

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

Monday, April 01, 2013, 7 p.m.
Assembly Chambers – Municipal Building
Regular Meeting No. 2013-08

Submitted by: _____

Kimberly A. Kiefer
Deputy City and Borough Manager

I. FLAG SALUTE

II. ROLL CALL

III. SPECIAL ORDER OF BUSINESS

- A. Michael Patterson Recognition
- B. Clarence Jackson Proclamation
- C. Introduction of Robert Barr, Library Director

IV. APPROVAL OF MINUTES

- A. February 20, 2013 – Special Assembly Meeting 2013-05
- B. February 25, 2013 – Special Assembly Meeting 2013-06
- C. March 4, 2013 – Regular Assembly Meeting 2013-07

V. MANAGER'S REQUEST FOR AGENDA CHANGES

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

(Not to exceed a total of 20 minutes nor more than 5 minutes for any individual).

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 2012-20(AK)

An Ordinance Appropriating To The Manager The Sum Of \$132,635 As Reimbursement For Improvements To the Alaska Office Building Exterior; Grant Funding Provided By The State of Alaska.

This ordinance would appropriate \$132,635 from the State of Alaska as reimbursement for improvements to the Alaska Office Building exterior. The work will be constructed as part of the City's Main Street, Second to Fifth Street, improvements project. Work includes construction of a new canopy from Main

Street to the main entry of the Alaska Office Building as well as demolition and replacement of entrance stairs and handrail at the main entry.

Funding will be added to CIP R72-059, Main Street 2nd to 7th.

The Public Works and Facilities Committee heard this action at its February 25, 2013 meeting and recommended forwarding to the full Assembly for approval.

I recommend this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

b. Ordinance 2012-20(AL)

An Ordinance Appropriating to the Manager the Sum of \$144,683 As Additional Funding For The Capital Transit Program, Grant Funding Provided By The Alaska Department Of Transportation And Public Facilities.

This ordinance would appropriate \$144,683 in State of Alaska funding for the provision of public transportation services. This is additional grant funding not anticipated in the Fiscal Year 2013 Budget. Funding is provided by the Alaska Department of Transportation and Public Facilities.

The funds will be used for the current year (FY13) Capital Transit budget and will reduce the expenditure of local funds for the program by the same amount.

I recommend this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

c. Ordinance 2013-09

An Ordinance Adopting an Amended Official Road Classification Map With Changes Regarding the Auke Rec Bypass Road.

This ordinance would revise the adopted Road Classification map in the vicinity of the Auke Recreation Area to switch the classification of the portion of Old Glacier Highway that parallels the new Bypass Road. The proposed change would correct the outdated classification of these road segments and make the Bypass Road the Minor Arterial Road as shown on attached Figure 1.

This change will also increase housing development potential along this portion of Old Glacier Highway by removing subdivision restrictions associated with development along Minor Arterial Streets.

The Planning Commission heard this action at its February 12, 2013 meeting and recommended forwarding it to the full Assembly for approval.

The Public Works and Facilities Committee heard this action at its February 25, 2013 meeting and recommended forwarding to the full Assembly for approval.

I recommend this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

2. Resolutions

a. Resolution 2634(b)

A Resolution Authorizing the Port Director to Convey a Non-Exclusive Permanent Easement to the State of Alaska Department of Transportation and Public Facilities for Approximately 2,272 Square Feet of Municipal Property, Located on Lot 4, USS 2664, 11755 Glacier Highway, to Facilitate the Construction of the Auke Bay Roundabout.

The Alaska Department of Transportation and Public Facilities (ADOT) requests a permanent easement of approximately 2,272 square feet of CBJ property, located on Lot 4, USS 2664, to facilitate the design and construction of the Auke Bay Roundabout. By resolution, the Assembly may authorize the Port Director to execute an easement under terms and conditions authorized by the Assembly.

ADOT offers to secure the permanent easement at fair market value, as the desired property is necessary for construction of the Auke Bay Roundabout, which will benefit the community. ADOT requests to begin construction this summer.

This resolution would authorize a non-exclusive permanent easement to ADOT for the stated benefit of providing access to residential property. The 17,133 square foot lot, purchased by CBJ in 2009, was appraised by Horan & Company on March 6, 2013 and established a fair market value of \$86,522 for the desired easement. ADOT approved the appraisal and issued a Determination of Just Compensation in the amount of \$86,600.

The Docks and Harbors Board adopted a motion of support to the Assembly on December 20, 2012. The Planning Commission forwarded a recommendation of support to the Assembly on January 8, 2013. The Lands Committee adopted a motion of support to the Assembly on January 14, 2013. The Docks and Harbors Board reviewed and approved the presented March 6, 2013 appraisal on March 28, 2013.

I recommend this resolution be adopted.

b. Resolution 2639

A Resolution Expressing the Assembly's Opposition to Approval of Genetically Modified Atlantic Salmon by the U.S. Food and Drug Administration.

This resolution would convey the Assembly's opposition to approval by the US Food and Drug Administration of genetically modified salmon for human consumption and marketing in the USA. In its second resolve clause, the resolution would further request that, if the FDA were to approve the modified salmon for consumption and marketing, it should at least require labeling the product as genetically modified.

I recommend this resolution be adopted.

c. Resolution 2641

A Resolution Authorizing the Manager to Enter into Negotiations with the Recipient of Grant Funds Awarded by the Alaska Housing Finance Corporation through its “Region Specific – Greater Opportunities for Affordable Living Program,” for the Purpose of Conveying Municipal Land to be Developed as Affordable Housing by the Recipient of the Grant.

Alaska Housing Finance Corporation (AHFC) has targeted \$7.6 million in funds to be granted to a qualifying entity for the purpose of constructing affordable housing in Juneau. These grants are part of AHFC’s “Region Specific –Greater Opportunities for Affordable Living Program”.

Four entities have successfully completed AHFC’s preliminary application process and have been invited to compete for the grant funds to build affordable housing in Juneau. One of the successful entities needs a building site in order to successfully compete for the grant.

CBJ staff and consultants have analyzed property in the Switzer Creek area and identified a 3.2 acre parcel, referred to as “Development Area 2A” as a parcel that is relatively easy to develop and offers the lowest cost per dwelling unit ratio.

Resolution 2641 has been drafted to achieve the following goals:

1. Demonstrate to the AHFC that the CBJ enthusiastically supports the awarding of the \$7.6 million in grant funds that would enable construction of affordable housing in Juneau; and
2. To help ensure that end, assures that the CBJ will enter into negotiations to make municipal land available Switzer Creek parcel 2A, to that entity awarded the AHFC grant, if the successful entity needs a building site.

At the March 11, 2013 meeting, the Assembly Lands Committee approved moving Resolution 2641 to the Assembly for consideration.

I recommend this resolution be adopted.

d. Resolution 2642

A Resolution Expressing Assembly Support for the Use of Municipal Property Between Centennial Hall and the Juneau Arts and Culture Center for the Willoughby Arts Complex, to be Developed by the Juneau Arts and Humanities Council and Perseverance Theatre.

Juneau Arts and Humanities Council (JAHC) and Perseverance Theatre (PT) are in partnership to build a state-of-the- art facility, referred to as the Willoughby Arts Complex (WAC), which will house both operations, and provide performance and gallery space for all of Juneau’s arts and cultural community to share. The Assembly approved placing one million dollars of the temporary 1% sales tax, approved at the October 2, 2012 regular municipal election, for the design,

permitting, and construction of the Juneau Arts and Culture Center Expansion Project.

This resolution expresses support for the WAC and the intent to enter into a long-term lease of municipal property consistent with the resolution or five years from resolution adoption, whichever occurs sooner. If this resolution is approved, it will provide site control that is needed for JAHC and PT to acquire the funding for this facility.

On March 13, 2013, the Assembly Finance Committee forwarded the resolution to the Assembly for consideration.

I recommend this resolution be adopted.

e. Resolution 2643

A Resolution Expressing Assembly Support for Legislative Funding for Expansion of the Juneau Pioneer Home.

This resolution would endorse funding by the Alaska State Legislature for expansion of the Juneau Pioneer Home.

This resolution was requested by the Assembly at its meeting of March 4, 2013 after receiving the Juneau Commission on Aging's resolution requesting Assembly seek legislative support of this project.

I recommend this resolution be adopted.

3. Liquor License

2013/2014 Liquor License Renewals and Transfer

Beverage Dispensary Licenses:

License # 76 – Arctic Bar Inc. d/b/a Arctic Bar, Location: 148 S. Franklin Street, Juneau

License # 1081 - Auke Bay Inn, Inc. d/b/a Auke Bay Inn, Location: 11806 Glacier Hwy., Juneau

Wholesale General - Renewal

License # 4859 – Southern Wine and Spirits of Alaska LLC d/b/a Southern Wine and Spirits of Alaska, Location: 5452 Shaune Drive – Ba 2, Juneau

Recreational Site-Seasonal License Renewal and Transfer of Ownership

License #4700 – Alaska Zipline Adventures, LLC d/b/a Alaska Zipline Adventures, Location 3000 Fish Creek Road, Juneau

Transfer of Ownership involved Matt and Rachel DeSpain selling 100% stock.

The above-listed liquor license renewals and transfer are before the Assembly to either protest or waive its right to protest these actions. The Finance, Police, Fire, and Community Development Departments have reviewed the above businesses and found them to be in compliance with CBJ Code.

In the event the Assembly does protest the renewal or transfer of one of the above mentioned liquor licenses, 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.

I recommend the Assembly waive its right to protest the above liquor license renewals and transfer.

VIII. PUBLIC HEARING

A. Ordinance 2012-20(AI)

An Ordinance Transferring \$34,604 To The Library Endowment and Lands Funds, Funding Provided By Unexpended Capital Project Funds From The Closure Of Two Capital Projects.

This ordinance would close two Capital Improvement Projects (CIP) and return funds totaling \$34,064 to the projects' original funding sources. The Library Server Room project would be closed and \$30,001 will be returned to the Library Endowment Fund, and the Lena Subdivision CIP would be closed and \$4,603 would be returned to the Lands Fund.

As part of a large package of closeouts, this transfer ordinance was heard and forwarded to the Assembly by the Public Works and Facilities Committee at its February 4, 2013 meeting. Most of the project closeouts will be considered under Transfer T-942; closeout transfers between funds are required to be completed by ordinance.

I recommend this ordinance be adopted.

B. Ordinance 2012-20(P)

An Ordinance Appropriating To The Manager The Sum Of \$850,000 As Funding For An Extended Stay Shelter for Battered Spouses and Abused Children, Grant Funding Provided by The Alaska Department of Commerce, Community and Economic Development.

This ordinance would appropriate \$850,000 in Community Development Block Grant funds to support AWARE, Inc., in the development of a new building adjacent to the emergency safe shelter. The new construction will provide six temporary living quarters for women and children transitioning from AWARE's emergency shelter.

Grant funding is provided by the Alaska Department Commerce, Community and Economic Development.

The Human Resources Committee reviewed this item at its October 2011 meeting and recommended that the Community Development Department apply for the grant with the proposal submitted by AWARE.

The full Assembly adopted Resolution 2592 on November 14, 2011 authorizing the Manager to apply for the block grant.

I recommend this ordinance be adopted.

C. Ordinance 2013-07

An Ordinance Creating Local Improvement District No. 97 Consisting of Construction of a Municipal Water Distribution System Within the Eagles Edge Subdivision.

This ordinance would create LID No. 97 for the purpose of providing a municipal water main serving the property owners within the Eagles Edge Subdivision Water System Replacement, LID 97 boundary. The proposed assessment per lot is \$3,300.

An informal poll was conducted of the 89 property owners in this LID area. By the time the packet was printed, 30 of the 89 property owners responded with 28 in favor and 2 opposed.

Prior to introduction of this ordinance on March 4, 2013, notices were published in the newspaper and sent to residents in the LID area so they would be aware that they would have this opportunity to make their views known to the Assembly.

At the public hearing on April 1st, the Assembly shall hear objections from any owner affected by the formation of the district, and may make changes in the proposed boundaries or in the plans for the proposed improvements. The Assembly may not change the boundaries of the district to include property not previously included without first giving new notice to owners.

The Public Works and Facilities Committee reviewed this ordinance at its February 4, 2013 meeting and recommended forwarding it to the Full Assembly for approval.

I recommend this ordinance be adopted.

D. Ordinance 2013-08(b)

An Ordinance Authorizing the Port Director to Negotiate and Execute a Lease With Harbor Enterprises, Inc., d/b/a Petro Marine, for Upland Areas at the Don Statter Harbor Facility, Including a License for Fuel Lines Extending Through City and Borough Property to Connect Fuel Storage Tanks to the Fuel Float.

At the November 30, 2012 Docks & Harbors Regular Board Meeting, the Board approved a new fuel float lease at the Don Statter Harbor Facility with Harbor Enterprises (d.b.a. Petro Marine). The lease would include approximately 1100 sq. feet of CBJ owned uplands necessary for the expansion of the tank farm from 10,000 gallons to 13,000 gallons for dispensing marine fuel. The lease would contain language authorizing the lessee the privilege to install a Petro Marine-owned fuel float at the end of a Statter Harbor float, depicted in enclosure (1). The lessee would also be afforded the opportunity to run fuel lines through CBJ owned property, including through the CBJ owned floats. The costs associated with the investment for the fuel float and upgraded fuel facility, including fuel lines, is to be solely borne by Petro Marine.

Petro Marine entered into a lease agreement with the then-privately owned Deharts Marina in 2001. CBJ purchased Deharts Marina in 2005 and the lease terminated in 2006 but allowed for two optional five-year extensions. Petro Marine was provided the right to participate in the ongoing "renewal project" in exchange for waiving its right of first

refusal to purchase DeHarts Marina. CBJ Law has confirmed the process to enter into sole source negotiations with Petro Marine was done appropriately and in accordance with previously agreed to legal documents.

At its November 30, 2012 meeting, the Docks & Harbors Board recommended a 35-year lease and a throughput fee of \$0.05/gallon adjusted every seven years based on the Anchorage Consumer Price Index.

I recommend this ordinance be adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Liquor License 2013-2014 Renewal - Protest

Restaurant/Eating Place License:

License #4584 Zephyr, LLC d/b/a Zephyr, Location: 200 Seward Street, Juneau

The above-listed liquor license is before the Assembly to either protest or waive its right to protest its renewal. The Finance, Police, Fire, and Community Development Departments have reviewed the above business, and the Finance Department is recommending the Assembly protest the license renewal based on delinquent sales tax and business personal property taxes as well as all associated penalties and interest as identified in the March 15, 2013 letter to the licensee contained in your packets.

In the event the Assembly does protest the renewal of the above mentioned 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 letter mentioned above meets that requirement and this would be the time for the licensee to address issues to the Assembly.

The Assembly Human Resources Committee considered this issue at its meeting on Wednesday, March 27 and recommended the Assembly protest the renewal of the license based delinquent sales tax, business personal property taxes, penalties, and interest.

I recommend the Assembly proceed according to the recommendations of the Assembly Human Resources Committee in this matter.

B. Docks & Harbors Professional Services Contract Amendment for Aurora Harbor Re-Build.

PND Engineers is currently under contract for professional engineering services for Phase I of the Aurora Harbor Re-Build project. At its regular public meeting of January 31, 2013 the Docks and Harbors Board determined the best approach for the Aurora Harbor Re-Build project was to expand Phase I from a \$4M project to \$11M to reflect current available funding. As a result, the scope of work for professional services would be increased to match the expanded Phase I project. PND Engineers, Inc., proposes professional fees of \$368,518 to account for the increased services associated with the expanded Phase I project.

The expanded Phase I Aurora Harbor Re-Build project includes removal and replacement of the main approach dock; transfer bridge; portions of the head float; main floats and fingers A, B, C, and D; electrical system replacement, domestic water system replacement; and installation of a fire suppression system. Funding for Phase I consists of an ADOT Municipal Harbor Grant (\$2M); Docks and Harbors funds (\$1.5M); CBJ Passenger Fees (\$.5M) and 2012 Bond funds (\$7M).

This contract amendment is scheduled for review and recommendation by the Docks and Harbors Board at its regular public meeting of March 28, 2013.

I recommend this amendment be approved.

XI. STAFF REPORTS

- A. Adoption of FEMA Flood Maps Update from Community Development Department

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. Assembly deliberations on *Veterans for Peace vs. Planning Commission* Appeal of USE 2012-0016 "Conditional Use Permit application for a 13,000 square foot commercial building containing retail, food vending, and an indoor shooting range."

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