

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

May 15, 2017 5:00 PM

City Hall Assembly Chambers
Regular Meeting 2017-11

Submitted By:

Duncan Rorie Watt
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

A. Proclamation - USS O'Kane

IV. APPROVAL OF MINUTES

A. April 24, 2017 Regular Assembly Meeting 2017-08

B. April 26, 2017 Special Assembly Meeting 2017-09

C. May 3, 2017 Special Assembly Meeting 2017-10

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 2017-01 An Ordinance Amending the Building Regulations Code.**

This ordinance would update CBJ Title 19, the Building Code, based on the 2012 model codes adopted by the CBJ as modified by the Building

Code Advisory Committee.

The Public Works and Facilities Committee (PWFC) reviewed this ordinance at its April 10 and May 1, 2017, regular meetings. The PWFC recommended approval at its May 1, 2017, regular meeting.

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

- b. **Ordinance 2016-09(AO) An Ordinance Appropriating to the Manager the Sum of \$43,900 as Supplemental Funding for the Juneau International Airport for the Fiscal Year 2017 Operating Budget; Funding Provided from the Juneau International Airport Fund's Fund Balance.**

This ordinance would appropriate an additional \$43,900 to the FY17 Airport operating budget, increasing the airport's spending authority by \$43,900. Funds would be provided by the Airport Fund's Fund Balance.

The Airport Board approved the supplemental spending authority and Airport Fund Balance to cover the additional expense at its March 14, 2017, Airport Board meeting. The Assembly Finance Committee referred this request for approval to the full Assembly at the AFC meeting on April 19, 2017.

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

- c. **Ordinance 2016-09(AP) An Ordinance Appropriating to the Manager the Sum of \$180,000 as Supplemental Funding for the Parks and Recreation Program for the Fiscal Year 2017 Operating Budget; Funding Provided from the General Fund's Fund Balance.**

This ordinance would appropriate an additional \$180,000 to the FY17 Parks and Recreation operating budget. Funds will be provided by the General Fund's Fund Balance.

Though Park and Recreation's FY17 general operations expenditures are within the approved budget, the following issues resulted in the needed supplemental:

When the FY17 budget was developed, the department projected a 16% increase in revenue generation between FY16 and FY17, and a plan to increase promotion of the department's programs was put in place. Although revenues have increased in FY17, they have not increased as much as anticipated. In addition, the Parks and Recreation department reduced its general fund support by a combined total of \$669,300 in FY16

and FY17.

Any portion of the supplemental that is not used would be returned to fund balance.

The Assembly Finance Committee referred this request for approval by the full Assembly at the AFC meeting on April 19, 2017.

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

- d. **Ordinance 2016-09(AQ) An Ordinance Appropriating to the Manager the Sum of \$250,000 as Funding for the Pump Room as Part of the Fountain and Whale Related Site Elements that are Part of the Bridge Park Capital Improvement Project; Funding Provided through a Donation from The Whale Project Committee.**

The Whale Project is donating \$250,000 to the CBJ for the construction of the pump room as part of the fountainworks for the whale statue at the Seawalk Bridge Park. This work will be completed as part of the Phase III Seawalk Bridge Park to Gold Creek project and construction is anticipated this summer and fall. The donated funds will be appropriated into the Bridge Park CIP, P41-090.

The Public Works and Facilities Committee (PWFC) forwarded this request to the full Assembly at its May 1, 2017, regular meeting.

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

2. Resolutions

- a. **Resolution 2794 - A Resolution De-Appropriating \$499,954.54 from the Salmon Creek Secondary Disinfection Capital Improvement Project, Loan Funding from the Alaska Department of Environmental Conservation.**

The CBJ is de-appropriating the loan funding it did not use for the Salmon Creek Disinfection project: \$499,954.54. The project was funded by legislative and ADEC grants and local funding; therefore it did not require use of this loan funding.

The original loan amount was for \$5.27 million. Resolution 2746 de-appropriated \$4,700,000 which left \$570K of loan funds available. Only \$70,045.46 of this loan was needed, thus we are now de-appropriating \$499,954.54.

The Public Works and Facilities Committee approved this de-appropriation at its November 21, 2016, meeting.

The City Manager recommends the resolution be adopted.

- b. **Resolution 2798 - A Resolution Ratifying the Economic Terms Tentative Agreement Between the City and Borough and the Marine Engineers Beneficial Association, and Applying those Terms to Non-represented Employees.**

This resolution would provide Assembly ratification of the economic terms reopener tentative agreement negotiated between the City and Borough of Juneau and the Marine Engineers Beneficial Association (MEBA) for fiscal year 2018, and would apply those same terms to non-represented employees of the CBJ.

The agreement includes the economic modification of a \$950 lump sum payment in fiscal year 2018. The total cost of this provision for MEBA members and non-represented employees is projected to be approximately \$489,600.

The City Manager recommends this resolution be adopted.

3. Liquor License

- a. **Liquor License #673 Transfer of Beverage Dispensary License & Application for a Restaurant Designation Permit**

Beverage Dispensary Liquor License #673 Transfer & Application for a Restaurant Designation Permit

Transfer FROM: James A. Holdings Company, LLC d/b/a James A. Holdings Company, LLC, Location: No Premises

Transfer TO: Juneau's Waterfront Restaurants, LLC d/b/a Pier 49 Seafood Station, Location: 406 S. Franklin Street.

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 June 6, 2017.

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

Restaurant Designation Permit.

4. Other Items for consent

a. Standard Marijuana Cultivation Facility License #11384 Green Elephant LLC

The Alcohol Marijuana Control Office (AMCO) sends local governing bodies notice of marijuana license applications which allows local governing bodies the opportunity to protest or waive its right to protest the issuance or renewal of these licenses.

CBJ received notice of the following marijuana license application:

**Standard Marijuana Cultivation Facility License #11384
Green Elephant, LLC ,
Location: 8420 Airport Blvd, Building B, Juneau, AK 99801**

CBJ staff from the Police, Fire, Finance, and Community Development departments reviewed this application for compliance with CBJ laws and regulations and recommends that the Assembly waive its right to protest the issuance of this license.

As to CDD's recommendation, although Green Elephant does not yet have a local license and has not yet applied for or received a building permit for this location, CDD recommends allowing the applicant to move forward to obtain the state license. However Green Elephant will not be allowed to operate at this location until the city license has been issued.

Due to the large quantity of documents associated with each marijuana license, your packets have been limited to the following documents:

- State of Alaska Alcohol & Marijuana Control Office (AMCO)
Notice to Local Governing Body
- AMCO Marijuana online application forms (redacted)
- Form MJ-01: Marijuana Establishment Operating Plan
- Form MJ-02: Premises Diagram
- Form MJ-08: Local Government Notice Affidavit

Copies of all the documents relating to these licenses are available upon request from the office of the Municipal Clerk during regular business hours.

The City Manager recommends the Assembly waive its right to protest the issuance of this marijuana license to Green Elephant, LLC.

5. Transfers

a. **Transfer T-986 Transfers \$65,000 from One Capital Improvement Project to Provide Funding for One Capital Improvement Project.**

This transfer of \$65,000 of water utility funds will provide the necessary funds to repair the water main in Engineers Cutoff adjacent to Fritz Cove Road. This segment of water main has been repaired numerous times with the most recent repair being in the middle of April. This water main is in imminent danger of catastrophic failure and needs to be replaced this construction season.

The SCADA Upgrades Project is also an important project to the water utility; however preventing a catastrophic water main failure is a higher priority and the SCADA Upgrades CIP will still have adequate funding to continue forward.

The Assembly Public Works and Facilities Committee reviewed this request on May 1, 2017, and forwarded it to the Assembly for adoption.

The City Manager recommends this transfer be approved.

b. **Transfer T-987 Transfers \$270,000 from Five Capital Improvement Projects to Provide Funding for One Ongoing Capital Improvement Project.**

This transfer of \$270,000 of sales tax funds will provide the Seawalk - Bridge to Gold Creek project with the necessary funding for the construction of the pump room. This funding will enable the whale statue and fountainworks to be completed.

The Montana Creek Bike Trail, P&R Department Review, LCB Mining Museum Ped. Bridge, and Fish Creek Improvements projects are complete and the transfers will close out these CIPs. The Parks & Playground CIP provides funding for priority park and playground projects annually. These funds will be transferred into the Bridge Park CIP, P41-090.

Transfer from:

Project	Transfer Amount
P46-047 Montana Creek Bike Trail	\$8,932
P46-099 P&R Department Review	\$25,521
P46-070 LCB Mining Museum Ped. Bridge	\$16,402
P41-027 Fish Creek Improvements	\$40,288
P41-059 Parks & Playground Improvement	\$178,857

Total Transfer Amount**\$270,000**

The Public Works and Facilities Committee (PWFC) forwarded this request at its May 1, 2017, regular meeting.

The City Manager recommends this transfer be approved.

VIIIPUBLIC HEARING

A. Ordinance 2017-07 An Ordinance Appropriating Funds from the Treasury for FY18 School District Operations

This ordinance would appropriate to the School District an FY18 operating budget of \$87,267,200. This is an overall increase in the budget of \$1.70 million from the FY17 Amended Budget. The School District's operating budget is:

· General Operations	\$72,020,700
· Special Revenue (pupil transportation, food service, etc.)	7,164,400
· Other	<u>8,082,100</u>
Total Budget	\$87,267,200

The FY18 school budget is supported with a combination of funding sources that includes local funding of \$26,935,900. This consists of: \$26,010,200 for general operations and \$925,700 for programs and activities outside of the CAP.

These programs and activities include: \$740,700 for student activities, \$50,000 for pupil transportation, \$40,000 for food service, and \$95,000 for Community Schools. The \$26 million in general operations support is an increase of \$1 million over FY17. The other program and activities funding is unchanged.

The original ordinance was introduced at the April 5, 2017, Special Assembly meeting and referred to the Assembly Finance Committee for deliberation. On April 26, 2017, a Special Assembly meeting was held to hear public comment and for the Assembly to state, by motion, the amount of local funding to be provided to the School District.

The Assembly Finance Committee moved the ordinance at its May 10, 2017, meeting. The charter requires adoption by May 31, 2017.

The City Manager recommends this ordinance be adopted.

B. Ordinance 2017-09 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of a Portion of USS 1568 TR B, Locally Known as Honsinger Pond, from Rural Reserve to Industrial.

On January 24, 2017, the Planning Commission approved the forwarding of an

ordinance to the Assembly rezoning 23 acres of an 83 acre lot, locally known as the Honsinger Pond, from Rural Reserve to Industrial, with the following condition:

Prior to a zone change from Rural Reserve to Industrial, the property owner shall obtain and develop legal access to the subject parcel from Maplesden Way or an alternate access approved by the CBJ Community Development Department Director, in conformance with CBJ Code 49.15.424.

The Commission determined this condition was necessary because the Alaska Department of Transportation and Public Facilities will not approve use of the current access (a driveway on Yandukin Drive).

After the Commission voted to recommend the rezone, the applicant verified the boundaries of the proposed rezone area with an engineering firm. The applicant has since explained that the 23 acres originally identified in the application was based on a rough approximation. When the applicant verified final boundaries with the engineering firm, the firm noted that the original boundaries extended into the Yandukin/Egan Drive right-of-way, and therefore adjustments were necessary. The revised estimation is 26.21 acres. The Community Development Department notes that this change would not alter the analysis and findings in the AME20160007 staff report.

The City Manager recommends this ordinance be adopted.

C. Ordinance 2017-10 An Ordinance Authorizing the Sale of Foreclosed Property Located at 15860 Glacier Highway by Public Auction.

This ordinance addresses the final step in the foreclosure process of real property located at 15860 Glacier Highway. The back property taxes owed on the property total \$16,356.10 and are from tax years 2014, 2015, and 2016.

State law provides that tax-foreclosed property conveyed to a municipality and not required for a public purpose may be sold. This ordinance would establish that the property is not needed for a public purpose, and authorizes the manager to dispose of it by public outcry auction held in accordance with CBJ 53.09.230.

A version (b) has also been included in the packet for your consideration. Version (b) authorizes a secondary method of sale in the event the property is not successfully disposed of via outcry auction.

The City Manager recommends this ordinance be adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Regulation Amending 05 CBJAC 15 Dockage Charges, Reservation Charge

Policy, and Loading Permit Fees

The Docks & Harbors Board held a public hearing at its April 27, 2017 regular board meeting to make changes to three regulations.

05 CBJAC 15.030 (Dockage Charges) acknowledges the removal of the Marine Park Lightering Float and incorporates two new moorage facilities resulting from the new cruise ship docks project - Port Field Office (PFO) Float and Inside Cruise Ship Terminal (ICT).

05 CBJAC 15.035 (Reservation Charge Policy) establishes guidance for optimizing Intermediate Vessel Float and Statter Harbor moorage through a formal reservation policy.

05 CBJAC 15.080 (Loading Permit Fees) incrementally raises the fees associated with coach, bus and taxis using the Docks & Harbors downtown managed "A" and "B" Zone permits. The fees would be raised over the next two years and then indexed to the Anchorage CPI beginning in 2025.

The proposed regulations were vetted through the Docks & Harbors committees and publicly advertised for a minimum of 21 days prior to the board hearing and action. There were no comments received during the public notice period or at the public hearing.

The City Manager recommends the Assembly adopt the proposed regulations changes.

B. Regulation Amending 20 CBJAC 40 Commercial Passenger Vehicles (Pedicabs)

The current Commercial Passenger Vehicle (CPV) regulations only have insurance requirements for Class A and Class B vehicles. This regulation change would provide appropriate insurance requirements to include all classes of commercial passenger vehicles. An additional change would reduce the inspection fee for Class C vehicles from \$50.00 per vehicle to \$25.00 per vehicle. The current vehicle inspection fee for Class A and B (taxis, tour vans, limos, etc) vehicles is \$50.00 per vehicle. The inspection of a Class C vehicle (pedicab) involves much less time than a motor vehicle; therefore the rate was reduced.

The public notice was posted at the public libraries and online, published in the Juneau Empire, and sent out to all holders of Certificates of Public Convenience & Necessity.

Six public comments were received regarding this change and were reviewed by the agency. No revisions to the recommended changes came as a result of the public comment.

The City Manager recommends the Assembly adopt the proposed regulations changes.

C. Authorization for the Manager to Enter into a Negotiated Fair Market Value Sale of Lot 2, Renninger Subdivision

The Lands Office received an application from the Alaska Housing Development Corporation (AHDC) to purchase Lot 2, Renninger Subdivision. The AHDC is a local not-for-profit corporation, which has developed, owns and manages 136 affordable rental units on three sites in the same Lemon Creek neighborhood as Lot 2. Their goal is to develop Lot 2 along with the development of Lots 6 & 7 in the Renninger Subdivision.

The Lands Committee provided a motion of support for this direct negotiation at its May 1, 2017, meeting. As established in CBJ§53.09.260(a), staff recommends that this proposal be pursued by direct negotiation with the original proposers because of the direct correlation with Assembly housing goals.

The City Manager requests a motion of support to enter into direct negotiations for the disposal of Lot 2, Renninger Subdivision with The Alaska Housing Development Corporation at fair market value.

D. Protest Recommendation for Liquor License Renewal #2175 Midnight Ninja Ventures Inc. d/b/a Lupo

Staff from the Finance, Fire, Police, Engineering/Public Works and Community Development departments have reviewed the above liquor license renewal.

The Finance Department is recommending protest of the renewal **based on a balance owing as of May 5, 2017 of \$40,362.28 due to outstanding sales tax, liquor tax, penalties and interest from the fourth quarter 2016 and first quarter 2017 returns.**

Normally, the licenses recommended for protest would be heard initially by the Assembly Human Resources Committee; however, the May 15 HRC meeting was cancelled and the 60-day comment period for Assembly action on this license will expire as of May 27, 2017 so this is coming to the Assembly directly for action.

CBJ Code 20.25.025 provides the business the right to an informal hearing before the Assembly if they choose to do so and this would be that opportunity should they choose to request an informal hearing. A copy of the letter dated May 5, 2017 notifying the licensee of their right to a hearing before the Assembly is included in your packet.

The City Manager recommends the Assembly protest the renewal of the liquor license #2175 due to the outstanding balances owing as outlined in the May 5, 2017 letter contained in your packet.

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

- A. **Executive Session: CLIA Litigation**

XVI ADJOURNMENT

XVII SUPPLEMENTAL MATERIALS

- A. Supplemental Materials for Ordinance 2017-09

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