expires under its own terms. Sections 3 and 4 are noncode sections.

Section 2. Amendment of Section. CBJ 69.07.020 Imposition of hotel-motel room rental tax, is amended to read:

69.07.020 Imposition of hotel-motel room rental tax.

(a) The City and Borough hereby levies a tax on hotel-motel room rentals for transients, ~~equal to seven percent of the room rent.~~ Except as provided below, the tax shall be equal to

seven percent of the room rent. The tax shall be applicable to all room rentals for transients unless the rental is specifically exempted from taxation by constitution or other valid law.

(i) Effective January 1, 2018, through December 31, 2022, the room rental tax shall be equal to nine percent of the room rent.

...

Section 3. Submission to the Voters. The question of whether to temporarily increase the rate of the hotel-motel room rental tax from seven to nine percent for a four-year period from the effective date of the ordinance through December 31, 2022, shall be submitted to the qualified voters of the City and Borough at the regular municipal election. The Municipal Clerk shall prepare the ballot proposition as provided by this ordinance and shall perform all necessary steps in accordance with law to place this proposition before the voters at the next regular municipal election.

Section 4. Proposition. The proposition to be submitted to the voters as required by Section 3 shall read substantially as follows:

Explanation

Juneau levies a seven percent hotel-motel room rental tax. This ballot proposition, if approved by the voters, would temporarily increase the hotel-motel room rental tax from seven percent to nine percent for a period of four years. The increase would be effective from January 1, 2018, through December 31, 2022.

It is the intent of the Assembly to use this temporary increase in the hotel-motel room rental tax to provide partial funding up to \$1.6M for the construction of capital improvements for the Juneau Arts & Culture Center, and as funding for improvements to Centennial Hall, visitor information and marketing services, and other tourism and visitor services and facilities.

PROPOSITION NO. ____

Authorization to Temporarily Increase the Hotel-Motel Room Rental Tax from Seven to Nine Percent Effective January 1, 2018, through December 31, 2022.

Shall the City and Borough of Juneau, Alaska, temporarily increase the tax on hotel-motel room rentals from seven to nine percent?

Temporarily increase the tax on hotel-motel room rentals to nine percent YES []

Temporarily increase the tax on hotel-motel room rentals to nine percent NO []

Section 5. Effective Dates.

(a) The amendment of CBJ 69.07.020(a) set forth in Section 2 of this ordinance shall become effective on January 1, 2018, and shall be automatically repealed on December 31, 2022, if the proposition required by Sections 3 and 4 of this ordinance is approved by a majority of the qualified voters of the City and Borough voting on the proposition at the next regular municipal election.

(b) Sections 3 and 4 of this ordinance authorizing the submission of the ballot proposition to the qualified voters of the City and Borough shall be effective 30 days after adoption of this ordinance.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

THE^{NEW}JACC

JUNEAU ARTS & CULTURE CENTER

Inspired by Nature, Driven to Create

August 15, 2017

Dear Mayor Koelsch and Assembly Members:

As co-chairs of the Partnership Board, we write to request that Ordinance 2017-24(b), *An Ordinance Increasing the Hotel-Motel Room Rental Tax by Two Percent and Providing for a Ballot Question Ratifying the Increase* be postponed indefinitely.

The Partnership Board promoted the increased bed tax as a source of revenue for construction because we firmly believe that the New Juneau Arts and Culture Center will significantly contribute to Juneau's ability and capacity to host a variety of convention, conference, and cultural activities.

At the same time, we listened carefully to the concerns raised by the Juneau visitor industry about possible adverse effects such an increase could have on visitors at this time. In the spirit of community building and well-being, we decided to suspend our efforts on the bed tax. We pledge to work with the travel industry and others to advance construction of the New JACC by multiple other means.

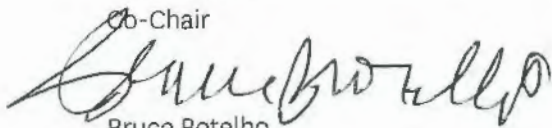
Finally, we wish to express our appreciation to all of you for advancing this proposal to public hearing and for your willingness to explore municipal participation in the New JACC.

Sincerely yours,



Peter Jurasz

Co-Chair



Bruce Botelho

Co-Chair

July 18, 2017

Assessor's Office
Finance Department
City/Borough of Juneau
155 South Seward St.
Juneau, AK 99801

RE: Senior Citizen Real Property
Exemption Application

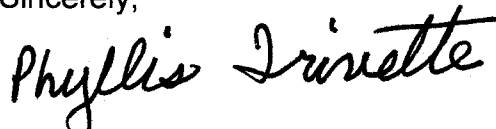
Dear Assessor:

I'm applying late for this exemption because I have medical issues with my vision and much of the time I have difficulty reading. It was only when I went over to my neighbor's house to make a copy of the tax bill that she told me I had not received the senior exemption. I consulted with my brother-in-law who confirmed that.

My husband typically took care of these kinds of issues. His medical condition worsened and he died unexpectedly in May 2013. I admit I have had difficulty dealing with some financial/personal issues and just not read the form carefully. My husband was 71 when he passed in 2014 and I am now 72, so we have qualified for the exemption for years. I was pretty sure we had received the exemption in the past. I feel pretty certain I qualify now.

Please grant the exemption. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Phyllis Trivette". The script is cursive and fluid.

Phyllis Trivette

P.S.

My brother-in-law typed this up for
Me at my request.

July 23, 2017

Assessor's Office
Finance Department
City/Borough of Juneau
155 South Seward St.
Juneau, AK. 99801

Re: Senior Citizen Real Property
Hardship Exemption

Dear Assessor's Office:

In a letter to the office last week, I explained why I was late in applying for the Senior Citizen Real Property Exemption. That explanation also applies to this application.

I only became aware of the existence of the Hardship Exemption last week, when submitting my request for waiver of filing date deadline. Matter of fact, I was advised that we had received the Senior Citizen Real Property Exemption until 2015, and did not know I had to reapply myself since I myself was a qualified senior too.

This application is late because I just became aware of its existence this past week, and when communicating with Assessor's staff, determined my income would qualify me for the exemption. I am a widow and have no one else living with me at the house.

Please grant this hardship exemption. Thanks to everyone in the Office for their information and assistance.

Sincerely,


Phyllis Trivette

Again, my brother-in-law typed up this letter at my request.

City and Borough of Juneau
Senior Citizen Homeowner's Application for Hardship Exemptions
CBJ Assessors; Office
155 S. Seward Street
Senior Disability Homeowners for Hardship Exemption

CBJ-Assessor's Office

MAY 20 2017

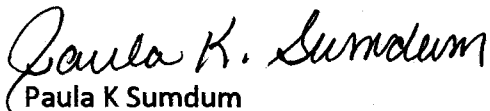
Dear Sirs:

Attached please find my application for a Senior Citizen's Hardship Exemptions.
Attached is my tax return for 2016.

I ask your forgiveness for the late filing. I have had 2 surgeries since 1-1-2017 and my recovery has been slow. I was unable to get the required form submitted in a timely fashion.

Your considerations would be greatly appreciated.

Respectfully,



Paula K Sumdum
2891 Linda Ave
Juneau, AK 99801
513210160030 Green Acres 3 Lot 15

CBJ-Assessor's Office

MAY 30 2017

June 30, 2017

To whom it may concern:

I am asking for an extension on the filing time for my Property Tax Senior Allowance.

When I went to apply for my Juneau Senior Tax card I was told to go down the hall and apply for the Property Tax Allowance. Whether it was me or the person I talked to when I asked about it it was my understanding that I had to wait until I was 66 years old.

When I called up to apply for it this year I was told that I had missed the deadline. With my birthday falling in April there was no way I would be eligible for the break this year. There was obviously a lack of communication / understanding either on my part or the person I was speaking to.

What I am asking for is to be allowed to receive the Senior Tax Allowance for tax year 2017.

Property Exemption

Thank you very much,

John Eldridge

1406 Side Court

Juneau, AK 99801

907-723-5189

City and Borough of Juneau Assembly
155 S. Seward Street
Juneau, Alaska 99801

I am requesting that you waive the timeline for filing my CBJ Senior Citizen Real Property Exemption Application because of misunderstanding the filing requirements.

For the past 3 years I have been spending a considerable amount of time taking care of my mother in San Rafael, California. She was diagnosed with terminal cancer and I am her only child. My mother passed away last October 19, 2016. During the time I spent providing for her care and now managing her estate, I have continued to file a PFD application each year, but for the years, 2014 and 2015, I was denied due to being out of state caring for her and also using more travel days for personal use than allowed. I accepted the fact I would not get a PFD. However, for the 2016 year I submitted all the proper paperwork and did qualify for the PFD.

What I didn't realize was that even though I filed for the PFD every year since the very beginning, I needed to re-file for an exemption with the CBJ Assessor's Office after I had been denied by the PFD for the past two years. It made sense to me that if they were checking the register to deny my tax exemption, they would also check it to see I had been approved for 2016.

The first time I realized I had not received the exemption for 2017 was when I received my assessment last week in the mail and called in to inquire why. That is when I found out I was required to re-file for the exemption again. I was told that I should have looked at the box on the original postcard that was sent out after the first of the year.

When I explained that I did not realize I had to re-file, I was told that my application would not count for this year due to late filing. I would like to request the timeline be waived for the above-mentioned reasons.

James L. Barron
3176 Pioneer Avenue
Juneau, Alaska
907-586-1621

MAY 08 2017

May 6, 2017

For Hand Delivery

City and Borough of Juneau
Board of Equalization

Re: Application for Hardship Exemption

Dear Board of Equalization,

This is to request that you consider my application for a hardship exemption pursuant to AS 29.45.030(e); 3 AAC 135.040 (c); and CBJ 69.10.021 b) even though I missed the April 30 deadline by a few days. I delivered my application in person to Ms. Jenna Mallinger at the Assessor's office on Friday May 5, 2017. I guess I had a vague knowledge of this exemption, but it was not until yesterday that I discovered I might be eligible for and benefit from the exemption. That is the only reason I missed the deadline.

I submit to you that missing this deadline does not carry the same import as, for example, missing the deadline to appeal an assessment valuation. With assessment valuations, I believe that each year there are quite a few appeals, and each appeal takes time because each property is unique, and the system needs a deadline in order to function. But I submit that is not the case with a hardship exemption. A hardship exemption only involves a few key strokes. The system is not at risk if this deadline is not rigidly enforced. All deadlines are not the same in the sense that the consequences of a missed deadline are not the same.

On May 2 of this year I turned 71 years of age. Now that I have both discovered this exemption and my eligibility for it, I believe that I have been unjustly enriching the City and Borough to the tune of thousands of dollars for the past five years. I don't think I should be penalized again.

Allowing my application to move forward would not affect the City and Borough, but it matters a great deal to me. Here the test should not be whether I was "unable" to meet the deadline, but the totality of the circumstances.

Sincerely



Ray C. Preston
4990 Thane Road
Juneau, Alaska 99801

CBJ-Assessor's Office

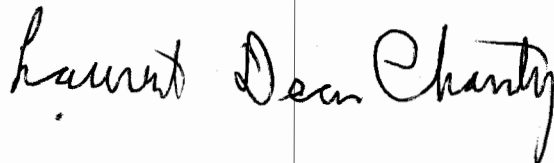
MAY 10 2017

To the Assessor:

The reason I didn't get the Senior Citizen Homeowners Application for Hardship exemption in on time, was because on Wednesday April 26, 2017 my wife collapsed in the bathroom of our home and I had to call the ambulance to come and take her the hospital. She was only in the hospital for a few hours but I did not feel it was safe to leave her alone because she was still unstable getting around the house.

Thank you for your consideration.

Laurent Dean Chantry

A handwritten signature in black ink that reads "Laurent Dean Chantry". The signature is written in a cursive style with a large initial 'L' and a long, sweeping underline.

May 4, 2017

8617 Marilyn Avenue

Juneau, Alaska 99801

Assembly Members of the City and Borough of Juneau

155 S. Seward Street

Juneau, Alaska, 99801

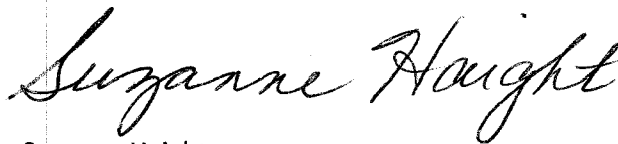
Dear Members of the Assembly,

At almost 76 years of age I feel quite foolish writing to you with a plea to allow me to have the hardship exemption for my home and property. To be perfectly honest I would have to say, I forgot it was due at the end of April. I have not been ill or out of town. I have, however, been involved in one and now another project for my church which did and will consume a great deal of my time and mental energy. And although not laid up I did need a MRI last week and a prednisone shot in my shoulder and knee this week which really threw me off.

In all of the 53 years that I have lived in Juneau I feel confident that I have not once faulted on my taxes whether they were paid in my mortgage nor now at the municipal building in September. Please accept my apology for being late and consider me for the exemption this one time.

Thank you so very much.

Sincerely yours,

A handwritten signature in cursive script that reads "Suzanne Haight". The ink is dark and the signature is fluid, with a large, stylized 'S' and 'H'.

Suzanne Haight

907-789-7870

907-957-7470

2911 Linda Avenue
Juneau, AK 99801

7/31/17

CBJ Assembly
155 South Seward Street
Juneau, AK 99801

Dear Assembly Members:

Unfortunately, I missed the deadline filing for "Senior Citizen/Disabled Homeowners Application for Hardship Exemption." First, I apologize for that. I have received the exemption in previous years and thought I had submitted for 2017. I am eligible for the sales tax hardship. It was explained to me that the sales tax and home owners are two separate applications.

My finances are limited and my budget tight. More so, due to the unannounced closure of SEAMS, Southeast Alaska Medical Supplies. Although that occurred over a year ago, the personal budget issue was compounded. Through doctor's orders I am required to use oxygen. The device had to be ordered through SEAMS which held the warranty. To make a long story short, the oxygen device broke and efforts to get the warranty were futile. This meant I had to order another device and they aren't cheap. The cost to replace the oxygen device was another \$2,495.00. It took budget tightening to pay off the last one. I was able to use SEARCH to place the order. It's on a credit card so I wouldn't have tot pay the entire amount at one time. That bill is enclosed with this letter.

Your consideration of my request is appreciated.

Sincerely,

Evelyn E. Myers

I was late in applying for this exemption because I did not understand that the deadline was not July 1.
See Below

3 AAC 135.040. Deadlines and calculations (a) Exemption applications filed after January 15 of the assessment year, or after a date provided by ordinance as specified in AS 29.45.030(f), must be accompanied by an affidavit stating the reason for the late filing. (b) To qualify for a hardship exemption beyond the first \$150,000 of assessed value of real property under AS 29.45.030(e), the applicant must apply by completing Form 21-400c and submitting the form, including necessary attachments, to the municipal assessor before July 1, or before a date provided by ordinance as specified in AS 29.45.030(f), of the exemption year.

I thought I was filing in a timely manner. My taxes were not completed until the first day of May, 2017 and I thought I had to attach the return with the request for exemption and hardship.

I believe the deadline is confusing to the average person and

For these reasons, I respectfully request that you accept and favorably process my attached Petition for Review/Appeal – Request for Approval of Late File. Thank you.

Sincerely,

Marcia Donnelly
907 723 9016
3105 National Park Road, B6
Juneau, AK 99801



OFFICE OF THE MUNICIPAL CLERK

155 S. Seward St., Room 202

Phone: (907)586-5278 Fax: (907)586-4552

email: city.clerk@juneau.org

Notice of Appeal

This appeal is governed by CBJ 01-50, the Municipal Appellate Code. This code establishes the standards and procedures for appeals.¹ Anyone who files an appeal should be familiar with the appellate code. The clerk can give you a copy of the code.

Attach a copy of the decision being appealed. Do not attach any other documents, exhibits, or additional pages to this form, except for any pages needed to continue the answers to the requested information below. The clerk will accept this form only if the appropriate filing fee is attached. The fee to file an appeal to the assembly is \$500.00. To be timely, an appeal must be filed within 20 days of the date the decision being appealed is filed with the clerk.

Action Being Appealed

Board decisions are appealable: board recommendations and most staff decisions are not.

☐ Agency Appealed From:

☐ Description and Date of Decision:

Concerned Parties

Identify the people who have an interest in the action being appealed: yourself and others.

☒ Party Filing Appeal

Mailing Address

Telephone

Fax

Email

Affordable Auto Sales

PO BOX 35575

907-321-6196

Juneau, AK 99803

☐ Parties Who Won the Decision Appealed

Mailing Address

Telephone

Fax

Email

1 01.50.070 STANDARD OF REVIEW AND BURDEN OF PROOF. (a) The appeal agency may set aside the decision being appealed only if:

- (1) The appellant establishes that the decision is not supported by substantial evidence in light of the whole record, as supplemented at the hearing;
- (2) The decision is not supported by adequate written findings or the findings fail to inform the appeal agency of the basis upon which the decision appealed from was made; or
- (3) The agency failed to follow its own procedures or otherwise denied procedural due process to one or more of the parties.

(b) The burden of proof is on the appellant. (Serial No. 92-36

☐ 2 (part), 1992).

-over-

2016 - Appeal Form
Page 2 of 2

Issues on Appeal²

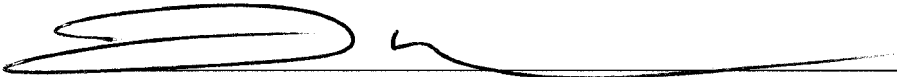
Concisely describe the legal and factual errors that form the basis for your appeal. Do not argue them: argument will be heard later.

CBT sales tax penalties & interest were requested to be partially abated by the Board of Appeals. Our business had paid large amounts of penalties already and we had reasonable explanation for paying taxes late for 2013 calendar year.

Relief Requested

What should the Assembly do with the action being appealed: send it back, modify it, or something else?

Requesting that CBT abates the penalties & interest as suggested by the Board. on May 31st, 2017.


Signature

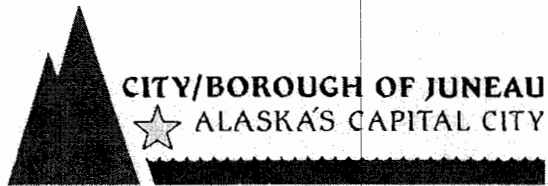
If you are representing any group, or a person other than yourself, you must sign a notarized statement that you are authorized to represent them.

8/14/17
Date

2 01.50.030(b)(5) COMMENCEMENT OF ACTION.

The notice of appeal shall include a concise statement of the legal and factual errors in the decision that form the basis of the appeal.

-over-

**OFFICE OF THE MANAGER**

Telephone: (907) 586-5240; Fax: (907) 586-5385
Rorie.Watt@juneau.org

July 17, 2017

Mr. Lonnie Khmelev
PO Box 35575
Juneau, Alaska 99803

RE: Sales Tax Appeal 2017-01
Lonnie Khmelev
Affordable Auto Sales

Dear Mr. Khmelev,

I have reviewed the record and recommendation from the Sales Tax Appeal Board in Sales Tax Appeal 2017-01, regarding the possible abatement of penalties owed by you for underreporting sales tax collected by your business, Affordable Auto Sales, in calendar year 2013.

The Sales Tax Appeal Board recommended to the City Manager that one half of the owed sales tax penalties be abated provided you enter into an agreement to repay the remaining monies due with twenty four months. In accordance with CBJ Code 69.05.180(b)(2) the City Manager has the authority to accept or reject the recommendation of the Sales Tax Appeal Board.

After considering all of the information submitted during the appeal process, I have reached the determination that the recommendation of the Sales Tax Appeals board is not supported by the CBJ Sales Tax Penalty Abatement Policy. During the appeal process you failed to present evidence that satisfy either criteria for abatement: 1) Circumstances beyond the control of the merchant, or 2) Good compliance record. Therefore, the penalty is not abated and the full amount owed is due. You may work with the CBJ Sales Tax office to enter into a repayment agreement.

Mr. Lonnie Khmelev
Sales Tax Appeal #2017-01

If you disagree with my findings, you are reminded of your right to appeal to the CBJ Assembly. The rules and procedures of that appeal process are provided by CBJ Code 01.50, a copy of which is included with this response. You have 20 days from receipt of this letter to file such an appeal with the Municipal Clerk's office.

Sincerely

A handwritten signature in black ink, appearing to read 'Rorie Watt', is written over the printed name.

Rorie Watt
City Manager

Attachments: CBJ Code 01.50

cc: Bob Bartholomew, Finance Director
Laurie Sica, Municipal Clerk

Laurie Sica

From: Laurie Sica
Sent: Thursday, June 1, 2017 11:38 AM
To: Rorie Watt
Cc: Clinton Singletary; Trinidad Contreras; 'to_lonnie@yahoo.com'; Beth McEwen; Amy Mead
Subject: Sales Tax Board Recommendation to Manager for Action
Attachments: 2017.05.31_Sales Tax Board of Appeals_Recommendation_Final.pdf

To: Rorie Watt, CBJ City Manager

Cc: Lonnie Khmelev, Affordable Auto Sales, Appellant
 Clinton Singletary, CBJ Sales Tax Administrator
 Beth McEwen, Deputy Clerk
 Trinidad Contreras, CBJ Asst. Attorney, representing Sales Tax Board of Appeals
 Amy Mead, Municipal Attorney

Attached please find the final recommendation of the Sales Tax Board of Appeals in the matter of Lonnie A. Khmelev, d.b..a. Affordable Auto Sales, v CBJ Sales Tax Office in the matter of a Protest of 2013 Sales Tax Penalties and Interest.

Per CBJ Code 69.05.180 (b)(2)... The board's authority in its review of sales tax appeals includes the authority to recommend, in writing, that the manager compromise and abate penalties and interest, and to recommend, in writing, that the manager negotiate and enter into payment plans for delinquent sales taxes, penalties and interest....

This matter is now before you as City Manager for your action.

Laurie Sica, mmc
 Municipal Clerk
 City and Borough of Juneau
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**BEFORE THE SALES TAX BOARD OF APPEALS
OF THE CITY AND BOROUGH OF JUNEAU**

LONNIE A. KHMELEV, d.b.a.
 AFFORDABLE AUTO SALES,
 Appellant,

Protest of: 2013 Sales Tax Penalties
 and Interest

v.

CITY AND BOROUGH OF JUNEAU,
 SALES TAX OFFICE,
 Appellee.

**RECOMMENDATION TO THE CBJ MANAGER TO ABATE 50 PERCENT OF
THE 2013 SALES TAX PENALTIES IMPOSED AGAINST THE APPELLANT**

Because the Appellant, Lonnie A. Khmelev, d.b.a “Affordable Auto Sales,” a sole proprietorship,¹ experienced extenuating circumstances in 2013 related to the construction of his dealership, and because Khmelev has demonstrated a history of compliance and remittance of due sales tax in the subsequent years of 2014, 2015, and 2016, pursuant to CBJ 69.05.180(b)(2), the Sales Tax Board of Appeals hereby recommends to the City Manager to abate 50 percent of the sales tax penalties imposed against Khmelev. However, the abatement should be conditioned upon the successful completion of a payment plan, no longer than 24 months, of the remaining balance due.

I. Procedural History

¹ The State of Alaska, Department of Commerce, Division of Corporations, Business and Professional Licensing records indicate that from November 26, 2001 to December 31, 2017, Khmelev’s business license (#285732) for Affordable Auto Sales is a sole proprietorship. Division of Corporation records also indicate that Affordable Auto Sales, LLC (Entity #10038721, Business License #1038084) was formed on June 6, 2016 and is currently in good standing. Khmelev is the sole member of Affordable Auto Sales, LLC. (<https://www.commerce.alaska.gov/web/cbpl/Home.aspx>, last visited: May 15, 2017).

On November 25, 2016, Khmelev wrote a letter to the Sales Tax Office requesting a waiver of “penalties on our sales tax account for Affordable Auto Sales.”² In response to Khmelev’s request, the Sales Tax Office denied his request based on a finding that “Affordable Auto Sales [did] not qualify for a penalty waiver under the CBJ Sales Tax Penalty Abatement Policy.”³ On January 23, 2017 the Sales Tax Office reiterated its position regarding Khmelev’s request and as a result provided notice to Khmelev that he could seek an appeal of the Sales Tax Office’s decision with the Sales Tax Board of Appeals. The Sales Tax Office provided appeal instructions and the appropriate appeal form.⁴ Khmelev was also advised that if he elected to file an appeal, the appeal was due no later than Monday, February 13, 2017.

On February 16, 2017, the CBJ Clerk’s Office received Khmelev’s Statement of Appeal and in his statement, Khmelev requests that the Sales Tax Board “waiv[e] or reduc[e] the penalties for the 2013 calendar year.”⁵

On May 15, 2017 the Sales Tax Board of Appeals held a hearing.

II. FACTS

On April 30, 2013, Khmelev timely filed and paid his 1Q 2013 sales tax.⁶ However, his sales tax report was based on estimated gross sales and estimated sales tax.⁷ Roughly two years had passed before Khmelev would submit sales tax reports for the

² Response to appeal from Affordable Auto Sales, Attachment A, March 13, 2017.

³ Response to appeal from Affordable Auto Sales, Attachment B, March 13, 2017.

⁴ Response to appeal from Affordable Auto Sales, Attachment C, March 13, 2017.

⁵ Khmelev’s Statement of Appeal, Feb. 13, 2017.

⁶ Response to appeal from Affordable Auto Sales, pg. 1, March 13, 2017.

⁷ *Id.*

remainder of 2013. On June 5, 2015, submitted sales tax reports for 2Q - 4Q 2013.⁸ Again, the reports were based on estimated gross sales and estimated sales tax.⁹ About a year later in June of 2016, Khmelev submitted amended sales tax returns based on actual sales and tax due for each of the 2013 quarters.¹⁰ Based on the updated 2013 reports, Khmelev was assessed \$9,168.28 in penalties and \$8,967.41 in interest.¹¹

III. DISCUSSION

CBJ 69.05.180(b)(2) states that "[t]he board's authority in its review of sales tax appeals includes the authority to recommend, in writing, that the manager compromise and abate penalties and interest, and to recommend, in writing, that the manager negotiate and enter into payment plans for delinquent sales tax, penalties and interest.

Because Khmelev has paid all taxes due since 2013, with only one late filing from 2014 – 2016, and because Khmelev's sales tax troubles arose due to extenuating circumstances related to construction of the business office space, the Board recommends that the Manager waive 50% percent of the penalties imposed related to 2013 sales tax returns. The Board further recommends that the interest remains unchanged. Lastly, the Board recommends that the waiving of the 50% penalty be subject to the successful completion of a 2 year payment plan to address the remaining outstanding balance.

DATED this 31st day of May, 2017.

⁸ Id.

⁹ Id.

¹⁰ Id.

¹¹ Id.

SALES TAX BOARD OF APPEALS,
CITY AND BOROUGH OF JUNEAU,
ALASKA



Municipal Clerk

By: Tim Cottongim
For Chair/Presiding Officer

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1. Article Addressed to: <i>Lonnie Khmel'ev</i> <i>Affordable Auto Sales</i> <i>PO Box 35575</i> <i>Juneau AK 99803</i>		B. Received by (Printed Name) <i>Jerome</i> C. Date of Delivery <i>7-21-17</i>	
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