

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

October 20, 2014 7:00 PM

Assembly Chambers - Municipal Building
Regular Meeting No. 2014-26

Submitted by: _____
Kimberly A. Kiefer
City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

- A. **Recognizing Outgoing Assemblymembers Smith and Wanamaker**
- B. **Swearing in of Newly-Elected Officials**
- C. **Selection of Deputy Mayor**

IV. APPROVAL OF MINUTES

- A. **September 29, 2014 Regular Assembly Meeting 2014-25**

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 2014-44 An Ordinance Authorizing the Manager to Execute a Lease of the Mayflower Building and Grounds to the Juneau Montessori Center, an Alaskan Non-Profit Corporation.**

The Juneau Montessori School has leased the Mayflower Building from CBJ since 1992. The current lease expired April of 2014. Fair market value for the Mayflower Building was established by the CBJ Assessor as \$2,000 a month in 1993 and has not been updated to fair market value since. Per the Leases section of Title 53, CBJ is required to lease property for fair market value. The renewal of the Mayflower Building lease required an appraisal to determine the current fair market value for the building. The appraisal was completed April 11, 2014 and established that fair market value at \$3,255 a month.

The Lands Committee determined that since the early childhood education and childcare provided by Juneau Montessori School is a public service (and a non-profit organization), they should not be required to pay fair market value to lease

the Mayflower Building.

The Lands Committee, at its August 25, 2014 meeting unanimously passed the following motion: Lands Committee requests of the administration prepare a resolution that would set the lease payment at \$2000 for the length of the (5 year) lease.

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

- b. **Ordinance 2014-47 An Ordinance Authorizing the Manager to Convey Lot 2, Block A, South Lena Subdivision to Juneau Housing Trust, Inc., an Alaskan Non-Profit Corporation, Subject to Certain Conditions, in Support of the Juneau School District's High School Home Building Program.**

At its October 6, 2014 Lands Meeting, the Lands Committee unanimously approved a motion to recommend that the Assembly adopt an ordinance to sell Lot 2, Block A, South Lena Subdivision to the Juneau Housing Trust for \$40,000. The property would be used for the JDHS house building program. The Lands Committee also requested that the approval contain a provision for the Manager to direct staff to develop an Early Entry Authorization to allow the school to install a foundation on the site before the Ordinance is formally adopted. This would allow site preparation and construction of a foundation on the site before winter.

In 2007 fair market value for the 0.74 acre parcel was \$101,000. In the past, CBJ has made property available to the high school building program for fair market value. The value of the land was recouped by CBJ when the home was sold after construction was completed. In recent years, lots that were acquired by CBJ through property tax foreclosure were made available to the high school program for the cost of taxes owed on property. Under these circumstances the home building program received land for less than fair market value.

The Lands Committee furthermore recommended that the sale of the property include a reversion clause stipulating that if construction has not begun within 2 years, title to the property would revert back to CBJ.

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

- c. **Ordinance 2013-11(BG) An Ordinance Appropriating to the Manager the Sum of \$4,151,989 to Fund Bartlett Regional Hospital's Fiscal Year 2014 Public Employee Retirement System Contribution; Funding Provided by the Alaska Department of Administration.**

This ordinance would appropriate to the Manager \$4,151,989, which is the FY14 State's 13.68% on-behalf PERS benefit paid for Bartlett Regional Hospital. Funding is provided by the Alaska Department of Administration which was authorized by passage of HB65 during the 2013 legislative session.

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

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

- d. **Ordinance 2014-24(Q) An Ordinance Authorizing the Manager to Accept the State of Alaska, Department of Environmental Conservation's Offer of Partial Funding for the Salmon Creek Secondary Disinfection Capital Improvement Project and Appropriating to the Manager \$1,000,000 in Grant Funding Provided by the State of Alaska, Department of Environmental Conservation.**

This ordinance would appropriate \$1,000,000 in municipal matching grant funding from the Alaska Department of Environmental Conservation (ADEC) Division of Water for the following project:

Water Treatment Improvements - Salmon Creek LT2 Upgrades \$1,000,000

This grant has a 40% match requirement which will be provided with the funds already on the CIP. As part of the grant application process, the Assembly declared this project to be the top priority of the City and Borough by Resolution 2694.

As required by the Department of Environmental Conservation, this ordinance would also accept the terms and conditions of the grant, specifies that the City and Borough will operate and maintain the completed project, and indicates the City and Borough's agreement to comply with applicable State regulations.

The Public Works and Facilities Committee reviewed this request at its June 2, 2014 meeting and recommended forwarding it to the full Assembly for approval.

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

- e. **Ordinance 2014-24(R) An Ordinance Appropriating to the Manager the Sum of \$469,221 as Funding for the 2014 State Homeland Security Program / SHSP, and the Sum of \$215 as Funding for the Local Emergency Planning Committee; Grant Funding Provided by the State of Alaska, Department of Military and Veterans Affairs.**

This ordinance would appropriate \$469,221 to the 2014 SHSP State Grant-GR34094 from the Alaska Department of Military and Veterans Affairs 2014 State Homeland Security Program, EMW-2014-SS-00010 for the City and Borough of Juneau.

Federal Grant Number: EMW-2014-SS-00010

State Grant Number: 14SHSP- GR34094

These funds support the goals and activities of the CBJ Emergency Management through funding planning, training, exercise, and equipment procurement. This ordinance would also appropriate an additional \$215 to the \$18,448, appropriated on August 25, 2014 (Serial No. 2014-24(F)) making the total appropriation \$18,663 for the 2015 LEPC Grant from the Alaska Department of Military and Veterans Affairs for the Local Emergency Planning Committee.

There is no match requirement for these grants.

The Manager recommends this ordinance be introduced and set for public

hearing at the next regular Assembly meeting.

- f. **Ordinance 2014-24(U) An Ordinance Appropriating to the Manager the Sum of \$125,000 as Funding for the Thirty-Six Month Grant for One School Resource Officer; Grant Funding Provided by the United States Department of Justice, Office of Community Oriented Policing Services (COPS).**

This ordinance would appropriate to the manager the sum of \$125,000, for a thirty-six month grant, for one School Resource Officer. Grant funding is provided by the United States Department of Justice, Office of Community Oriented Policing Services (COPS). The officer would conduct School Resource Officer duties in our Juneau Douglas School District. CBJ is committed to extend the project for one year after the expiration of the federal funding. This grant requires a match of \$178,817 which would be provided by JPD's operating budget throughout the life of the grant.

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

- g. **Ordinance 2014-24(V) An Ordinance Appropriating to the Manager the Sum of \$10,000 as Funding for Equipment, Maintenance and Training for Juneau HAZMAT Team; Funding Provided by a Memorandum of Understanding with the Alaska Department of Environmental Conservation.**

This ordinance would appropriate \$10,000 for equipment purchases, maintenance, and training for the Juneau HAZMAT Team. Funding is provided through a Memorandum of Understanding between the CBJ and The Alaska Department of Environmental Conservation (ADEC).

This funding would allow the Juneau HAZMAT team to build on its present capabilities and facilitate response activities and would be crucial in allowing the Juneau HAZMAT team to provide a Level A hazmat response to the CBJ, Southeast Alaska, and be a part of the Alaska Statewide Response Team.

There is no match requirement.

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

2. Transfer

- a. **Transfer T-960 transfers \$38,000 from CIP D28-054 Eaglecrest Mountain Lift Operations to provide additional funding for CIP D28-097 Eaglecrest Learning Center Project.**

There is an opportunity to save funds by combining the fire alarm panel upgrades at the Eaglecrest Lodge into the Eaglecrest Learning Center (Porcupine Lodge) project. Both the lodge and the Learning Center can share a single fire alarm panel in the Learning Center. Switching to a single panel will save in costs and simplify the system for Eaglecrest operations.

The Public Works and Facilities Committee reviewed this request at its September 18, 2014 meeting, and recommended forwarding it to the full Assembly for approval.

The Manager recommends approval of this transfer.

- b. **Transfer T-961 transfers \$100,000 from CIP R72-038 Valley Snow Storage Permitting to provide additional funding for CIP NEW R72-116 Downtown St. Improvements.**

This would transfer \$100,000 from the Valley Snow Storage Capital Improvement Project to provide funding for a new CIP dedicated to planning improvements for Front, Franklin, and Seward Streets.

These initial funds would allow staff to begin the planning process and work with the business district on improvements to these vital downtown streets. Depending on improvements identified, Marine Passenger Fee funds may be appropriate for a portion of the eventual project costs.

The snow storage project is nearly complete and the remaining funds after the transfer will be more than adequate to complete the modifications next construction season.

The Public Works and Facilities Committee reviewed this transfer at its September 18, 2014 meeting and recommended forwarding it to the full Assembly for approval.

The Manager recommends approval of this transfer.

3. Liquor License

- a. **Liquor License #851 Location Transfer & Restaurant Designation Permit Application - Rodfather's LLC d/b/a The Broiler**

The above liquor license transfer is before the Assembly to either protest or waive its right to protest these renewals. In addition to the transfer, the licensee has applied for a Restaurant Designation Permit which is subject to approval by the Assembly. The Finance, Police, Fire, Public Works, and Community Development Departments have reviewed this business and found it 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 their right to an informal hearing before the Assembly.

The Manager recommends the Assembly waive its right to protest the transfer and approve the Restaurant Designation Permit application.

VIII. PUBLIC HEARING

- A. **Ordinance 2014-45 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of 43 Parcels Along the North Douglas Highway, between mile 1.3 and 1.9, from RR(T)D3, RR(T)D15, and D1(T)D3 to D-3, D-5, and D-15.**

In December 2013, the Community Development Department initiated a rezone of 43 parcels along North Douglas Highway extending from mile 1.3 to 1.9. The parcels are currently identified as transition zones, RR(T)D-3, RR(T)D-15, and D-1(T)D-3.

On June 25, staff held an informational meeting to discuss the proposed rezoning with all

property owners in the affected area. No one from the public participated in the meeting.

The Planning Commission heard the rezone proposal at its August 26, regular meeting and recommended approving the rezone with modifications, up-zoning a portion of the lots currently zoned D-1(T)D-3 to D-5 and a portion of the lots zoned RR(T)D-3 to D-15. The Planning Commission believed the modifications were needed for consistency with the Land Use Maps of the Comprehensive Plan.

Ordinance 2014-45 reflects the Planning Commission's recommendations.

The Manager recommends this ordinance be adopted.

B. Ordinance 2014-46 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Black Bear, Lot 3, Located at the South End of Silver Street in the Northwest Mendenhall Valley, from D-1 to D-3.

In July 2014, the applicant applied to have Lot 3 of Black Bear Subdivision, located at the south end of Silver Street, rezoned from D-1 to D-3. On July 28, staff held an informational meeting to discuss the proposed rezoning with all property owners in the affected area.

The areas surrounding the lot at issue are either zoned D-1 or D-3. There are single-family developments in the D-3 neighborhood north of the proposed rezone, which would be consistent with the requested D-3 zoning for Lot 3.

The Planning Commission considered the rezone application at its August 26th, and September 9th meetings and recommends the Assembly approve the rezone of the subject parcel from D-1 to D-3.

The Manager recommends this ordinance be adopted.

C. Ordinance 2014-24(L) An Ordinance Transferring the Sum of \$650,000 of Budget Reserve Fund Balance from the Sales Tax Special Revenue Fund to the General Fund.

This ordinance would transfer \$650,000 to the General Fund from the Sales Tax Fund in the FY15 Budget.

On June 30, 2014, the Assembly adopted Ordinance 2013-11(AT), effectively consolidating all budget reserve funds in the General Fund. The objective was to make it simpler for the Assembly, public, and bond rating agencies to determine the balance of the reserve.

When addressing the consolidation of the FY15 \$650,000 allocation, revenue from the 2012 voter-approved 1% sales tax to the budget reserve was not included. A supplemental appropriation is needed to address this. In the future, the sales tax allocation to the budget reserve will be included in the overall operating budget adopted by the Assembly.

The Manager recommends this ordinance be adopted.

D. Ordinance 2014-24(M) An Ordinance Appropriating to the Manager the Sum of \$17,032 as Partial Funding for Research and Mapping of the Evergreen Cemetery for Historic Preservation Purposes; Grant Funding Provided by the State of Alaska, Department of Natural Resources.

The Evergreen Cemetery Mapping project received funds from the Certified Local

Government grant program administered by the Alaska Office of History and Archaeology to hire a consultant to locate and map graves in the Evergreen Cemetery, as well as design and create a pamphlet highlighting key people buried who have ties to Juneau's historic structures.

The work performed under this project will be a combined effort of a contracted mapping consultant, a contracted design professional, the Historic Resources Advisory Committee, Parks and Recreation Department, the City Museum, and the Project Manager. Total project costs are estimated to be \$28,386. CBJ is required to provide a 40% match, which will be fulfilled through staff wages from the varied CBJ departments' operating budget.

Total project costs include a 10% State administrative surcharge.

The Manager recommends this ordinance be adopted.

E. **Ordinance 2014-24(N) An Ordinance Appropriating to the Manager the Sum of \$1,800,000 as Funding for Water Main Replacement - Egan Drive – 10th to Main; Loan Funding Provided by the State of Alaska Department of Environmental Conservation, Alaska Drinking Water Fund State Revolving Fund.**

This ordinance would appropriate to the Manager \$1,800,000 of loan funds from the State of Alaska, Department of Environmental Conservation (ADEC), Alaska Drinking Water Fund (ADWF) State Revolving Fund.

The loan funds would be used to fund the construction phase of the Water Main Replacement – Egan Drive - 10th to Main Street Capital Improvement Project.

The terms of the low interest loan are 20 years at 1.5-percent per annum.

Assembly Resolution 2668, adopted on November 25, 2013, authorized the City Manager to enter into this loan agreement with ADEC.

The Public Works and Facilities Committee reviewed this action at its June 2, 2014 meeting and recommended forwarding it to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

F. **Ordinance 2014-24(O) An Ordinance Appropriating to the Manager the Sum of \$2,000,000 as Funding for the Last Chance Basin Well Field Capacity Improvements Project; Loan Funding Provided by the State of Alaska Department of Environmental Conservation, Alaska Drinking Water Fund State Revolving Fund.**

This Ordinance would appropriate to the Manager \$2,000,000 of loan funds from the State of Alaska, Department of Environmental Conservation (ADEC), Alaska Drinking Water Fund (ADWF) State Revolving Fund.

The loan funds would be used to fund the Last Chance Basin Well Field Capacity Improvements Project.

The terms of the low interest loan are 20 years at 1.5-percent per annum.

Assembly Resolution 2679, adopted on February 24, 2014, authorized the City Manager to enter into this loan agreement with ADEC.

The Public Works and Facilities Committee reviewed this action at its June 2, 2014 meeting, and recommended forwarding it to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

- G. **Ordinance 2014-24(P) An Ordinance Forfeiting a \$2,500 Performance Bond and Appropriating to the Manager the Sum of \$2,500 as Funding to Complete the Installation of Water Service on Lot 7A, Curry Subdivision according to Plat 95-3, Juneau, Recording District, First Judicial District, State of Alaska; Funding Provided by a Cash Bond.**

This ordinance would appropriate to the Manager \$2,500 for the installation of water service for Lot 7A, Curry Subdivision. The funds are a cash bond that were posted to guarantee the installation of a water service. The original sub-divider of the property posted the bond, but failed to install the required water service and is non-responsive. The new owner of the property has agreed to install the water service and be compensated at the completion.

The Public Works and Facilities Committee heard this request at its September 22, 2014 regular meeting and recommended forwarding it to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

- A. **Airport Water and Wastewater System Regulation**

In response to a projected budget deficit for FY15 and beyond and to help offset the anticipated shortfall for the increased water/sewer rates to be charged to the Airport, the Airport is proposing adjusting its Airport water and sewer rates to mirror CBJ's rates.

Proposed rate increases mirror CBJ's rate increases over the next five years. The increases will generate additional revenues of \$3,945 for the remainder of FY15, \$8,239 for FY16, \$8,809 for FY17, \$9,418 for FY18 and \$10,070 for FY19. With CBJ's equivalent rate increase to the Airport, the Airport will essentially be revenue neutral. A detailed description of the rates is addressed in the fiscal note accompanying the regulation.

The Airport received no comments during the public comment period, which ran from September 5, 2014, through September 29, 2014. The Airport Board gave final approval of the proposed Water and Wastewater Regulation rate increases (as presented) at their October 8, 2014 meeting.

The Juneau International Airport Water and Wastewater System Regulation changes are budgeted to take effect January 1, 2015.

The Manager recommends this regulation be adopted.

XI. STAFF REPORTS

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

A. **Update on Gastineau Apartments from City Attorney**

XVI. ADJOURNMENT

Note: Agenda packets are available for review online at www.juneau.org.

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@ci.juneau.ak.us