THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - July 11, 2016

MEETING NO. 2016-27: 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. ROLL CALL

Assembly Present: Mary Becker, Jamie Bursell, Maria Gladziszewski, Loren Jones, Jesse Kiehl, Ken Koelsch, Jerry Nankervis (teleconference), Kate Troll and Debbie White.

Assembly Absent: None.

Staff Present: Mila Cosgrove, Deputy City Manager; Amy Mead, Municipal Attorney; Laurie Sica, Municipal Clerk; Bob Bartholomew, Finance Director; Rob Steedle, Community Development Director; Roger Healy, Engineering and Public Works Director; Carl Uchytil, Port Director; Bryce Johnson, Police Chief; Erann Kalwara, Public Safety Manager.

II. SPECIAL ORDER OF BUSINESS

Mayor Koelsch said that after the shooting of police officers in Dallas Texas, he sent a note to Chief Johnson thanking the officers and asking them to stay safe. He read a note that City Manager Watt sent to the police department commending them for their work. Mayor Koelsch asked residents to say thank you to JPD officers and their families for their service to the community. Chief Johnson introduced Officers Ken Colon, Frank Dolan, C.J. Reeves and Steve Warnaca. The Assembly thanked them for their service.

III. APPROVAL OF MINUTES

A. May 23, 2016 Regular Assembly Meeting 2016-23

Hearing no objection, the minutes of the May 23, 2016 Regular Assembly Meeting 2016-23 were approved.

B. June 13, 2016 Regular Assembly Meeting 2016-24

Hearing no objection, the minutes of the June 13, 2016 Regular Assembly Meeting 2016-24 were approved.

C. June 15, 2016 Special Assembly Meeting 2016-25

Hearing no objection, the minutes of the June 15, 2016 Regular Assembly Meeting 2016-25 were approved.

D. June 29, 2016 Special Assembly Meeting 2016-26

Hearing no objection, the minutes of the June 29, 2016 Regular Assembly Meeting 2016-26 were approved.

IV. MANAGER’S REQUEST FOR AGENDA CHANGES

None.

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

William Quayle said that the authority for amending regulations should not be in the hands of the departments. The people and the Assembly should have a greater role in their creation and amendment. He expressed his frustration in getting changes made to the CPV regulations and said he would not see changes because the departments wanted the funds for their budgets. He spoke about his frustration in starting his pedicab business.

Randy Sutak spoke about AEL&P's endeavor to build a new diesel turbine power generation plant. He read a letter from AEL&P from December 2015 to the Regulatory Commission of Alaska (RCA) questioning the need for additional power generation in the community. He said he has not heard any discussion about an increase in rates, however, the cost of construction would be passed on to rate payers. He said the facility will not be "green." He asked the Assembly if it would ask RCA to hold a public hearing and request input on the project and to ask AEL&P to provide better information about the project.

VI. CONSENT AGENDA

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

None.

B. Assembly Requests for Consent Agenda Changes

None.

C. Assembly Action

MOTION, by Kiehl, to adopt the consent agenda. Hearing no objections, the consent agenda was adopted.

1. Ordinances for Introduction

   a. Ordinance 2015-20(AT) An Ordinance Appropriating to the Manager the Sum of $1,730,000 to Fund the City and Borough of Juneau’s Fiscal Year 2016 Public Employee Retirement System Contribution; Funding Provided by the Alaska Department of Administration.

   This ordinance would appropriate $1,730,000 which is the State’s FY16 5.19% on-behalf PERS benefit paid for CBJ. Funding is provided by the Alaska Department of Administration which was authorized by passage of HB2001 during the 2015 legislative session.

   This is a housekeeping ordinance to properly account for this on-behalf payment and has no impact on the CBJ’s finances.

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

b. Ordinance 2015-20(AU) An Ordinance Appropriating to the Manager the Sum of $272,105 as Funding to Pay Bond Debt Service, IRS Arbitrage, and as Additional Funding for Various Capital Improvement Projects, Funding Provided by General Obligation Bond Interest Income.

This ordinance would appropriate $272,105.07 in bond interest income that was earned on general obligation bond proceeds allocated to the projects listed below. The interest income is available to: 1) cover original projects' expenditures, 2) pay bond debt service & IRS arbitrage fees or 3) other eligible Capital Improvement Projects.

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

Project Name	**Amount of Interest**
Airport Water/Sewer Ext	$ 3,243.35
Airport Terminal Expansion	$ 287.82
Eaglecrest Learning Center	$ 12,796.83
Juneau Harbors Deferred Maintenance	$ 17,142.49
Waterfront Seawalk II	$ 9,588.95
Aurora Harbor Improvements	$ 20,141.26
Restrooms, Paving, and Concessions	$ 8,796.11
Dimond Park Swimming Pool	$ 87,021.94
Centennial Hall Renovation	$ 7,036.77
High School Mendenhall Valley	$ 1,428.69
Glacier Valley Renovation	$ 879.02
Harborview Renovation	$ 4,093.89
Gastineau Elementary Renovation	$ 81,941.32
Auke Bay Elementary Renovation	$ 17,574.89
DZ Roof Replacement	$ 63.79
Mendenhall River Community School	$ 67.95
Total to Appropriate	**$272,105.07**

The Finance Director recommends the funding be provided to the following funds or capital projects:

Project Name	**Amount of Interest**
Debt Service/Arbitrage Fund	$198,903.17
Juneau Harbors Deferred Maintenance	$ 17,142.49
Dimond Park Swimming Pool	$ 23,823.62
Gastineau Elementary Renovation	$ 25,142.43
Auke Bay Elementary Site Renovation	$ 560.02
DZ Roof Replacement	$ 1.70
JSD Facilities Reno and Repair	$ 6,531.64
Total to Appropriate	**$272,105.07**

The Public Works and Facilities Committee discussed this action at its June 27, 2016, meeting and recommended forwarding it to the full Assembly for adoption.

The Public Works and Facilities Committee asked Juneau School District staff to investigate whether the remaining $17,574.89 in the Auke Bay Elementary

Renovation CIP was needed to complete work on the school's playground. At this time JSD has sufficient funds to complete the project and believes the funds would be better allocated to debt service/arbitrage funds.

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

c. Ordinance 2016-09(B) An Ordinance Appropriating to the Manager the Sum of $2,250,313 as Funding for the Juneau International Airport Aircraft Rescue and Fire Fighting (ARFF) Building Modifications Capital Improvement Project; Funding Provided by the Federal Aviation Administration and from the Fund Balance of the Juneau International Airport.

The funding to the Aircraft Rescue and Fire Fighting (ARFF) Building Modifications capital improvement project is provided as follows:

Federal Aviation Administration grant:	$2,200,313
Juneau International Airport (Airport Fund Balance)	$ 50,000

The FAA funds 93.75% of the project (pending grant award) with the remainder being split between State of Alaska Dept. of Transportation (ADOT) and Juneau International Airport. An ADOT matching grant is anticipated shortly, and reimbursement of the Airport Fund Balance is anticipated in the next Passenger Facility Charge (PFC) application. There is also $45,879 that was previously appropriated to the project as a match.
The Public Works and Facilities Committee reviewed this action at its June 27, 2016, meeting.

The Airport Board approved this action at its July 7, 2016, meeting.

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

2. Resolutions

a. Resolution 2762 A Resolution De-Appropriating $6,647 from the ZGYC Kitchen Remodel Capital Improvement Project, Funding from the Zach Gordon Teen Club, Inc.

The Zach Gordon Youth Center was awarded funds through a Tier II Rasmuson Foundation grant for the demolition and rebuild of the office/ kitchen. Additional funds for this project were raised by youth-driven fundraising activities and donations from the Zach Gordon Teen Club Alumni Fund and Zach Gordon Teen Club Board. There was no CBJ match required. The Zach Gordon Youth Center kitchen is now complete.

This housekeeping measure will de-obligate the budget authorization of the donations not used from the Zach Gordon Teen Club donation of $6,646.42 from the project and then the CIP can be closed.

The Manager recommends this resolution be adopted.

3. Bid Award

a. JNU Aircraft Rescue & Firefighting Station Modifications Bid E16-146

This project consists of replacing the existing Aircraft Rescue & Fire Fighting (ARFF) apparatus bays with a larger facility. Work will include demolishing portions of the existing building and re-building in the same general location.

Bids were opened on July 7, 2016. The bid protest period expired at 4:30 p.m. on July 8, 2016. Results of the bid opening are as follows:

Responsive Bidders	Total Bid
Dawson Construction, LLC	$1,810,000
North Pacific Erectors, Inc.	$1,925,000
Alaska Commercial Contractors	$1,952,000
Construction Estimate	$2,197,000

The Manager recommends award of this project to Dawson Construction, LLC, for the total bid amount of $1,810,000 pending the result of the protest period, Federal Aviation Administration grant award, and Assembly appropriation of grant award.

4. Liquor License

a. Liquor License #5430 Premises Extension: Mac Ventures d/b/a McGivney's Sports Bar and Grill

The above-listed liquor license is before the Assembly to either protest or waive its right to protest the expansion of its premises. A copy of the notice from the Alcohol Marijuana Control Office along with the revised premises diagram is provided in the meeting packet.

The Finance, Police, Fire, and Community Development departments have reviewed the above business for compliance and recommend the Assembly waive its right to protest this action.

The Manager recommends the Assembly waive its right to protest the expansion of the licensed premises.

b. Liquor License #313 Premises Extension: Juneau Hospitality LLC d/b/a Prospector Hotel/TK Maguires

The above-listed liquor license is before the Assembly to either protest or waive its right to protest the expansion of its premises. A copy of the notice from the Alcohol Marijuana Control Office along with the revised premises diagram is provided in the meeting packet.

The Finance, Police, Fire, and Community Development departments have reviewed the above business for compliance and recommend the Assembly waive its right to protest this action.

The Manager recommends the Assembly waive its right to protest the expansion of the licensed premises.

c. New Liquor License #5495 Wholesale Malt Beverage & Wine: White Mountain Beverage LLC d/b/a K&L Distributors Alaska

This is an application for a new license at 8420 Airport Boulevard, Suite 201, Juneau, Alaska, 99801, which will replace the previous Wholesale Malt Beverage and Wine liquor license # 4081 issued to K & L Distributors, Inc.

Staff from the Finance, Police, Fire, Public Works, and Community Development departments have reviewed the above business and found it to be in compliance with CBJ Code.

In the event the Assembly does protest this liquor license, 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 their right to an informal hearing before the Assembly.

The Manager recommends the Assembly waive its right to protest the issuance of this new liquor license application.

5. Transfers

a. Transfer T-979 Transfers $3,196 from DZ Roof Replacement and Mendenhall River Community School to JSD Facilities Renovation and Repair

At its meeting on September 15, 2015, the Juneau School Board recommended closure of the following CIPs and transfer of the remaining revenues to CIP S02-101 JSD Facilities Renovation and Repair. The amounts come from:

DZ Roof Replacement (S02-099)	$1,967.68
Mendenhall River Community School (S02-100)	$1,224.95
Total Transfer to CIP S02-101	**$3,195.63**

At its June 27, 2016, meeting the Public Works and Facilities Committee recommended this be forwarded to the full Assembly for approval.

The Manager recommends these transfers and closeouts be approved.

b. Transfer T-980 Transfers $1,129,639 from Twelve Capital Improvement Projects to Provide Funding for Seven Capital Improvement Projects.

This transfer of approximately $1.1 million is the result of closing 11 CIPs. These funds will be transferred to similar projects in need of funding. The highlights are as follows:

- 11 CIPs will be closed following the transfer of funds.

· Two new CIPs are being created – Mendenhall Wastewater Treatment Plant Odor Control and Douglas Highway Water Replacement to address Wastewater and Water Utilities recent unfunded priorities.

· Funds are being transferred to Dunn Street and Cope Park to provide necessary funds to complete the projects.

At its June 27, 2016, meeting the Assembly Public Works and Facilities Committee forwarded this to the Assembly for adoption.

The Manager recommends these transfers and closeouts be approved.

VII. PUBLIC HEARING

A. Ordinance 2016-19 An Ordinance Providing for the Levy and Collection of a Temporary 3% Areawide Sales Tax on the Sale Price of Retail Sales, Rentals, and Services Performed within the City and Borough of Juneau, to be in Effect Five Years from July 1, 2017, through July 1, 2022; and Calling for an Election on Whether Such Sales Tax Shall Be Levied.

The current temporary 3% sales tax, authorized by the voters in October 2011 (effective July 1, 2012), expires June 30, 2017. A temporary sales tax of at least 3% for various operating budget, utility expansion and other CIPs (e.g. streets etc.) has been continually extended by the voters for over 30 years. The 3% temporary sales tax is projected to collect $26.4 million (net of cost of collection) annually.

The ordinance provides for the levy and collection of a temporary 3% areawide sales tax to be effective July 1, 2017, intended to be expended for:

1% police, fire, street maintenance, snow removal, EMT/ambulance service, parks and recreation, libraries, and other general purposes;
1% roads, drainage, retaining walls, sidewalks, stairs, and other capital improvement projects; and
1% allocated annually by the Assembly for capital improvements, general government services (including the Better Capital City account and youth activities) and Budget Reserve.

In accordance with CBJ Charter and state law, the ordinance calls for an election on whether the tax shall be levied.

This issue was discussed by the Committee of the Whole at its June 6, 2016, meeting and forwarded to the full Assembly for consideration.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Jones, to adopt Ordinance 2016-19. Hearing no objection, it was so ordered.

B. Ordinance 2016-25 An Ordinance Providing for the Levy and Collection of a Permanent 3% Areawide Sales Tax on the Sale Price of Retail Sales, Rentals, and

Services Performed within the City and Borough of Juneau, to be Effective July 1, 2022, and Providing for a Ballot Question Ratifying the Levy.

The current “temporary" 3% sales tax, authorized by the voters in October 2011 (effective July 1, 2012), expires July 1, 2017. An extension for an additional five years, until July 1, 2022, will be before the voters this October.

The ordinance would make the temporary 3% tax permanent as of July 1, 2022. It is intended that the permanent tax be used to fund the same things as the temporary sales tax, namely:

1% police, fire, street maintenance, snow removal, EMT/ambulance service, parks and recreation, libraries, and other general purposes;
1% roads, drainage, retaining walls, sidewalks, stairs, and other capital improvement projects; and
1% allocated annually by the Assembly for capital improvements, general government services (including the Better Capital City account and youth activities) and Budget Reserve.

In accordance with CBJ Charter and state law, the ordinance calls for an election on whether the tax shall be levied.

This issue was discussed by the Committee of the Whole at its June 6, 2016, meeting and recommended to be forwarded to the Assembly for consideration.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Bursell, to adopt Ordinance 2016-25.

Mr. Nankervis objected and said he liked the temporary nature of the tax and referred to it as a "report card" for the people to weigh in on how CBJ was operating. He said making it permanent would prevent the rate from being reviewed in the future.

Ms. White said that a temporary tax provides for some accountability. She believed the tax was needed out into the future but placing it on the ballot periodically is a way for the voters to keep engaged. She did not favor making the tax permanent.

Roll call vote
Aye: Becker, Jones, Gladziszewski, Kiehl, Troll, Koelsch
Nay: Bursell, Nankervis, White
Motion passed, 6 ayes, 3 nays.

C. Ordinance 2016-20 An Ordinance Levying a Sales Tax of an Additional Three Percent on the Sale of Marijuana and Marijuana Products and Providing for a Ballot Question Ratifying the Levy of the Tax and the Rate of Levy.

The CBJ Marijuana Committee analyzed the local taxation options for marijuana. After considering the imposition of an excise tax, the committee voted to recommend a

3% increase in the retail sales tax rate applied to marijuana, which would result in marijuana and marijuana products being taxed at 8%, similar to alcoholic beverages.

The revenue to be raised from marijuana retail sales based on the current 5% rate is conservatively estimated to range from $105,000 - $285,000. The additional revenue from a 3% increase ranges from $65,000 - $170,000. The revenue would be deposited in the Sales Tax Fund and be available for general government operations or CIPs.

In accordance with CBJ Charter section 9.17 and state law, the ordinance calls for an election on whether such sales tax increase shall be levied.

The Manager recommends this ordinance be adopted.

Public Comment:

William Quayle said that the Assembly should wait until there are about ten businesses established prior to raising the sales tax.

Assembly Action:

MOTION, by Troll, to adopt Ordinance 2016-20.

Mr. Nankervis objected. He did not believe in the idea of a "sin tax" and felt marijuana should be taxed at the same rate as other businesses.

Ms. White said that the people who lobbied for marijuana business asked to be treated the same as the alcohol industry. The costs to CBJ to manage the industry are still an unknown. The industry has not argued that the tax would make the black market thrive and they are not objecting to the tax.

Roll call:
Aye: Becker, Bursell, Jones, Gladziszewski, Kiehl, Troll, White, Koeslch
Nay: Nankervis
Motion passed 8 ayes - 1 nay.

Mr. Jones said that the sales tax code 69.05.045 regarding the senior citizen sales tax exemption may need to be amended in reference to this matter. Ms. Mead took note.

D. Ordinance 2016-24 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of a Portion of USS 2136, Lot 2, Located on the South Side of Glacier Highway at Approximately Mile 10.5 Glacier Highway, Between Sherwood Lane and Engineer's Cutoff Road, from D-1(T)D-3 to D-3(T)D-5.

In January 2016, the property owner applied for a rezoning of the subject parcel, located between Sherwood Lane and Engineer's Cutoff Road and Glacier Highway and Pederson Street, to D-10, Multifamily Residential. The parcel had dual transitional zoning districts of D-1(T)D-10 on the northern 3.2 acres, and D-1(T)D-3 on the southern 19.6 acres.

On March 3, 2016, staff held an informational meeting to discuss the proposed rezoning with property owners in the affected area. After the meeting, the applicant revised the rezone request to transition to D-10 for the northern 3.2 acres as indicated on the official zoning map, and to rezone the southern 19.6 acres from D-1(T)D-3 to D-5, which is consistent with the land use maps of the Comprehensive Plan.

The Planning Commission heard the proposal at its March 24, 2016, regular meeting. The Planning Commission approved the transition upgrade to D-10 for the northern 3.2 acres. The Planning Commission agreed to forward a recommendation to the Assembly to approve a rezone of the southern 19.6 acres to D-3(T)D-5 with one condition. The condition would allow the property to transition to the higher density of D-5 when improvements to Pederson Street or an alternative access location have been constructed to CBJ street standards to accommodate the higher density.

The Manager recommends this ordinance be adopted.

Public Comment:

Murray Walsh said he represents Intrepid, the applicant for the rezoning, based out of Anchorage. He referred the Assembly to a map of the property on page 106 of the packet. The principal point of anxiety regarding this rezone is accessing this parcel by Pederson St., however, the applicant wishes to access this property by Sherwood Lane only. A planned unit development clustering town houses in the center of the site is planned. The land itself is half wetlands which must be avoided on the site. It will take 5 - 10 years to develop the project, which will expand housing in Juneau. This company just created new housing near Lawson Creek in Douglas. We will not use the Pederson St. option but will build a road across the Miller's property, which is a totally cooperative adjacent land owner.

Ms. Bursell asked for more information about buffer zones. Mr. Walsh said that jurisdictional wetlands were a de facto buffer and the development would be concentrated towards the middle of the property. There will be a public hearing on the conditional use permit, which will provide more detail regarding the development. She thanked Mr. Walsh for working with the neighbors.

Ms. Troll asked about a code amendment to require access on the Miller property. Mr. Walsh said he felt this would force a business arrangement upon the Millers, but he would be open to this.

Ms. Gladziszewski and Ms. Mead discussed that this kind of condition was not allowable.

Mr. Walsh said that Pederson Street is four times longer than crossing the top of the Miller property so it will save costs and please the neighbors.

John MacGrew said he was the developer of the property and their background is as an affordable housing developer. They have developed over 1000 units of affordable, market rate and senior housing since the mid-1990's. They believe that their future projects will be something that the neighborhood will be proud of and they will work with the neighbors. He displayed photos of their recent housing project in Douglas. There are wetlands on half of the acreage and there are about 12 acres of land on the site that can be developed. They will concentrate the development in that area.

Jane Sviniki said she was a neighboring property owner and said she had questions about the sewer system on the development and asked for a definition of affordable housing.

Roger Healy said there was a sewer LID done in the area in 2011. The lot in question was not assessed at the time, it was left out, but the service is there. We can recommend an assessment in the same manner in which the original parcels were assessed. Staff has been in discussion with the owners regarding the sewer system. The final amount, as with all LID's, is subject to consideration by the Assembly.

Glen Geller said he was part of the development team asking for the rezoning and said they have planned for workforce housing - moderately priced condominium housing - in the high $200- 300,000 range, and we specialized in low income housing tax credits. We get these from the federal government and broker them to the banks, which we use to pay for the construction and provide for some affordable rental housing. This helps a population that is typically under-represented the market.

Assembly Action:

MOTION, by Gladziszewski, to adopt Ordinance 2016-24.

Mr. Kiehl asked Mr. Healy if the sewer LID was installed on the highway or Sherwood Lane. Mr. Healy said there were two LID's - one on both sides of the highway and the other for sewer on Sherwood Lane. Mr. Kiehl asked the percentage between the CBJ and property owners for the LIDs. Mr. Healy said that in LID 30, the final cost was $2 million, of which the cost born by private properties totalled $250,000. The rest was paid by sales tax and state grants.

Ms. Troll asked about the condition on the rezone that said it did not go into effect until Pederson St. was improved. Ms. Cosgrove said the condition provided an alternate scenario, stating, "or until an alternate approved access is permitted."

Ms. Gladziszewski cautioned the Assembly to not get into the details of access, as this was the purview of the Planning Commission. She spoke in favor of the motion and said that the Assembly favors more housing and must increase density to accomplish that.

Hearing no objection, Ordinance 2016-24 was adopted.

E. Ordinance 2016-21 An Ordinance Authorizing a Capital Improvement by Agreement Related to the Construction and Maintenance of Improvements on Dunn Street.

This non-code ordinance would authorize the Manager to enter into a capital improvements by agreement contract with the Dunn Street property owners, pursuant to CBJ 15.10.290. Per the agreement, the Dunn Street property owners would pay a $56,250 contribution towards the overall cost of paving and related improvements to the currently unimproved, privately maintained gravel road. The agreement provides that the owners would be responsible for winter maintenance of the road. The agreement allows the owners' contribution to be financed over a period of ten years, at an annual interest rate of 3.09 percent. The estimated contribution from the CBJ is $400,000.

CBJ 15.10.290 provides that the Assembly may authorize a contract for provision of improvements. This ordinance would authorize the Manager to enter into the proposed agreement, consistent with the recommendation from the Public Works and Facilities Committee on May 16, 2016, attached as Exhibit A to the ordinance.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Becker, to adopt Ordinance 2016-21. Hearing no objection, it was so ordered.

F. Ordinance 2016-09(A) An Ordinance Appropriating to the Manager the Sum of $30,000 as Partial Funding for a Youth Outreach Coordinator at the Zach Gordon Youth Facility, Grant Funding Provided by the Juneau Community Foundation.

The Zach Gordon Youth Center was recently awarded a grant from the Juneau Community Foundation, Hope Fund, to partially fund the Youth Outreach Coordinator position. This position will work with the Juneau School District, Juneau Youth Services and other community organizations to identify and support youth of the community who may need additional services to succeed through the middle school, high school, and late teen years. The Youth Outreach Coordinator will identify youth in need and the services available to aid youth and serve as a bridge between youth in need and existing service providers.

This position was included in the FY17 & FY18 Zach Gordon Youth Center operating budget. Total personnel services for the position are $65,000. The Juneau Community Foundation Hope Fund grant amount is $30,000.

This issue was discussed by the Committee of the Whole at its June 6, 2016, meeting and forwarded to the full Assembly for consideration.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

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

VIII. UNFINISHED BUSINESS

None.

IX. NEW BUSINESS

A. Notice of Appeal - Conditional Use Permit USE2016-0016 for Asphalt Plant at 2500 Sherwood Lane

On June 14, 2016, the Planning Commission approved a conditional use permit for an asphalt plant at an existing contractor storage and service yard at 2500 Sherwood Lane. On June 29, a timely appeal of the Planning Commission'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 Manager makes no recommendation.

Mr. Kiehl asked about the term "liberally construe the notice of appeal." Ms. Mead said if the facts are as stated in the notice of appeal were true, would the Assembly be able to grant the relief requested. Mr. Kiehl said there were no facts stated. He understood that the appeal did not argue the case, and asked how could he liberally construe an absence of information. Ms. Mead said you could ask for an amended notice. The three items listed in the issues are language straight from the code.

MOTION, by Kiehl, to reject the appeal.

Mr. Jones objected.

Ms. Gladziszewski asked if the Assembly had ever rejected a notice of appeal. She said that this filing looked similar to others she had seen. Ms. Mead said she remembered only one case in which the Assembly rejected an appeal - the Yankee v Planning Commission appeal. She said the content of the notice of appeal was sparse, and it was allowable to ask the appellant for more information.

Ms. Gladziszewski did not object to asking for information, she spoke against the motion and did not want to end the appellant's appeal rights before the Assembly.

Ms. Becker asked if the asphalt plant was planned for the industrial zone and Ms. Cosgrove confirmed that. Ms. Mead said she did not want to get into the merits of the appeal at this point.

Mr. Kiehl spoke in favor of his motion.

Mr. Jones said the appellant would present the arguments in a brief and at the hearing and accepting the appeal would get to the information Mr. Kiehl was seeking.

Ms. White read the appeal form and said the appellant followed the directions.

Roll call to reject the appeal:
Aye: Becker, Kiehl, Nankervis
Nay: Bursell, Jones, Gladziszewski, Troll, White, Koelsch
Motion failed, 3 ayes, 6 nays.

A subsequent motion by Mr. Jones to accept the appeal passed unanimously.

MOTION, by Kiehl, for the Assembly to hear the appeal itself. Hearing no objection, it was so ordered. Mr. Jones volunteered to serve as presiding officer without objection.

B. Aurora Harbor Rebuild Phase II - PND Proposal

CBJ Docks and Harbors issued a Request for Proposals for professional engineering services for the Aurora Harbor Rebuild project in 2012. Due to funding availability, the project was phased. The RFP provided that the contract may be amended for future phases of the work.

PND Engineers was selected to perform professional services for the project and provided those services for Phase I. A recent state Municipal Harbor Grant was awarded to Aurora Phase II thus it is timely to move forward with final design and construction bid documents.

PND Engineers, Inc. proposes a fee of $598,485 for services associated with Phase II of the project. This phase of the project would include removal and replacement of portions of the head float; removal and replacement of main floats and fingers at E, F, and G; electrical system replacement; domestic water system replacement; and installation of a fire suppression system. Funding for this phase of the work is from ADOT Municipal Harbor Grant ($2M) and matching funds ($2M) from Harbors Fund fund balance.

This contract was reviewed and recommended for approval by the Docks and Harbors Board at its regular public meeting on June 30, 2016.

The Manager recommends this amendment be approved.

MOTION, by Jones, to approve the Aurora Harbor Rebuild Phase II professional engineering services contract with PND Engineers in the amount of $598,485. Hearing no objection, it was so ordered.

X. STAFF REPORTS

None.

XI. ASSEMBLY REPORTS

A. Mayor's Report

Mayor Koelsch brought forward Resolution 2763 - A Resolution Urging the Alaska Legislature to Pass a Balanced, Sustainable, and Predictable State Fiscal Plan to Help Ensure Long Term Fiscal Stability for the Citizens of the State of Alaska. Ms. Cosgrove read the resolution in its entirety.
Mayor Koelsch apologized for the late introduction.

MOTION, by Kiehl, to adopt Resolution 2763. Hearing no objection, it was so ordered.

B. Committee and Liaison Reports

Committee of the Whole: Chair Kiehl said the COW met on June 21 and heard public testimony on the proposed equal rights ordinance. On June 27, the COW heard an update from Bartlett Regional Hospital about a new approach to the Child and Adolescent Mental Health Unit, an update from the Aquatics Board, held a discussion on the elimination of sales tax on groceries which did not move forward, and received a draft of the Energy Plan to read. The next meeting is set for July 25.

School Board: Liaison Kiehl said that the Board has finalized its budget and was working through their policies and on the Superintendent's evaluation.

UAS Campus Council: Liaison Kiehl said the council is on summer break.

Alaska Municipal League: Liaision Kiehl said the Board had a teleconference with governor's office before the Governor's veto came out and expressed concerns from the local government's perspective on state budget.

Planning Commission: Liaison White said the next meeting was set for July 12, and topics included the CBJ disposal of land in the Renninger Subdivision, an easement for a fiber optic cable installation and the Housing Action Plan. On June 24, the Planning Commission reviewed a Conditional Use Permit for a condominium development on Riverside Drive. There have been a great number of complaints about the recent rewrite of Title 49.

Aquatics Board: Liaison White said the next meeting was set for July 19.

Travel Juneau: Liaison White said that Travel Juneau is the new name of the Juneau Convention and Visitors Bureau. AKDOT will be hosting the Western Association of State Highway Transportation Officers in Juneau in 2017 and will expect about 350 attendees. She reported on a familiarization tour by Travel Juneau for 32 tour operators and travel writers in the fall of 2016.

Chamber of Commerce: Liaison Becker said that Mr. Kiehl recently spoke regarding the implementation of marijuana businesses in Juneau.

Southeast Conference: Liaison Becker said annual conference would be held in Petersburg September 20-22.

Docks and Harbors Board: Liaison Nankervis said the next meeting was set for July 28.

Public Works and Facilities Committee: Chair Gladziszewski said the PWFC met on June 27 and discussed many items on the agenda tonight. It also discussed a lease of Mt. Bradley, a road which goes from 2nd St. to 3rd St. in Douglas near the Post office. The next meeting was set for July 25.

Bartlett Regional Hospital: Liaison Gladziszewski said the next meeting was set for July 26.

Parks and Recreation Advisory Committee: Liaison Gladziszewski said the next meeting is set for August 2 and will discuss a meeting on September 6 to consider fireworks use in parks.

Lands and Resources Committee: Chair Troll said the committee met on June 22 and heard a presentation from Scott Ciambor and discussed the role of the Affordable Housing Committee and CBJ in housing. The committee discussed and made a motion to recommend to the Assembly the sale of land at 2nd St. and North Franklin Ave. and to allow staff to negotiate for an agreement for the North Franklin Parking Lot. The committee discussed regulations regarding film companies on public lands. The next meeting was set for July 25.

Affordable Housing Commission: Liaison Troll said the commission met July 5 and is reviewing the Housing Plan task list and at the next meeting will set priorities. The commission discussed how to provide input on Pederson Hill subdivision. There is interest in extending accessory apartment grant program as it has been successful program. The Commission discussed the anti-discrimination ordinance and was concerned about the housing voucher requirement, but gave no recommendation and will discuss it again. The next meeting was set for August 2.

Juneau Commission on Sustainability: Liaison Troll said the next meeting was set for Wednesday, July 13.

Local Emergency Planning Committee: Liaison Bursell said the LEPC was busy with a large variety of planning and emergency response projects, including the CERT training program, the Suicide Basin preparedness and response, and a pending visit of the state-owned earthquake simulator to Juneau. The next meeting was set for July 13.

Eaglecrest Board: Liaison Bursell said the Board has completed the ski area manager's performance review, Matt Lillard will continue in that position and the Assembly appointed three new members, Kayla Harmon, Stephanie Hoag and Sam Buck,and returned Mike Stanley. The next meeting was set for August 2.

Human Resources Committee: Chair Jones said the HRC met and recommended the following appointments to CBJ Boards and Commissions. Hearing no objection, the Assembly made the following appointments:

Bidding Review Board:
Brad Waldron to a public seat, term expiring May 31, 2019.

Juneau Affordable Housing Commission:
David Hanna to a public seat, term expiring January 31, 2017 and for the following term expiring in 2020.

Parks and Recreation Advisory Committee:
Brett Farrell to a public seat, term expiring February 28, 2018
Christine Prussing to a public seat, term expiring February 28, 2019

Downtown Business Association: Liaison Jones said the DBA would next meet in August.

Juneau Economic Development Council: Liaison Jones said the next meeting was set for July 20 and there would be no meeting in August.

Juneau Commission on Aging: Liaison Jones said the next meeting was set for July 14.

Airport Board: Liaison Jones said the Board moved its meeting to July 7 and the issues before the Board were addressed on tonight's agenda. The next meeting was set for August 9.

C. Presiding Officer Reports

OLMO v Board of Adjustment: Presiding Officer Gladziszewski said the schedule was changed to hear the appeal on November 21, at 5pm in the Assembly Chambers. For some portion of the time before the hearing she will be away from town and asked for a substitute September 16 - October 3. Ms. White volunteered to assist with many thanks.

XII. ASSEMBLY COMMENTS AND QUESTIONS

Ms. Troll spoke about the proposed 20 megawatt diesel generating power plant to be built in the valley, which DEC has permitted for industrial use. It is anticipated that this will increase local electrical rates. It is important for the Assembly to ask the RCA to hold a public hearing to investigate the matter. We have a community energy plan before us and this proposed plant undercuts the objectives and moves us backwards instead of forwards regarding implementation of the Climate Action Plan. She is most concerned about a potential rate increase. She asked that staff draft a letter to the RCA to encourage a hearing.

Ms. White agreed with Ms. Troll. Ms. Gladziszewski said she was not familiar with the proposal and asked for the CBJ nexus. Ms. Cosgrove said she would research any CBJ nexus regarding the project in terms of any permitting. Hearing no objection. staff would investigate the matter.

Ms. Troll said that the Assembly addressed the noise ordinance, but there are ongoing problems with fireworks and she was concerned that any ban in parks may push the use into the neighborhoods. She would like staff to investigate other options for addressing any regulations on fireworks. She has no set plan but the problem has gotten worse. Ms. Mead said that PR director can't prohibit fireworks in parks - that was an assembly decision to make. P&R can work to bring forward regulations for the Assembly to approve. This issue would need to be before the Assembly to decide how to proceed. The Assembly can ban them, can limit them, and can prohibit in certain zones. There are many options and she asked the Assembly to provide direction. Ms. Troll said she was concerned about the use of fireworks in residential areas. She trusted the staff and JPD to define where the calls are coming from, where the problem has been. She is not looking for a ban but perhaps a modification to the noise ordinance. Hearing no objection, the manager's office would return options to the Assembly.

Ms. Gladziszewski thanked JPD and the community members that have sent flowers to the police department - they have earned the respect of the community and the community supports them during this difficult time.

Ms. Becker said there would be a service held for former Mayor Jamie Parsons on Saturday, July 16 at 2 p.m. at Centennial Hall. On July 22 there will be a groundbreaking ceremony for Jackie Street on site at Noon.

Ms. White said Juneau is lucky that JPD officers live and work in our community and that our issues are more subdued than many communities.

Mr. Kiehl echoed applause to JPD. He thanked the Chamber of Commerce for the opportunity to speak. He thanked the Rotary Club for the free public day at Dimond Park pool. He thanked the Juneau World Affairs Council for hosting the Israeli Consul General. He noted his attendance at Franklin Graham's visit and speech in Juneau. He said a small group of Norwegians were in Juneau recently to investigate cruise tourism and how this is managed in Southeast Alaska.

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

William Quayle asked if the Assembly would make an exception to the rule and allow him to take a petition to change the CPV regulations by a vote of the people. He suggested that the Resolution regarding a state fiscal plan should include adding a state lottery to the equation.

XIV. EXECUTIVE SESSION

MOTION, by Kiehl, to enter into executive session to discuss matters, the immediate knowledge of which could have an adverse affect on the finances of CBJ, namely, employee negotiations, and the city attorney's performance review.

Hearing no objection, the Assembly entered executive session at 9:11 p.m. and returned to regular session at 10:55 p.m.

A. Contract Negotiations Update

B. City Attorney Annual Review

Mr. Kiehl said that in executive session, the Assembly heard an update and gave direction on collective bargaining. The Assembly also discussed a performance evaluation with the city attorney and would have more followup at a future date.

XV. ADJOURNMENT

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

Signed:__________________________	Signed:______________________________
Laurie Sica, Municipal Clerk	Kendell D. Koelsch, Mayor

XVI. SUPPLEMENTAL MATERIALS