

THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - June 30 2014

MEETING NO. 2014-18: 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 Merrill Sanford.

I. ROLL CALL

Assembly Present: Mary Becker, Karen Crane, Loren Jones, Jesse Kiehl, Jerry Nankervis (telephonic), Merrill Sanford, Carlton Smith, Kate Troll and Randy Wanamaker.

Assembly Absent: None.

Staff Present: Kim Kiefer, City Manager; Rob Steedle, Deputy City Manager; Amy Mead, Municipal Attorney; Laurie Sica, Municipal Clerk; Beth McEwen, Deputy Clerk; Hal Hart, Community Development Director; Travis Goddard, Planning Manager; Charlie Ford, Building Official; Ron King, Chief Regulatory Engineer; Greg Chaney, Lands and Resources Manager; Kirk Duncan, Public Works Director; Samantha Stroughtenger, Wastewater Superintendent; Dave Crabtree, Utilities Superintendent; JPD Chief Bryce Johnson; JPD Lt. Kris Sell; JPD CSO Jennifer Abbott; Patricia DeLaBruere, Airport Manager; Ken Nichols, Airport Engineer; and Carl Uchytel, Port Director.

II. SPECIAL ORDER OF BUSINESS

A. JPD Officer, Russell Haight

Mr. Haight was not able to be present to receive commendation upon his retirement from CBJ service.

B. Senior Wastewater Treatment Supervisor, Cort Franklin

Wastewater Superintendent Samantha Stroughtenger thanked Mr. Cort Franklin for his ?? years of service for CBJ.

III. APPROVAL OF MINUTES

A. June 9, 2014 Regular Meeting 2014-17

Hearing no objection, the minutes of the June 9, 2014 Regular Assembly Meeting 2014-17 were approved.

IV. MANAGER'S REQUEST FOR AGENDA CHANGES

Ms. Kiefer noted the following changes to the agenda: Item IX. Unfinished Business, B., the Sealaska Heritage Institute v CBJ Assessor Appeal had been resolved with the parties and she asked to remove the item from the agenda. The Red Folder contained substitute versions of two ordinances, Election Code Ordinance 2014-37(c) and Airport Runway Rehabilitation Appropriation Ordinance 2013-11(AZ)(b). The Red Folder also contained the recommendation from the Docks and Harbors Board regarding a professional services contract for construction administration and inspection for the cruise ship berths project.

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

David Epstein, Alaska Department of Transportation and Public Facilities, provided safety statistics and displayed a new sign that would soon be installed in 22 locations in Juneau stating, "HEADLIGHTS ON AT ALL TIMES." DOT/PF had information printed on coffee cup sleeves that would be distributed from local coffee stands with education for the public about the increase in highway safety from driving with lights on.

Ron King, Chief Regulatory Engineer, asked the Assembly to find a way to address employee parking for CBJ workers. He said the cost of parking at \$600 per year was a hardship to employees at the lower end of the pay scale, while some employees were provided with parking spaces. There was virtually no area in downtown to park for free and he did not want to dock his workers for being late because they couldn't find a parking space.

Tom von Kaenel, with Sea2Sea, a self supported bike tour to raise awareness of sacrifices made by U.S. service men and women in Iraq and Afghanistan, invited the Assembly and public to a Remembrance ceremony, on Thursday, at the Beltz Committee Room, in the Tom Stewart Legislative Building. He would be there at 12:30 to start laying out the cards of all the names of those who had lost their lives, and at 2 pm the ceremony would begin. 22 Alaskans would be called out, including Leslie D. Williams of Juneau, Alaska.

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 Becker, to adopt the consent agenda. Hearing no objections, it was so ordered.

1. Ordinances for Introduction

- a. Ordinance 2014-38 An Ordinance Repealing the Civil Fine Procedure and Re-establishing Certain Parking and Other Violations as Criminal Infractions.

This ordinance would repeal the civil fine process adopted by the City and Borough last year, re-establishing the civil violations as criminal infractions. With the adoption of SB 116 by the State legislature, the reason behind enacting the civil fine process - to avoid the need to personally serve certain citations - has been eliminated.

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

- b. Ordinance 2014-41 An Ordinance Proposing an Amendment to Section 3.20 of the Charter of the City and Borough Relating to the Ski Area Board.

This ordinance would create a ballot proposition to amend section 3.20 of the Home Rule Charter of the City and Borough. The effect of the amendment, if approved by voters, would be to grant the Ski area board the additional authority

to manage and oversee the municipally-owned ice rink.

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

- c. Ordinance 2014-42 An Ordinance Proposing an Amendment to the Charter of the City and Borough Authorizing the Creation of an Empowered Board to Operate and Manage the Municipally-Owned Pools.

This ordinance would create a ballot proposition to amend the Home Rule Charter of the City and Borough to establish a pool board. The proposed Charter language is the same as that currently used for the Docks and Harbors board and Airport board. The effect of the amendment, if approved by voters, would be to allow the Assembly to create an "empowered" board free of the restrictions imposed on boards by Charter section 3.16.

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

- d. Ordinance 2013-11(BB) An Ordinance Appropriating to the Manager the Sum of \$7,830 as Funding to Provide For Commercial Motor Vehicle Inspections, Grant Funding Provided by the Alaska Department Of Transportation and Public Facilities.

This ordinance would appropriate a \$7,830 grant from the Alaska Department of Transportation and Public Facilities to provide commercial motor vehicle inspections (CMV).

The 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 introduced and set for public hearing at the next regular Assembly meeting.

- e. Ordinance 2013-11(BC) An Ordinance Appropriating to the Manager the Sum of \$19,042 as Partial Funding for the Alaska Juneau Gold Mine Power Tower Stabilization Project. Grant Funding Provided by the Alaska Department of Natural Resources, Office of History and Archaeology.

This ordinance would appropriate \$19,042.00 to the Alaska Juneau Gold Mine Power Tower stabilization project.

Two historic power structures located in Last Chance Basin are leaning and need foundation repairs to assure they do not fall over. One of the two towers supplies power to the Last Chance Mining Museum. CBJ was awarded a matching grant from the Alaska Office of History and Archaeology to perform the work. The required 40% match would be provided through in-kind services of volunteers of the Gastineau Channel Historical Society. The work would begin in the summer of 2014 and be completed by fall of 2015.

The Historic Resources Advisory Committee reviewed the project and

recommended applying for the grant.

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

- f. Ordinance 2013-11(BD) An Ordinance Appropriating to the Manager the Sum of \$3,137,500 as Partial Funding for the Statter Harbor Launch Ramp; Grant Funding Provided by the Alaska Department of Fish and Game.

This ordinance appropriates a federal grant of \$3,137,500 administered through the Alaska Department of Fish and Game into the Statter Harbor CIP.

The grant would provide construction funding for the new two-lane launch ramp at Statter Harbor. CBJ is required to provide a 25% match or not less than \$1,045,833.34 of non-federal funds. The construction phase is projected to cost approximately \$10M and is fully funded with the ADF&G contribution. The CBJ match is currently in the Statter Harbor CIP account provided by city sales tax proceeds.

With the ADF&G grant construction of the project can begin in fall of 2014 and be completed by spring of 2016.

The Docks and Harbors Board reviewed this ordinance, and its requirement for matching funds, at its June 26, 2014 meeting.

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

- g. Ordinance 2014-24(A) An Ordinance Appropriating to the Manager the Sum of \$130,700 as Additional Grant Funding for the Alaska Mail Services Program; Grant Funding Provided by the Alaska State Library.

This ordinance would appropriate an additional \$130,700 in grant funds from the Alaska State Library to the CBJ Library Department for the staffing, materials, services, and supplies needed to provide library services by mail to Alaskan residents who live in communities that lack public library services.

The current grant budget in operating is \$97,700, this ordinance will increase the grant budget to \$228,400.

The Alaska State Library is directed to provide public library services to residents of the State without access to a public library in Alaska Statute 14.56.030(4) and the Library has been participating in this program in differing manners since its inception. This grant would fund 2.75 FTE positions and there is no matching requirement.

The Assembly Finance Committee reviewed this ordinance at its May 21, 2014 meeting and recommended forwarding to the full Assembly approval.

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

2. Bid Award

a. Bid Results E14-259 JNU Runway 8/26 Rehabilitation

This project consists of three phases of work, each with distinctive work elements and deadlines which will result in the rehabilitation of the main runway at Juneau International Airport.

Bids were opened on the subject project on June 3, 2014. The bid protest period expired at 4:30PM on June 5, 2014. Results of the bid opening are as follows:

| <u>RESPONSIVE BIDDERS</u> | <u>TOTAL BID</u> |
|----------------------------------|-------------------------|
| SECON | \$15,920,520.00 |
| Knik Construction Co. | \$23,461,040.00 |

Engineer's Estimate: *\$19,386,195.00*

The Manager recommends award of this project to SECON for the total bid amount of \$15,920,520.00, contingent on approval of Ordinance 2013-11(AZ) appropriating FAA funding for this project, to be heard under public hearing later this evening.

VII. PUBLIC HEARING

A. Ordinance 2014-14 An Ordinance Amending the Land Use Code Relating to Rezoning Procedures.

This ordinance would address two issues related to the CBJ's rezoning process. First, it would reconcile an inconsistency between CBJ 49.75.130 and CBJ 49.10.170. While the latter provides that the Planning Commission's role with respect to rezoning is only to "make recommendations to the Assembly on all proposed . . . zonings and rezonings," 49.75.130 authorizes the Planning Commission to make "final" decisions on rezonings that are then only reviewable by the Assembly on appeal.

Second, it would eliminate the reference to "appealing" the denial of a rezoning request to the Assembly. Small scale rezoning decisions are legislative acts, not quasi-judicial, and are not subject to appeal.

The Planning Commission reviewed this ordinance at its April 22, 2014 meeting and recommended forwarding to the full Assembly for approval.

The Committee of the Whole reviewed this ordinance at its June 16, 2014 meeting and recommended forwarding to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

Ms. Kiefer said that based on the discussion at the Committee of the Whole meeting, there were more questions that needed to be answered, and staff would like any comments or questions from the Assembly regarding this matter to aid in clarification.

Public Comment: None.

Assembly Action:

MOTION, by Crane, to refer to Ordinance 2014-14 to the Committee of the Whole. Mayor

Sanford said he anticipated that this ordinance would have a public hearing at the first meeting in August. Hearing no objection, it was so ordered.

B. Ordinance 2014-17(b) An Ordinance Amending the Commercial Passenger Vehicle Code.

This ordinance would prohibit persons who have been convicted of certain criminal sex offenses from holding commercial passenger vehicle permits. Currently, the CPV ordinance authorizes the immediate suspension of a Professional Driver's Permit upon the receipt of a criminal charging document or verifiable information disclosing the circumstances of an arrest of the driver for criminally offensive sexual behavior.

The current ordinance does not allow JPD to immediately deny an application under the same circumstances. Thus under the current code, the application would theoretically need to be issued, and then immediately revoked.

The Human Resources Committee reviewed this ordinance at its May 19, 2014 hearing and recommended forwarding it to the full Assembly for approval with a minor amendment (deletion of the word "offensive"). Version (b) of the ordinance reflects that amendment.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Smith, to adopt Ordinance 2014-17(b). Hearing no objection, it was so ordered.

C. Ordinance 2014-19(c) An Ordinance Amending the Building Regulations Code.

This ordinance would amend CBJ Title 19, the Building Regulations Code, by deleting references to the 2006 model codes and replacing them with references to more recent model codes, as modified by the Building Code Advisory Committee (BCAC).

The model codes addressed are the 2009 International Building Code, Fire Code, Fuel Gas Code, Property Maintenance Code, Existing Building Code, and Mechanical Code, the 2009 Uniform Plumbing Code, and the 2011 National Electrical Code.

The International Residential will remain as the 2006 version. The BCAC, CBJ Building Code Official, and the CBJ Fire Marshal met over the past 3.5 years and carefully reviewed each of the model codes listed above, making modifications as they deemed appropriate.

At its meeting on April 14, 2014, the Public Works and Facilities Committee recommended an ordinance be prepared for the Assembly's consideration. With this ordinance, the CBJ code would reference and incorporate the same edition of the model codes currently utilized by the State of Alaska, which would greatly assist designers, contractors, and CBJ staff.

Version (c) of this ordinance differs from the version reviewed by the Public Works and Facilities Committee by making two changes to the section adopting the International Property Management Code: it reverses the deletion of 304.1.1, 305.1.1, and 306.1.1

(Unsafe Conditions), and it amends the ordinance to include Section 106, Violations. It differs from the version that was introduced by incorporating a revision requested by the Municipal Clerk to change the number of copies of the various codes required to be kept by the clerks' office, and by replacing a reference to the 2006 edition with a reference to the 2009 edition that was inadvertently missed.

Amendments to the fee schedule will be brought forward in a separate ordinance.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Troll, to adopt Ordinance 2014-19(c). Hearing no objection, it was so ordered.

- D. Ordinance 2014-32(b) An Ordinance Amending the Land Use Code of the City and Borough to Provide for the Regulation of Wireless Communication Facilities and Providing for a Penalty.

This ordinance would establish regulations for the placement, construction and modification of wireless communication facilities within the City and Borough. It would also adopt a master plan to guide future decision making with respect to the permitting and accommodation of wireless communication facilities within the CBJ.

The Planning Commission reviewed this ordinance at its May 28, 2014 meeting and recommended forwarding to the full Assembly for approval.

The Committee of the Whole reviewed this ordinance at its June 16, 2014 meeting and recommended forwarding to the full Assembly for approval with some minor revisions.

Version (b) of the ordinance includes the minor revisions, which appear in italics, requested by the Committee of the Whole. Also included in your packet is a memo from the City Attorney with proposed language requiring photo-simulated renderings of any proposed wireless communication facility in lieu of a balloon test, as requested by the Committee of the Whole.

The Manager recommends this ordinance be adopted.

Public Comment:

Frank Rue said the ordinance should be simplified and a focus should be on the white strobe lights on cell towers. There were still towers in Juneau with the white strobe lights. He asked why any cell tower would need to be located in an area where air traffic was a concern, to the point that the strobe light was required. They were very stressful. A simple fix, not contrary to federal law, could be to add that CBJ should consult with FAA and Airport manager when a cell tower is proposed and if it was so close to the airport to require a white strobe light, that tower could be denied. There had to be other locations for those. The towers with red lights, or painted towers, were sufficient. He looked for white strobes near the Newark airport when he flew in there recently and the only one he found was on the Freedom Tower.

Kim Allen, an attorney with the Busch Law Firm for AT&T, and also a Redmond, Washington City Council member, referred to letter submitted by AT&T. AT&T supported replacing balloon

testing with photo simulation. The public input they had was that it was more accurate. Balloons were difficult in Juneau's challenging weather environment and the photo simulation provided a better representation. The three mile public notice requirement would be a considerable cost increase over the current 500 ft. requirement. The industry understood the desire for more public notice when placing a lighted tower, however, if a tower was concealed as a pine or "monofir," the 3 mile notice would be over broad and she asked the Assembly to limit that notice to lighted facilities. She had concerns about Section 49.65.910(d) that would require older towers to be rebuilt to current standards for modifications that were not substantial changes under federal law and under federal law, the discretion to issue such a permit did not exist. She asked that the provision be deleted. She referred to a letter from Verizon which referred to Section 64.09 of the Middle Class Job Creation and Tax Relief Act, there was no discretion to deny a permit for a modification or co-location that doesn't amount to a substantial change. The ordinance sets forth specific parameters for what is and is not substantial change based on federal law. In the Table 1 provisions, in the general considerations, for Director's Approval, there are some discretionary elements to that and the requirement that a facility harmonize with the surroundings, the smallest possible profile...be done, and those type of discretionary elements are outside of the Act. She asked that those discretionary elements be moved to the special use permit section.

Mary Irvine, said she lived exactly 3 miles from the Spuhn Island tower light in North Douglas and that was one of the reasons for the 3 mile public notice. She distributed an FAA Advisory Circular AC 70/7460-1K on Obstruction Marking and Lighting. Her primary concern was with cell towers that were lighted. She was astonished that this plan did not bring into compliance the cell towers that were in existence that are lighted. Planning Commission Chair Satre was interested in providing a carrot/stick offer to bring the existing cell towers into compliance. This ordinance just grandfathered those towers. That would be very costly in the long run. She asked the Assembly to bring the 4-6 existing lighted towers into compliance. She spoke about the Sun Valley, Idaho ordinance as a good example of regulation. She said the Assembly should encourage the existing and future towers to provide mitigation measures such as baffles, shields and louvers.

Mayor Sanford asked Ms. Irvine about the handout. She said it was the controlling law on lighted wireless communication towers and it encouraged the use of baffles, shields and louvers.

Ms. Troll asked about the language she referred to in the Sun Valley, Idaho ordinance. Ms. Irvine reviewed the code section from Sun Valley and one of the requirements in permits are an exterior lighting plan. There were easy fixes to the nuisance towers. It would be a small fraction of the cost for the cell phone companies.

Gene Randall commended the good efforts of the Planning Commission (PC) and the Law Department. He spoke about the importance of balloon testing and he wanted to see photo simulations of the proposed facility in addition to the balloon test, not in lieu of the balloon test. The balloon would greatly assist with public notice. The past practice of newspaper notice and 4 ft. square signs were passive public notice. He spoke about Code Section 49.65.970(f)(3)(d) that gave the Planning Commission the ability to deny an application if it obstructed a view of Mendenhall Glacier from North Douglas Highway. No tower will not block the ability to see the glacier so he asked for word-smithing in this section. The PC should have discretion and be empowered to deny a tower if it diminished any view that was valued by the public.

Sue Ann Randall thanked everyone for the time spent on this issue. She spoke about the unrelenting flashing light in her home. She spoke about the Spuhn Island Cell tower debacle. It

had been ten months of stress and it was disconcerting to think that the balloon test would be removed from the ordinance. Photo simulation was used for the Spuhn Island cell tower but it was inaccurate, so it failed. The Spuhn Island tower was a glaring mistake in the community to learn from. A window of time for a balloon test was reasonable so notice was clear from the beginning.

Margo Waring thanked all for the many hours in the consideration of this topic. She said she agreed with Mr. Rue. Radio frequency needed to be certified before construction - but it also needed to be certified after construction with a test to see what the actual emissions were after the tower was built. This would not be against any of the federal regulations to control emissions. The PC moved in the right direction to separate RR from other zones. The ordinance also needed to provide the same protections to existing residential in D1 - D18 residential zones. She asked the Assembly to amend the table to reflect that level of protection.

Doug Mertz said everyone knew this ordinance was created by the Spuhn Island debacle. The changes in this ordinance were good, but would it have prevented Spuhn Island? Notice must be effective. 3 mile notice was good, and he preferred it to be farther. There was an original proposal for Spuhn, notice went out, then the plan was changed, and lighting was added without any additional notice to the public. There needed to be a provision that if a proposal changed substantially, it would be renoticed. The sign that was required was not put up in any of the affected neighborhoods. Signs at the site in the case of Spuhn Island were not meaningful, and signs were not put up in the affected neighborhood. A notice to Neighborhood Associations that already had contact with the Clerks office was warranted.

Assembly Action:

MOTION, by Nankervis, to refer Ordinance 2014-32(b) to the Committee of the Whole. Hearing no objection, it was so ordered.

E. Ordinance 2014-34(b) An Ordinance Amending the Second-hand Smoke Control Code to Regulate the Use of Electronic Cigarette Vapor.

This ordinance would amend the Second-hand Smoke Control Code, Chapter 36.30, to include in the definition of "smoking" the use of electronic cigarette vapor. The rationale for expanding the City and Borough's non-smoking ordinance to include electronic cigarette vapor is as follows:

1. The contents of electronic cigarettes are presently unregulated by the Food and Drug Administration (FDA) and electronic cigarettes are not approved as smoking cessation devices.
2. A study by the American Heart Association has shown that the exhaled vapor can contain chemicals that increase indoor air pollution and, depending on the specific manufacturer of the product, contain toxins and carcinogens in the exhaled vapor.
3. A study by the Center for Disease Control determined that e-cigarette use more than doubled among US middle and high school students from 2011-2012 and that e-cigarette use led to new or increased traditional cigarette use.

The Committee of the Whole reviewed this ordinance at its June 23, 2014 meeting, and recommended forwarding to the full Assembly for approval.

Version (b) revises the definition to address evolving technology, as was discussed at the Committee of the Whole meeting.

The Manager recommends this ordinance be adopted.

Public Comment:

Doug Sanvik said he was pleased with the implementation of the clean indoor air ordinance. He supported this ordinance, and he did not want a few people experimenting with his health by using second hand vapor in public places.

Joan Cahill said she supported the ordinance. She said she was confused by version (b) and the phrase, "but shall not include a tobacco substitute..." is a little ambiguous. She said it was not specific enough to exclude something that produced emissions. The FDA had an abysmal record of protecting the public from tobacco products. She would like the ordinance to ban any kind of emission producing nicotine device in a public place.

Mr. Kiehl said the language would require something to be FDA approved as a prescription drug or an FDA approved tobacco cessation device. He asked if she felt that those devices were what FDA had a history of being cavalier with? Because if they didn't act, it would fall under the prohibition in the ordinance. Ms. Cahill said her concern was that it was not clear to her what they might approve if they were lobbied heavily enough.

Michael Pattersen said he had been fighting a tough battle - to live long enough to accomplish his mission to speak to children about why they should not smoke. He had to avoid second hand smoke and that was impossible. The bars were a refuge because there was not smoke there. He had seen enough evidence that the e-cigarettes emitted ultra fine particles and were harmful to elderly, asthmatics, and children. He asked the Assembly to not take away his last refuge as he had to go indoors to seek refuge from smoke. I had heard that e-cigarettes were less harmful, and it reminded him of the old commercials with doctors recommending the best brand of cigarette. When he was a smoker, he did not understand the rights of others but only looked at his own rights. Now he had to face the people he had assaulted with second hand smoke.

Edi Rodewald said she was happy that the Assembly was taking on this issue and getting ahead of the curve. She said she was a psychologist - and e-cigarettes were an addictive product being sold to youth and which re-introduced smoking. This ordinance was not prohibiting the use of e-cigarettes, but restricted the use in the public spaces. There was evidence that smoking e-cigarettes harmed pregnant women, children, teens and was harmful to developing brains. It was not O.K. to experiment with our youth.

Dr. Bob Urata spoke in support of the ordinance. Lung cancer was still #1 cause of cancer death in Alaska but it had decreased due to many factors including breathing clean air. e-cigarettes were the new battle. The vapor contains nicotine, ultra-fine particles and toxins that can cause cancer. Studies had shown the presence of heavy metals and carcinogens in the aerosol that people exhale. Propylene glycol is a chemical that is used as a base in the cigarette solutions and was one of the primary components in the aerosol exhaled. Short term exposure could cause eye, throat and airway irritation, long term inhalation exposure could result in children developing asthma attacks. It was not benign. e-cigarettes were not approved by FDA as a smoking cessation device but they are marketed as such. The FDA was currently researching them. Youth smoking had decreased but e-cigarette use among middle and high school students had doubled.

This was likely due to marketing strategies. All of the information was not in but it was clear that there were credible threats and they should be included in the clean air act. The ordinance appears to allow tobacco substitutes tobacco substitutes prescribed by a licensed physician or a product approved by the FDA. He said if a product had nicotine in it and it was exhaled, no matter if a doctor prescribed or FDA approved it, it did not belong inside a public building.

Ms. Troll asked Dr. Urata how likely it would be for a doctor to prescribe an e-cigarette as a smoking cessation method. Dr. Urata said right now they were not marketing to doctors. He had patients that say to me that they have used the products to quit smoking, but they don't need to do it in the bar or store next to me. You don't need a prescription to get one. If approved by FDA as a tobacco cessation product, then an insurance company would pay if doctor wrote prescription. But we are far from that, and there were already approved products.

Mr. Kiehl asked about inhaler use and FDA approval. Dr. Urata said FDA looked at side effects on persons directly using products but he didn't know if they reviewed side effects on other individuals.

Assembly Action:

MOTION, by Wanamaker, to adopt Ordinance 2014-34(b). Hearing no objection, it was so ordered.

F. Ordinance 2014-35 An Ordinance Amending the City and Borough Code Relating to Penalty Classifications and the Traffic and Animal Control Fine Schedules.

This ordinance would amend the General Penalty Code relating to penalty classifications by increasing the maximum penalty amount for an infraction from \$300 to \$500, and would amend the Traffic and Animal Control fine schedules in order to make the penalties imposed by the CBJ more consistent with penalties imposed for similar offenses by the State of Alaska and other Alaska municipalities.

The purpose of imposing fines is to bring about voluntary compliance through deterrence. Fines work both as a specific deterrence to the individual wrongdoer and as a general deterrence for the public. Neither the Traffic fine schedule nor the Animal Control fine schedule has been adjusted in many years.

After comparing the CBJ's fine schedule to the State of Alaska's, it was found that our fines were 40% lower for the same violations. In comparison to other municipalities (such as Anchorage and Fairbanks), with respect to many violations, other municipalities have a much more aggressive fining schedule.

The Assembly Finance Committee reviewed this ordinance at its June 11, 2014 meeting, and recommended forwarding to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Jones, to adopt Ordinance 2014-36(b). Hearing no objection, it was so ordered.

G. Ordinance 2014-36(b) An Ordinance Increasing the Rates for Water and Wastewater Utility Services.

This ordinance would increase the water and wastewater customer service rates by 9.5 percent per year for fiscal years 2015, 2016, and 2017, with effective dates of September 1, 2014, July 1, 2015, and July 1, 2016.

Financial elements taken into consideration in the revenue requirement analysis included: ongoing operations and maintenance expenses; capital-related system replacement through depreciation funding less debt principal; debt service (repayment of existing bonds and loans); debt financing; revenue growth through increased customer base; inflation; operating and capital reserve fund balances; and cash sufficiency and coverage testing for bond health.

At its April 2014 Utility Advisory Board (UAB) meeting, the Board approved recommending to the Assembly that it implement the top scenario for funding improvements contained within the rate study in regards to the rate increases.

At its May 2014 meeting, the UAB voted to recommend an “across the board” rate increase in lieu of adopting a “cost of service” model.

The Committee of the Whole reviewed this ordinance at its May 5, 2014 meeting, and recommended forwarding to the full Assembly the proposal to increase the water and wastewater rates by 9.5 percent for fiscal years 2015, 2016, and 2017.

Version (b) corrects a typo with respect to one of the referenced commencement date for one of the increases.

The Manager recommends this ordinance be adopted.

Public Comment:

Dixie Hood requested the Assembly create a senior hardship exemption for water and wastewater rates and asked the assembly to amend the ordinance. She spoke about her eligibility for the senior hardship property exemption and it greatly assisted her. Senior sales tax could be similarly based. tax exemption and bus passes are important services. There are seniors that do not depend on sales tax and asked about possible exemption for sales by cruise ship passengers.

Geoff Larsen, represented Alaska Brewing Company, one of the largest rate payers in Juneau. The utilities were vital to their growth. Over the last 28 years they worked with the utility as they need water to make beer. They consistently look at time horizons that were long, such as 10, 15, and 20 years to make long term financial plans. He encouraged the same approach by the city for long term planning for utilities and other services. He would love to see a ten year plan be embraced. That would involve other attributes, including uses of funds from other sources, but regardless, the rate increase under review would benefit from a ten year plan. They supported rate increases, applied consistently over a longer term.

Scott Willis, Chair, Utility Advisory Board, said CBJ had a good water and wastewater system, but it was aging. The UAB wanted to be sure the utilities were in a strong financial position to be able to fund necessary maintenance and replacements into the future. The Utilities had developed a ten year plan and one part is a ten year capital plan, which was an estimate of the major CIP projects needed to be completed in that time. This was just an estimate for the planning process.

All those CIPs would go through the normal budgeting process. Some of the features in the ten year plan would last longer, or break sooner, than expected, so it was a best estimate and the plan would likely change. Before the Assembly was a ten year financing plan to pay for the CIP plan, and included a combination of rates, sales tax and revenue bonds, as well as some Marine Passenger Fees for the water system. For Wastewater it was roughly a third of the revenue from rates, a third from sales tax and a third from revenue bonds. Revenue for the Water system was mostly from rates with a small amount from Marine Passenger Fees and Revenue Bonds. The plan would be updated every few years. Future rate increases could be lower than expected. 9.5% is a large rate increase and it will impact almost all of the homes and businesses in Juneau. In the last ten years, rates in CBJ had risen 17%, and rates in Anchorage had risen 65%. He listed examples of rates in other communities and said Juneau was comparable. No one likes a rate increase, but sometimes they are necessary.

Lorene Palmer, Juneau Chamber of Commerce Government Affairs Committee, referred to a memo sent by the Chamber, and said the Chamber understood that it was important to maintain basic infrastructure in the community. They appreciate the emphasis on long term planning. Many of the small businesses in the Chamber have already budgeted for 2014 and they are not planning for this rate increase, so please consider this as you move forward so that businesses can do long term planning. Those businesses that use a lot of water will find this difficult. Since this starts September 1, you might think of how this first year is implemented.

Assembly Action:

MOTION, by Jones, to adopt Ordinance 2014-36(b).

MOTION, by Kiehl, to amend the ordinance to create a five year plan instead of three, and instead of 9.5% increases each year on both water and sewer, increase water 6.5% each year and waste water 8% each year.

Mr. Kiehl said the total bill went up 7.6% for each year for five years. A longer term planning effort was desirable. This was an increased plan that was close to the mid-case scenario shown by the consultants, as opposed to the top scenario. This was responsible and would raise these rates more gradually. He submitted the numbers to the Public Works Supervisor.

Mr. Duncan said he had seen this and this was one of the scenarios we looked at. This is a lower rate over an extended period of time and so it still got the utility where it needed to be. The Utility could live with these numbers.

Ms. Troll asked about the impact of shifting the start date of the rates from September 1, 2014 to January 1, 2015.

Mr. Duncan said it would be minimal and the funds compounded over time.

Ms. Troll asked about a different start date for commercial and residential. Mr. Duncan said they preferred to roll the changes out together.

Mr. Jones supported the amendment and long term planning. .

Mayor Sanford said he had been involved with water and sewer for all of his career but could not see creating a big account for utilities. We need commitment from the Assembly to commit the

money needed to replace the system, and there had never been resistance to do a water / sewer project. He saw this ordinance as balancing it on the back of the people. He would rather see a five year plan with 3% a year for water and 3% for sewer. He could not support the amendment.

Roll call on the amendment:

Aye: Crane, Jones, Kiehl, Smith, Troll, Wanamaker

Nay: Becker, Sanford

Motion passed, 6 ayes, 2 nays (Mr. Nankervis telephone disconnected).

MOTION, by Troll to change the start time for implementation of the rates from September 1, 2014, to January 1, 2015. Hearing no objections, it was so ordered.

Mr. Wanamaker objected to the main motion, as amended. He said CBJ did need to pay for maintenance. He had asked for a study of how water and waste water utilities operate to determine if it is an efficient operation. The Assembly needed to carefully examine if CBJ was providing these services the right way, if there were efficiencies that could be implemented. To pay additional costs to keep operating the same way was not acceptable.

Roll call on the main motion, as amended:

Aye: Crane, Jones, Kiehl, Nankervis, Smith, Troll

Nay: Becker, Wanamaker, Sanford

Motion passed, 6 ayes, 3 nays.

H. Ordinance 2014-37(b) An Ordinance Amending the Election Code.

In addition to minor changes to 29.07.150 and 29.10.080 made for clarity, this ordinance would propose the following amendments to the election code:

- 1) Amends section 29.07.050(e) Candidates relating to the final date to withdraw. The final date to file for office is 50 days before the election and is always on a Monday. Currently the final date to withdraw from the ballot is 40 days prior to the election, or the following Thursday. This amendment would reduce the time for a candidate to withdraw from the ballot from 10 days to 4 days. This change could provide the Election Official more time to prepare and print the ballot, as in some years the ballot measures are finalized and the only issue pending is the candidate withdrawal date before approving the ballot to print;
- 2) Adds a requirement that initiative and referendum petitions contain the petition signers' mailing and residence addresses (currently only residence is required);
- 3) Adds a new section to allow for on-line publication of an official candidate statement provided by the candidate, similar to that published by the State of Alaska. The intent of this change is to provide the voters with more information about candidates. The labor to post this information to the city's election website is a minimal cost; and
- 4) Amends 27.05.100 by removing the 15 day window for voting by absentee ballot. This amendment would allow for absentee ballot voting upon the receipt of a completed application, as soon as the ballots are available as determined by the election official, but no less than 15 days prior to the election and through the close of polls on election day.

The Committee of the Whole reviewed the ordinance at its June 23, 2014, meeting and

approved moving the ordinance forward to the Assembly with a few amendments. Version (b) includes those revisions, shown in italics.

The Manager recommends this ordinance be adopted.

Mayor Sanford asked the Assembly to assure they had the version (c) provided the red folder.

Public Comment: None.

Assembly Action:

***MOTION**, by Becker, to adopt Ordinance 2014-37C(c).* Hearing no objections, it was so ordered.

- I. Ordinance 2014-39 An Ordinance Amending the Official Zoning Map of the City and Borough to Amend the Remote Subdivisions Area Map to Include Hidden Valley Tract B, Located in the Upper Lemon Creek Valley.

In April 2014, the applicant applied to have Hidden Valley Tract B, located in the upper Lemon Creek valley, to be designated as remote per the Remote Subdivision Area map of the City and Borough of Juneau Zoning Atlas.

The Planning Commission reviewed the applicant's request at its May 13, 2014, meeting and recommended forwarding it to the full Assembly for approval. Since this ordinance was introduced however, new information has been received regarding the existence of, or request for, easements to access the subject parcel. Because the Planning Commission was not aware of the easement issues when it recommended the amendment to the Assembly, and as the information related to easement access is relevant to the question that was originally before the Planning Commission, I recommend the ordinance be referred back to the Planning Commission for its consideration.

The Manager recommends ordinance 2014-39 be referred back to the Planning Commission.

Public Comment: None.

Assembly Action:

***MOTION**, by Smith, to refer Ordinance 2014-39 to the Planning Commission.* Hearing no objection, it was so ordered.

- J. Ordinance 2013-11(AN) An Ordinance Appropriating to the Manager the Sum of \$1,514,583 as Additional Funding for the Open Space Waterfront Land Acquisition Capital Improvement Project, Funding Provided by the Lands Fund Fund Balance.

This ordinance would transfer \$1,514,583 to the Open Space Waterfront Land Acquisition capital project from the Lands Fund Fund Balance reserved for noise abatement loans.

Ordinances 2003-19(L), 2004-14(O), and 2007-21(C) transferred a total of \$1,514,583 to the Lands Fund from the Heliport Plan and Flightseeing Noise Abatement Capital Improvement Project, funded with Marine Passenger Fee funds, for the purpose of providing loans to reduce the noise impact of small aircraft in the downtown area.

No noise abatement loans have been applied for in the past several years. There have

been loans and interest paid to the Lands fund and now Lands is returning Marine Passenger Fee funds into the Open Space Waterfront Land Acquisition capital project.

In 2002 the Assembly moved that any marine passenger funding not allocated for any other purpose will be placed in the Open Space Waterfront Land Acquisition capital project fund.

The Assembly Finance Committee reviewed this ordinance at its May 7, 2014 meeting, and recommended forwarding to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

Public Comment:

Lorene Palmer, representing the Chamber of Commerce, said they did not have an opinion at this point, but questioned if it was appropriate to place marine passenger fees into an open space land fund or if the funds could be allocated to projects.

Mayor Sanford said this method was an Assembly policy and Ms. Kiefer said the funds could be reallocated out of the open space fund for projects.

Assembly Action:

MOTION, by Jones, to adopt Ordinance 2013-11(AN). Hearing no objection, it was so ordered.

- K. Ordinance 2013-11(AT) An Ordinance Transferring \$10,030,792 of Budget Reserve Fund Balance from the Roaded Service Area and Sales Tax Special Revenue Funds to the General Fund.

This ordinance would transfer \$10,030,792 to the General Fund from the Roaded Service Area (\$1,000,000) and Sales Tax funds (9,030,792). The CBJ “Budget Reserve” balance currently resides in 3 separate funds: 1) the General Fund, 2) Roaded Service Area and 3) Sales Tax Special Revenue funds. The Finance Director recommends consolidating the reserve in the General Fund so the reserve balance is easy to identify for the Assembly, public and bond rating agencies.

Over the years, the reserves have followed various rules, retained in various funds, and had several names (e.g. Rainy Day reserve & Sales Tax Budget Reserve).

On October 8, 2012 the Assembly adopted Resolution 2629 establishing the CBJ “Budget Reserve” and adopting rules for the size of the reserve and defining rules for when funds could be withdrawn from the reserve.

At its May 21, 2014 meeting, the Assembly Finance Committee reviewed the ordinance and recommended forwarding to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Troll, to adopt Ordinance 2013-11(AT). Hearing no objection, it was so ordered.

- L. Ordinance 2013-11(AU) An Ordinance Appropriating to the Manager the Sum of \$6,086 as Partial Funding for the National Alliance of Preservations Commissions Conference; Grant Funding Provided by the Alaska Department of Natural Resources.

This ordinance would appropriate \$6,086 as partial funding to send two CBJ employees to a National Alliance of Preservations Commissions Conference. Grant funding is provided by the Alaska Department of Natural Resources. This travel and training grant is a 60/40 match. The State of Alaska will reimburse the City for conference registration fees, food (per diem), air fare, hotel and transportation costs. The City provides their 40% match in staff time. The entire estimated cost of this project is \$10,144.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Crane, to adopt Ordinance 2013-11(AU). Hearing no objection, it was so ordered.

- M. Ordinance 2013-11(AV) An Ordinance Appropriating to the Manager the Sum of \$12,015 as Additional Funding for the 2012 State Homeland Security Program; Grant Funding Provided by the Alaska Department of Military and Veterans Affairs.

This ordinance would appropriate an additional \$12,015.00 for the 2012 State Homeland Security Programs (12SHSP) Grant from the Alaska Department of Military and Veterans Affairs. Amendment 6 increases the budget from \$223,628 to \$235,643 to cover approved cost over-runs that were on the 11SHSP Grant. The 12SHSP Grant was originally adopted in FY13 with ordinance number 2012-12(X) and additional funding was appropriated in FY14 with ordinance number 2013-11(AQ).

These funds would be used to support the goals and activities of the Emergency Management through funding of training, exercises and equipment purchases.

These additional funds pay approved over-runs that were on the 11SHSP Grant for the following items:

Video Surveillance for JPD/CCFR = \$187.91
Digital Fingerprint Scanner for JPD = \$4,742.59
Night Vision Equipment for JPD = \$2,596.00
ID Tracking & Credentialing System for CCFR = \$4,278.39
Thermal Imaging Equipment for CCFR = \$ 232.00
Kodiak HAZMAT Exercise with AK Shield for CCFR = \$6,272.23

The term of this grant is October 01, 2012 through June 30, 2014.

There is no match requirement for this grant.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Kiehl, to adopt Ordinance 2013-11(AV). Hearing no objection, it was so ordered.

- N. Ordinance 2013-11(AW) An Ordinance Appropriating to the Manager the Sum of \$25,000 as Funding for the Retro-fit of the City and Borough of Juneau's Valley Street Sweeper to Meet the PM-10 Certification; Grant Funding Provided by the State of Alaska Department of Transportation and Public Facilities.

This ordinance would appropriate to the Manager the sum of \$25,000 as funding for a retro-fit to CBJ's valley street sweeper to meet the PM-10 certification which was a grant requirement of the initial purchase. Funding provided by the State of Alaska Department of Transportation and Public Facilities (DOTPF).

In 2011, CBJ purchased a street sweeper with funding received from the Federal Government Congestion Mitigation/Air Quality program and received through the Alaska Department of Transportation and Public Facilities. These funds were appropriated with ordinance number 2011-11(G). These funds were to be used for projects that could be proven to reduce traffic congestion and/or improve air quality in federally designated non-attainment areas. The Mendenhall Valley is a non-attainment area.

In March of 2014, DOTPF notified CBJ that they were unable to close out the grant as the street sweeper was not PM-10 certified. DOTPF acknowledged they failed to inform CBJ of the requirement. The retro-fit will result in PM-10 certification of the street sweeper. DOTPF will reimburse CBJ for the cost of the retro-fit and draft an addendum to the memorandum of agreement between DOT and CBJ to increase the original grant amount to \$275K to allow for the cost of the retro-fit.

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

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Jones, to adopt Ordinance 2013-11(AW). Hearing no objection, it was so ordered.

- O. Ordinance 2013-11(AX) An Ordinance Appropriating to the Manager the Sum of \$5,257 as Funding for the Purchase of Law Enforcement Equipment and licenses; Funding Provided by the Roaded Service Area Fund Balance, Asset Forfeiture Reserve.

This ordinance would appropriate \$5,257 from the Asset Forfeiture Reserve, of the Roaded Service Area fund balance, to the Juneau Police Department, of which \$2,395 will cover an annual license fee for the period June 5, 2014 to June 5, 2015. The license fee allows the Juneau Police Department to securely store investigative recordings on the Law Enforcement Telephone System, and have immediate access to the recordings.

The remaining \$2,862 will be JPD's match for a Forensic Recovery Evidence Device, (Internet Crimes Against Children program will match 50% of the total \$5,724 purchase price). This device is a highly specialized computer system that has the ability to gather forensic evidence of criminal activity from computer software. Most often used in drug cases, child pornography cases, and child sexual abuse cases.

If this ordinance is approved the Asset Forfeiture Reserve account will have a balance of \$303,394.

The revenue source for this expenditure is from asset forfeiture and seizure monies JPD has received as a result of major drug investigations. Under state and federal asset seizure statutes, monies that are realized as a result of the seizure and disposal of personal assets of individuals in drug trafficking can be equally divided among the various agencies involved in the investigation. Once those assets are allocated to the agencies involved, the monies seized must be expended in the area of law enforcement/drug enforcement efforts.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Crane, to adopt Ordinance 2013-11(AZ).

Mr. Nankervis asked if the expense was for an annual license fee and if this was something that the Assembly would see a request for each year or if the cost would be absorbed into the JPD budget.

Lt. Sell said this was a license fee for one year of use for this system. JPD thought this was innovative and would be very useful in investigations. The department would evaluate the the program in a year and if it were successful, would look to the JPD budget or see additional asset forfeiture funds for this expense.

Hearing no objection, it was so ordered.

- P. Ordinance 2013-11(AZ) An Ordinance Appropriating to the Manager the Sum of \$22,281,250 as Partial Funding for the Juneau International Airport Runway Rehabilitation Capital Improvement Project, Grant Funding Provided by the Federal Aviation Administration and the State of Alaska Department of Transportation.

This ordinance would appropriate \$22,281,250 for the Runway Rehabilitation capital project.

Funding is provided as follows:

| | |
|--|--------------|
| Federal Aviation Administration grant: | \$21,562,500 |
| Alaska Department of Transportation match: | \$ 718,750 |

This project will resurface the runway, and install new drainage.

The FAA funds 93.75% of the project with the remainder being split between Alaska DOT and Juneau International Airport. Airport matching funds, which will be close to the DOT amount, will be appropriated later.

The Airport Board approved this action at its March 5, 2014 meeting and recommended forwarding to the full Assembly for approval.

The Public Works and Facilities Committee reviewed this action at its March 17, 2014 meeting and recommended forwarding to the full Assembly for approval.

The Manager recommends this ordinance be adopted.

Mayor Sanford reminded the members that a substitute Ordinance 2013-11(AZ)(b) was in the red folder and before the Assembly.

Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to adopt Ordinance 2013-11(AZ)(b).

Mr. Jones asked the relationship between this ordinance and the bid award on the consent agenda. Ms. Kiefer said the bid award was for the runway rehabilitation work CIP, and this ordinance appropriated the FAA funding to award the bid to Secon for the work. Mr. Jones said the engineer's estimate was \$19 million and Secon's bid was for \$15 million, but this ordinance appropriated \$18 million. Ms. Kiefer said \$18 million was a combination of FAA funds and Department of Transportation match, for the contract as well as other work for the project. Mr. Jones asked if the contract administration was going out to bid. Ms. DeLaBruere said the bid from Secon was \$15,920,000, and there was \$2.6 million for contract administration with USKH, who was awarded the design plan as well. \$895,000 was CBJ contract administration and other project expenses were \$120,500.

Mr. Kiehl asked if the FAA and DOT funds totalled \$18,933,000, the worksheet said \$19,544,000. Ms. DeLaBruere said that difference was the other half of the match - a local match of \$610,000, and would come at a later date.

Mr. Kiehl asked about funds for use of airport equipment. Ms. DeLaBruere said that would be for using airport sweepers to keep the taxiway open while the airport was under construction or a safety officer, etc.

Hearing no objection, it was so ordered.

- Q. Ordinance 2013-11(BA) An Ordinance Appropriating to the Manager the Sum of \$5,740 as Partial Funding to Send Two CBJ Employees to an Association of State Floodplain Managers Conference; Grant Funding Provided by the State of Alaska Department of Commerce, Community and Economic Development.

This ordinance would appropriate \$5,739.80 as partial funding to send two CBJ employees to an Association of State Floodplain Managers Conference. Grant funding is provided by the State of Alaska Department of Commerce, Community and Economic Development.

This travel and training grant is a 75/25 match. The State of Alaska will reimburse the City for conference registration fees, food (per diem), air fare, hotel and transportation costs. The City provides their 25% match in staff time.

The estimated cost of this project is \$9,321.43.

The Manager recommends this ordinance be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Smith, to adopt Ordinance 2013-11(BA). Hearing no objection, it was so ordered.

VIII. UNFINISHED BUSINESS

MOTION, by Becker, to reconsider Ordinance 2014-30, An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of USS 381 FR, Located at the Corner of Atlin Drive and Mendenhall Loop Road, from D-10 to Light Commercial.

Mr. Jones objected.

Roll call to reconsider:

Aye: Becker, Nankervis, Smith, Wanamaker, Sanford

Nay: Crane, Jones, Kiehl, Troll

Motion passed, 5 aye, 4 nay.

There was no discussion on the motion.

Roll call on Ordinance 2014-30:

Aye: Becker, Nankervis, Smith, Wanamaker, Sanford

Nay: Crane, Jones, Kiehl, Troll

Motion passed, 5 aye, 4 nay.

- A. Resolution 2682(c) - A Resolution Adopting the City and Borough Capital Improvement Program for Fiscal Years 2015 Through 2020, and Establishing the Capital Improvement Project Priorities for Fiscal Year 2015.

Resolution 2682(b) was adopted on May 19, 2014. A section of wording was inadvertently left off of the adopted version. This version corrects that oversight.

Version "c" adds the wording on page 4 "(c) The following list, as set forth in the "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2015 - 2020," are capital improvement projects identified as priorities proposed to be undertaken beginning in FY15, but are dependent on other unsecured funding sources. As the sources are secured, the funds will be appropriated:", which was referenced in Section 3. of the original resolution.

The Manager recommends this resolution be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Jones, to adopt Resolution 2682(c). Hearing no objection, it was so ordered.

- B. Appeal - Sealaska Heritage Institute v CBJ Assessor Regarding a Determination of the Taxable Portion of the Walter Soboleff Cultural Center.

On May 12, 2014, the CBJ Assessor issued a final decision regarding the taxable portion of the Walter Soboleff Cultural Center. The petitioner, Sealaska Heritage Institute, represented by Simpson, Tillinghast, Sorensen, & Sheehan, P.C., filed a timely Notice of

Appeal of this decision with the Municipal Clerk's Office on Tuesday, May 27, 2014. The appellant and the CBJ Assessor have been advised that this matter is before the Assembly.

The Notice of Appeal and the Notice of Decision are in your packet. The Assembly is the appeal agency for this appeal, and its actions throughout the appeal process are governed by CBJ 01.50, the Appellate Code.

The Code requires that upon receiving an appeal, the Assembly must first decide whether to accept or reject it. The standards applicable to this decision are set out at CBJ01.50.030(e). You must liberally construe the notice of appeal in order to preserve the rights of the appellant. If, after doing so, you find 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 you decide to accept the appeal, you must then 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, you will be sitting in your quasi-judicial capacity and must avoid discussing the case outside of the hearing process. Additionally, you must comply with section 01.50.230 on Impartiality.

CBJ 01.50.230 Impartiality: "The functions of hearing officers and those appeal agency members participating in decisions shall be conducted in an impartial manner with due regard for the rights of all parties and the facts and the law, and consistent with the orderly and prompt dispatch of proceedings. Hearing officers and appeal agency members, except to the extent required for the disposition of ex parte matters authorized by law, shall not engage in interviews concerning the appeal with, or receive evidence or argument on the appeal from, a party, directly or indirectly, except upon opportunity for all other parties to be present. Copies of all communications with a hearing officer or appeal agency member concerning the appeal shall be served upon all parties."

As a matter on appeal before the Assembly, the Manager made no recommendation.

Public Comment: None.

Assembly Action:

Ms. Kiefer noted that this issue was resolved and no Assembly action was necessary. The Assembly noted correspondence that was distributed regarding the resolution of the appeal.

IX. NEW BUSINESS

A. Docks and Harbors Contract Award for Professional Services - Cruise Ship Berths Project

CBJ Docks and Harbors issued a Request for Proposals for construction administration and inspection services for the Cruise Ship Berths project. Proposals were received from five firms. The selection committee, comprised of the Port Director, Port Engineer, Deputy Port Engineer, a member of the Docks and Harbors Board, and an Assembly member ranked PND Engineers as the top proposer. Much of the Cruise Ship Berths project involves prefabrication of components including floating pontoons, piling, steel

pile caps, ramps, catwalks, etc. Therefore the construction administration and inspection services was broken into four tasks: Task 1 – Submittal Review; Task 2 - Fabrications Inspection; Task 3 – On-site construction administration and inspection (Sept 2015-May 2016); and Task 4 – On-site construction administration and inspection (Sept 2016-May 2017). PND Engineers, Inc. proposes a Time and Materials fee of \$1,061,590 for CA/I services for Task 1 & 2 (Submittal Review and Fabrication Inspections). Subsequent fee proposals for Tasks 3 & 4 will be submitted prior to the start of on-site construction. The project is funded with State Cruise Passenger Excise Tax and Port Development Fees.

The Docks and Harbors Board will review this contract proposal at its regular public meeting of June 26, 2014. The Board's recommendation will be presented at the Assembly meeting.

The Manager recommends approval of this contract.

Public Comment: None.

Assembly Action:

MOTION, by Jones, to approve the award of the time and materials contract for Tasks 1 & 2 of the construction administration and inspection services for the Cruise Ship Berth project contract to PND Engineers in an amount not to exceed \$1,061,590. Hearing no objection, it was so ordered.

B. Regulation Amending the Commercial Passenger Vehicle Administrative Code

The amendments proposed by this regulation are necessitated by Ordinance 2014-17(b), and clarify the circumstances under which a permit can be denied when an applicant or permittee has a criminal history of committing certain criminal sex offenses.

The Juneau Police Department posted notice of the proposed regulation amendments. No comments were received.

CBJ Ordinance 01.60.260 provides the Assembly with three courses of action:

1. The Assembly may take up consideration of the regulation and approve it;
2. The Assembly may choose not to take up consideration of the regulation, in which case the regulation shall be deemed approved; or
3. The Assembly may disapprove the regulation. If the Assembly disapproves the regulation, it shall return the regulation to the Commercial Passenger Vehicle Administrator or direct the regulation be considered as an ordinance or resolution.

If the Assembly returns the regulation, it may state the reasons for disapproval but shall not establish explicit conditions for subsequent approval or direct particular amendment to the regulation.

The Manager recommends adoption of this regulation.

Public Comment: None.

Assembly Action:

MOTION, by Jones, for orders of the day. Hearing no objection, the Assembly moved on to the

next agenda item.

X. STAFF REPORTS

A. Staff Evaluation of Proposal to Assembly for Purchase of the CBJ North Franklin Lot

Mr. Kiehl stepped away from the meeting due to a conflict of interest.

Mr. Chaney distributed a memo to the Assembly and said the Lands Division solicited proposals for alternative uses for the North Franklin parking lot and received only one proposal from the Juneau Legacy Properties. The appraisal of the land arrived at a value of \$530,000. Steve Soenksen was present to answer any questions on behalf of the proposer. The proposal included 29 units of workforce housing, 990 square feet of commercial space, and 22 parking spaces on the ground floor. It was a mixed use approach. The parking was adequate to meet the needs of the building only. The Assembly lands committee reviewed the proposal, recommended the Assembly move forward with a sale of the property, and authorized staff to negotiate a contract with appropriate provisions with Juneau Legacy Properties. There are details that needed to be worked out.

Mr. Jones said one of the recommendations made was a realistic time frame on performance. Mr. Chaney said he would like to work with the applicant to determine this.

Mr. Jones asked how a formal contract with CBJ would impede or bind the work of the Planning Commission and any decisions they might make. Mr. Chaney said the contract would have to be provision that the contract would be subject to approval by any review agency for compliance. It is in the Mixed Use district so it would be easier to be permitted in that district.

Mr. Nankervis said he was struggling with two competing interests - housing and parking.

Ms. Troll said this project exacerbated the parking problem downtown and asked if there were alternatives for parking.

Ms. Crane said it was difficult to see 22 parking places displaced.

Mr. Wanamaker said staff had the authority to negotiate the proposal with the applicants.

Ms. Becker asked about the number of parking places for the project and Mr. Chaney said the code provided for a parking reduction for the area as not all downtown residents had cars and drove, so there were fewer spaces than apartments in the proposal.

Mayor Sanford said there was an excess of commercial space in the downtown area and suggested converting the commercial space in the proposal to parking. It would be even better if the proposal could increase to six stories for a total of 60 units and if there was a way for the developers to partner with another party to do that, he encouraged that.

Mr. Chaney said staff received a proposal from the Baranof after the fact, and he encouraged them to work with Juneau Legacy Property. He also said the Planning Commission has to authorize the sale of CBJ property.

Mr. Jones was supportive of going forward with the project to get as much development as possible that the developer could complete.

Mr. Chaney summarized that he would pursue at a minimum what the developer proposed.

XI. ASSEMBLY REPORTS

A. Mayor's Report

None.

B. Committee Reports

Committee of the Whole: Chair Becker said the next meeting was set for July 28, 2014.

Finance Committee: Chair Crane said the next meeting was set for July 9, 2014.

Human Resources Committee: Chair Kiehl said the HRC heard annual reports from the Historic Resources Advisory Committee, the Juneau Commission on Aging, and the Juneau Commission on Sustainability.

Chair Kiehl provided the recommendations from the HRC regarding committee appointments. Hearing no objections, the following appointments were confirmed:

Historic Resources Advisory Committee:

Gerald Gotschall, Myra Gilliam and Shawna McMahon to terms expiring June 30, 2017, and Michael Tripp and Sorrell Goodwin to terms expiring June 30, 2016.

Juneau Commission on Aging:

Mary Ann Vandecastle to a term expiring June 30, 2017.

Juneau Commission on Sustainability:

Lisa Weissler, Amy Skilbred and Clint Gundlefinger to terms expiring June 30, 2017.

Personnel Board:

Nancy Sutch to a management seat for a term expiring January 31, 2016.

Chair Kiehl said the HRC reviewed a resolution amending the Local Emergency Planning Committee to add a representative and an alternate representing vulnerable populations.

Chair Kiehl said the HRC considered Ordinance 2014-08 providing regulations for second hand dealers and heard some input on that. He would schedule a special meeting of the HRC for sometime in mid-July for the Assembly to consider the ordinance prior to the public hearing at the regular Assembly meeting on July 21. Mayor Sanford noted the public comments submitted on the issue.

Chair Kiehl reported that a local non-partisan group called Juneau Votes spoke about their activities to increase voter registration and turnout.

Public Works and Facilities Committee: Chair Wanamaker said the next meeting was set for July 14, 2014.

Lands and Resources Committee: Chair Smith said the next meeting was set for July 28, 2014.

C. Liaison Reports

Bartlett Regional Hospital Board: Liaison Crane said that hospital admission were up, there would be interviews for the new CFO on July 24 and 25, they are completing a Medicare audit, and she reported that there was good participation and positive signs from the CBJ Organizational Culture Survey conducted by CBJ Human Resources.

Downtown Business Association: Liaison Jones said DBA has some concerns and questions about the status of the Gastineau Apartments and wondered if parking was a possibility on the lot formerly identified as the VFW Hall.

School Board: Liaison Kiehl said the Board was conducting public interviews for the JDHS Assistant Principal position on July 2, 8:30 am at JDHS.

Eaglecrest Board: Liaison Smith said the Policy and Planning committee met and discussed the potential management of the Treadwell Ice Arena.

Planning Commission: Liaison Nankervis said the next meeting was set for July 8, 2014.

Alaska Committee: Liaison Becker spoke about the recent retreat.

Chamber of Commerce: Liaison Becker said the Gold Rush Days event was a success and Alaska Airlines had contributed tickets as prizes for the Red Marble Draw.

D. Presiding Officer Reports

Jones - Zenk - august 18 kiehl - have July 21.

XII. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Jones asked if discussion of a hardship exemption for utilities could be added to the Tax Review Exemption Committee's agenda.

Ms. Troll said that in response to concerns about inebriate behavior downtown, JPD had increased patrol of the area. She encouraged enforcement of the law preventing sale of alcohol to inebriated persons. Regarding concerns about fireworks, the police would be handling complaints about fireworks in line with other enforcement duties. She asked if the PWFC could review the Capital Transit CIP projects in the Transit Plan for incorporation into the CIP process and Mr. Wanamaker said he would add that to the agenda.

Mr. Smith - thanked all of the volunteers working on the 4th of July and wished everyone a safe and happy 4th.

Ms. Becker asked staff to provide the Tax Exemption Review Committee with a full packet of materials.

Ms. Becker asked about getting the downtown clock fixed. Ms. Kiefer said staff was working on it and was looking for parts.

Mayor Sanford said that the Royal Canadian Mounted Police would be in Juneau (sans horses) for participation in the Fourth of July parade.

XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

XIV. EXECUTIVE SESSION

A. Gastineau Apartments

MOTION, by Becker, to enter in to executive session, to discuss the Gastineau Apartments. Hearing no objection, the Assembly entered into executive session at 10:10 p.m. and returned to regular session at 10:45 p.m.

Upon returning to regular session, Mayor Sanford said the Assembly provided direction to staff on Gastineau Apartments.

XV. ADJOURNMENT

There being no further business to come before the Assembly, the meeting was adjourned at 10:47 p.m.

Signed: _____
Merrill Sanford, Mayor

Signed: _____
Laurie Sica, Municipal Clerk