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

March 21, 2016 7:00 PM

City Hall Assembly Chambers
Regular Meeting 2016-15

Submitted By:

_____
Kimberly A. Kiefer
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

A. **Lifesaving Recognition -- Noelani Kamahele and Madison Bargas**

IV. APPROVAL OF MINUTES

A. **December 21, 2015 Regular Assembly Meeting 2015-32 - Amended to Include a Previously Omitted Section**

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 2015-20(AJ) An Ordinance Transferring $85,777 of Unexpended FY15 Marine Passenger Fees from the General and Roaded Service Area Funds to the Open Space Waterfront Land Acquisition Capital Improvement Project.**

This ordinance would transfer $85,777 of unexpended Marine Passenger Fees (MPF) revenues budgeted for specific purposes in FY15 and not expended by the fiscal year end to the Open Space Waterfront Land Acquisition CIP. This transfer is consistent with the Assembly's direction on the disposition of unexpended MPF funds.

The amounts below are the result of monies appropriated from the Marine Passenger Fee Fund for specific purposes in the FY15 budget but were not fully expended by the end of FY15.

Downtown Sidewalk Cleaning	$	14,613
Seasonal BLS-EMS Transport Program		10,203
Franklin Dock Enterprises		60,961
Total	$	85,777

For accounting purposes, the funds will first be refunded to the Marine Passenger Fee Fund and then be transferred to the Open Space Waterfront Land Acquisition CIP.

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

b. **Ordinance 2015-20(AK) An Ordinance Appropriating to the Manager the Sum of $70,500 as Funding for the Juneau Convention and Visitor Bureau's (JCVB) Upgraded Juneau Travel Website; Funding Provided by the Hotel Tax Fund's Fund Balance.**

Juneau Convention and Visitors Bureau (JCVB) needs $141,000 to supplement its budget for FY16. This amount provides for the cost to develop and implement an upgraded Juneau Travel website. The CBJ agrees to provide one half of the funding, $70,500, from the Hotel Tax Fund's Fund Balance and JCVB would provide its $70,500 funding out of its own Fund Balance.

The Assembly Finance Committee recommended approval of this supplemental request at its regular meeting on February 10, 2016.

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

c. **Ordinance 2015-38 An Ordinance Amending the Land Use Code to Provide for the Regulation of Marijuana Use and Marijuana Establishments, and Providing for a Penalty.**

This ordinance would amend the Land Use code to provide for the regulation of marijuana establishments in two ways:
(1) It expands upon the conditional use permit application process by requiring marijuana establishments to provide certain industry-specific information (such as odor, waste, and security plans); and
(2) It establishes certain generally applicable regulations that will apply to all establishments, such as the requirement that certain signs be posted.
In addition to the enforcement options already available under Title 49, the ordinance would require marijuana businesses to obtain a CBJ marijuana business license in order to operate. In this instance, the license acts as an enforcement mechanism to facilitate voluntary compliance with the new regulations.

The Manager recommends this ordinance be introduced and referred to the Assembly Committee of the Whole.

d. **Ordinance 2016-05 An Ordinance Authorizing the Port Director to Lease Lot 2, Alaska Tidelands Survey 7 to Channel Construction, Inc.**

Channel Construction currently leases 2.117 acres from Docks & Harbors for its barge landing. The lease expires on April 25, 2016. In accordance with the terms of its current lease, Channel Construction has a preference right for a new 35-year lease and has indicated a desire to exercise this right. An appraisal was conducted which established $0.15/S.F. as the market rate; the proposed annual lease rate would be $13,828.95 for 2.117 acres.

The Docks & Harbors regular board approved the lease at its January 28, 2016, meeting. The Assembly Lands Committee moved to approve and forward this lease to the full Assembly at its February 22, 2016, meeting.

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

e. **Ordinance 2016-06 An Ordinance Amending Title 40 of the City and Borough Code of Ordinances Relating to Hospitals.**

This ordinance would amend Title 40 to make the hospital organization and meeting provisions more consistent with those of other enterprise boards. It removes unnecessary redundancies as well as provisions required to be in medical staff bylaws, and it updates medical staff provisions to reflect the current healthcare industry and to comply with the requirements of The Joint Commission, the Center for Medicare and Medicaid Services, and the Alaska Department of Health and Social Services. This ordinance also brings the BRH personnel rule adoption process into conformity with the general CBJ process for adopting personnel rules.

An Ad Hoc Governance Committee of the Hospital proposed these Title 40 revisions to the Hospital Board, which at its February 23, 2016, meeting approved forwarding the proposed revisions to the Manager for an ordinance to be adopted by the Assembly. The Chief of Staff of the BRH Medical Staff has also indicated, by letter dated March 10, 2016, that the Medical Staff supports the proposed Title 40 amendments. This ordinance was a subject of discussion at the Special Assembly Meeting - Joint Meeting with Hospital Board on March 14, 2016.

The Manager recommends this ordinance be introduced and referred to the Assembly Human Resources Committee.

2. Resolutions

a. **Resolution 2746 A Resolution De-Appropriating $4,700,000 from the Salmon Creek Secondary Disinfection Capital Improvement Project, Loan Funding from the Alaska Department of Environmental Conservation.**

Staff requests the de-appropriation of $4.7 million of ADEC Drinking Water Loan funding from the Salmon Creek Secondary Disinfection project (W75-044). Many good things have factored into the CBJ not having to borrow $4.7 million from ADEC:

- CBJ applied for and received $4 million of ADEC Grant funding.
- CBJ received $650K from a legislative grant through the Alaska Department of Commerce.
- The low bid for the project was $700K below the engineer's estimate.

· The project is proceeding as planned with the amount of change order amounts for extra work within what was anticipated.

This housekeeping measure will de-appropriate the ADEC loan funds that were applied for and received in the event that CBJ was not successful in receiving low bids and the $4 million in ADEC grant funding.

The original loan amount is for $5.27 million. This de-appropriation will leave $570K of loan funds available.

The Public Works and Facilities Committee approved this at their February 22, 2016 meeting.

The Manager recommends the resolution be adopted.

b. **Resolution 2747 A Resolution De-Appropriating $529 from the Auke Bay Interpretive Signs Capital Improvement Project, Grant Funding from the Alaska Department of Transportation and Public Facilities.**

The Auke Bay Interpretive Sign Capital Improvement Project (CIP) is complete and the reimbursable grant funding from the Alaska Department of Transportation and Public Facilities (ADOTPF) is closed.

This ADOTPF grant supported the cost to design and publish copies of interpretive brochures for distribution to byway travelers. In addition the grant paid for the design, production, and installation of directional and interpretive signage at the Auke Lake Trail, AMHS Auke Bay Ferry Terminal and the Indian Point Trail. The grant amount was for $71,040. CBJ spent a total of $70,511.13 for the Auke Bay Interpretive Sign CIP.

This housekeeping measure will de-appropriate the budget authorization of the ADOTPF grant funds of $528.87 from the project and then the CIP can be closed.

The Public Works and Facilities Committee approved this at its March 14, 2016 meeting.

The Manager recommends the resolution be adopted.

c. **Resolution 2748 A Resolution De-Appropriating $7,158 from the Montana Creek Access Repairs Capital Improvement Project, Grant Funding from the Alaska Department of Fish and Game.**

The Montana Creek Access Repairs Capital Improvement Project (CIP) is complete and the reimbursable grant from the Alaska Department of Fish and Game (ADF&G) is closed.

This ADF&G grant for Montana Creek Access Improvements was given to the CBJ to improve public recreational sport fishing access to Montana Creek by making improvements to existing angler access trails on Montana Creek. The repairs were done to the stairs and a bridge.

The grant was for $28,000 and $20,842.16 was used for the repairs.

This housekeeping measure will de-obligate the budget authorization of the ADF&G grant funds of $7,157.84 from the project and then the CIP can be closed.

The Public Works and Facilities Committee approved this at its March 14, 2016 meeting.

The Manager recommends the resolution be adopted.

d. **Resolution 2749 A Resolution De-Appropriating $327,519 from the BRH Orthopedic Unit, CT Scanner Room Renovations, and BRH Roof Capital Improvement Projects to Bartlett Regional Hospital Fund's Fund Balance.**

This resolution is going to close three Bartlett Regional Hospital (BRH) Capital Improvement Projects (CIPs): BRH Orthopedic Unit, CT Scanner Room Renovations, and BRH Roof Project and transfer the remaining funds back into the BRH Fund's Fund Balance. This is for a total of $327,519.

BRH Orthopedic Unit (B55-046)	$211,746
CT Scanner Room Renovations (B55-061)	$ 40,335
BRH Roof Project (B55-062)	$ 75,438
Total to BRH Fund Balance	$327,519

After this transfer BRH's estimated fund balance at the end of FY16 will be $71,004,669.

The Public Works and Facilities Committee approved this appropriation at its March 14, 2016 meeting and recommended forwarding it to the Assembly for approval.

The Manager recommends this resolution be adopted.

e. **Resolution 2750 A Resolution De-Appropriating $290,000 from the JDWW Plant Facility Plan Update and MWW Plant Facility Plan Update Capital Improvement Projects, Loan Funding from the Alaska Department of Environmental Conservation.**

The JDWW Plant Facility Plan Update and MWW Plant Facility Plan Update Capital Improvement Projects are no longer needed. We are de-obligating the ADEC Loan 445211.

This housekeeping measure will de-appropriate the budget authorization of the ADEC loan funds of $290,000 from the projects which then can be closed. These loan funds are no longer necessary as staff is able to complete the work in house within the existing operating budget.

The Public Works and Facilities Committee approved this at its March 14, 2016 meeting.

The Manager recommends the resolution be adopted.

3. Liquor License

a. **Liquor License #673 Renewal Peterson Pacific Holdings, Inc. d/b/a Formerly Louies Douglas Inn, No Premises & Transfer to James A. Holdings Company, LLC with the same DBA, No Premises**

This renewal is for the Beverage Dispensary License #673 or Peterson Pacific Holdings, Inc. d/b/a Formerly Louies Douglas Inn, no premises (100% ownership by Pat Peterson). Over the course of the 2012-2014 liquor license cycles, CBJ protested the renewal and continued operation of this license due to outstanding balances owing on its accounts. In March 2014, Mr. Peterson paid off all outstanding balances at the time and CBJ rescinded its protest and the Alcohol Beverage Control Board granted the license as listed above under the "no premises" location.

An application for the Beverage Dispensary License #673 was received for transfer of ownership and name change from Peterson Pacific Holdings, Inc. d/b/a Formerly Louies Douglas Inn to James A. Holdings Company, LLC d/b/a James A. Holdings Company, LLC, no premises.

Staff from the Finance, Police, Public Works, Fire, and Community Development departments have reviewed these two license actions and recommend the Assembly waive its right to protest the renewal of the Peterson Pacific Holdings, Inc. d/b/a Formerly Louies Douglas Inn license as well as the transfer of ownership to James A. Holdings Company, LLC., no premises.

b. **Liquor License #1416 Transfer of stock ownership Taku Glacier Lodge, Inc. d/b/a Taku Glacier Flightseeing to Salmon Bake and application for a Restaurant Designation Permit**

An application for the Restaurant Eating Place License #1416 and an application for a Restaurant Designation Permit was received for the stock transfer of ownership for Taku Glacier Lodge Inc. d/b/a Taku Glacier Flightseeing Salmon Bake located at Taku Valley, Lot 75.

Staff from the Finance, Police, Public Works, Fire, and Community Development departments have reviewed this license action and recommend the Assembly waive its right to protest the stock transfer of ownership and approve the Restaurant Designation Permit.

c. **Liquor License #2175 Transfer from The Silverbow, LLC d/b/a Silverbow Bakery and Catering to Midnight Ninja Ventures d/b/a Lupo and application for a Restaurant Designation Permit**

An application for the Restaurant Eating Place License #2175 and an application for a Restaurant Designation Permit was received for the transfer of ownership and name change from The Silverbow, LLC d/b/a Silverbow Bakery and Catering to Midnight Ninja Ventures d/b/a Lupo located at 120 2nd Street, Juneau.

Staff from the Finance, Police, Public Works, Fire, and Community Development departments have reviewed this license action and recommends the Assembly waive its right to protest the transfer of ownership and name change and to approve the Restaurant Designation Permit.

VIII. PUBLIC HEARING

A. **Ordinance 2015-20(AH) An Ordinance Appropriating to the Manager the Sum of $12,500 as Funding to Provide for Commercial Motor Vehicle Inspections by the Juneau Police Department; Grant Funding Provided by the Alaska Department of Transportation and Public Facilities.**

These inspections are intended to determine the appropriateness of driver credentials as well as road worthiness of commercial vehicles with the ultimate goal of improving commercial vehicle safety in Juneau.

There is no match requirement for this grant.

The Manager recommends this ordinance be adopted.

B. **Ordinance 2015-20(AI) An Ordinance Appropriating to the Manager the Sum of $300,000 as Funding for the Airport Maintenance Shop Roof; Funding Provided by the Juneau International Airport Fund's Fund Balance.**

The project will consist of a complete reconstruction of the shop roof, which leaks badly. An investigation into the condition of the roof, by Jensen Yorba Lott, Inc., indicates that further patching will not be adequate.

Funding is provided as follows:

Juneau International Airport Fund's Fund Balance	$300,000

The Airport Board approved this action at its June 10, 2015 meeting.

The Manager recommends this ordinance be adopted.

C. **Ordinance 2016-04 An Ordinance Authorizing a Loan in an Amount Not to Exceed $2,750,000 from the Central Treasury to the Capital Transit Maintenance Shop Renovation and Addition (CIP D71-085) for the Purpose of Providing Interim Financing.**

CBJ 57.05.045 authorizes short term loans from the central treasury to specified funds for the purpose of facilitating capital acquisitions upon approval of the assembly by ordinance. This ordinance would authorize such a loan from the central treasury to CIP D71-085 for the capital transit maintenance shop remodel.

The remodeling project will be ready to bid in March 2016, but is not scheduled to receive the remainder of its funding until July 1, 2016. In order to authorize the award of a bid, there must be sufficient funds in the CIP. If we wait until funding is received, the project will lose a construction season, resulting in inflationary cost increases.

This ordinance would therefore bind the Assembly to the appropriation of the funds three months early. The risk in doing so is that the Assembly will not have the ability to reprogram these funds to another purpose during this three month period. However, given that the facility is in substantial need of renovation, that a rational construction schedule is in the public interest, and that the funds have been programmed for some time, it is reasonable and prudent to authorize the loan.

During a meeting on February 1, 2016, the Public Works and Facilities Committee heard and forwarded this request to the Assembly.

The Manager recommends this ordinance be adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. **Export Manufacturing Property Tax Exemption**

Property owners seeking a Manufacturing Property Tax Exemption must file a request with the Assessor's Office on or before January 31 of each year. The code places the authority for approving the manufacturing exemption requests with the Assembly.

For 2016, three companies have requested the tax exemption: Alaska Glacier Seafood Inc., Taku Smokeries, and AKBEV Group, LLC (Alaska Brewery).

CBJ 69.10.020(10) provides for exempting qualifying manufacturing property from assessment and taxation. Qualifying property may receive a declining five-year percentage exemption from the property's market value as follows:

100% exemption in year 1
80% exemption in year 2
60% exemption in year 3
40% exemption in year 4
20% exemption in year 5

The total property value requested for exemptions this year is $5,789.900. This would result in a tax loss of $62,299. Individual company amounts are detailed in the meeting packet materials.

The Assessor's Office reviewed the exemption applications and determined that the properties met the code requirements. The Assembly Finance Committee reviewed this issue at its March 18, 2016 meeting, and recommended forwarding the tax exemptions for 2016 to the full Assembly for approval.

The Manager recommends approval of these exemptions.

XI. STAFF REPORTS

A. **Comercial Cultivation of Marijuana in Residential Zones**

XII. ASSEMBLY REPORTS

A. Mayor's Report

B. Committee Reports

C. Liaison Reports

D. Presiding Officer Reports

XIII. ASSEMBLY COMMENTS AND QUESTIONS

XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

XV. EXECUTIVE SESSION

XVI. ADJOURNMENT

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