

**ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
MINUTES**

October 27, 2014, 6:00 PM.
City Hall Assembly Chambers

Worksession - No public comments

I. ROLL CALL

Deputy Mayor Mary Becker called the meeting to order at 6:00 p.m. in the Assembly Chambers.

Assemblymembers Present: Mary Becker, Karen Crane, Maria Gladziszewski, Loren Jones, Jesse Kiehl, Jerry Nankervis, Merrill Sanford, and Kate Troll.

Assemblymembers Absent: Debbie White

Staff present: Kim Kiefer, City Manager; Rob Steedle, Deputy City Manager; Rorie Watt, Engineering Director; Kirk Duncan, Public Works Director; Samantha Stroughtenger, Wastewater Superintendent; Michelle Elfers, Engineer/Architect I; Gary Gillette, Port Engineer; John Bohan, Chief CIP Engineer and Laurie Sica, Municipal Clerk.

II. APPROVAL OF AGENDA

Hearing no objection, the agenda was approved as presented.

III. APPROVAL OF MINUTES

A. October 6, 2014 Committee of the Whole Meeting Minutes

Hearing no objection, the minutes of October 6, 2014 were approved as presented.

IV. AGENDA TOPICS

A. Economic Development Plan - Town Meetings

Barb Sheinberg, Sheinberg and Associates, spoke about the seven recommended initiatives of the Economic Development Plan. There was a good turnout with 75 people at the town meeting last week and people divided into groups by topic to discuss the initiatives. The next meeting was set for Wednesday, Oct 29, at 7 p.m., at the University of Alaska Campus. The consultants were getting good feedback and people were paying attention to the website. The "Build our strengths through entrepreneurship and branding" seemed to be too broad an initiative so they were making some changes as they received feedback. The consultants were working with the Community Development Department and the CBJ GIS staff to develop some tools for economic modeling.

B. State Library Archives and Museum Resolution

Ms. Kiefer said the packet contained information from the Historic Resources Advisory Committee which met in September. There is a change in plan for the "flicker panels" from the old State Museum Building. In 2010 CBJ passed Resolution 2551am supporting the listing of the Alaska State Centennial Museum for listing on the National Registration of Historic Places, also outlining mitigation, specifically that "if the museum building is demolished, mitigation should be required in the form of preserving one or more of the concrete panels for interior or exterior display, and providing a publication and interpretive exhibit on the history of the museum in the new facility." City/State project review and a conditional use permit from the Planning Commission both had advisory (only) conditions mirroring the language. The panels were evaluated and it was determined that they were not structurally sound to enable reuse. Linda Thibodeau provided notice of this to the State

Historic Preservation Office and the CBJ HRAC. HRAC recommended the state make a new panel, but the \$55,000 for that part of the project was used regarding the movement and evaluation of the panels, and the funds left were for the publication and exhibit. Ms. Kiefer recommended the Assembly repeal Resolution 2551am and draft a new resolution supporting the SLAM project, acknowledging the panels can't be salvaged, maintaining the condition for a publication and exhibit, and states that CBJ encourages the flicker design be used wherever possible within the new building.

Ms. Gladziszewski asked about "use the existing flicker design," would that be an add on? Ms. Kiefer said it was an encouragement, not a requirement, to incorporate the design. It would be used in the backdrop.

Ms. Troll asked if there were available funds to incorporate the design in other places. Ms. Kiefer said no, and it was only a recommendation, if there was an easy way to incorporate it somewhere else. Ms. Troll suggested incorporating an acknowledgement of the financial situation in the resolution.

Ms. Crane said she was convinced they made a good faith effort to salvage some of the panels, and it would be unreasonable to add on to the budget at this point.

MOTION, by Sanford, to repeal Resolution 2551am and draft a new resolution with the recommendation as outlined by the the manager.

Mr. Nankervis objected and said he did not believe it was the city's place to direct the state on how to address their building.

Mr. Jones said he objected as well and said the condition on the original resolution was impractical. He did not mind repealing the resolution, but did not see the need for a new resolution.

Mayor Sanford said that the mitigation factors that were in the resolution were underway, but should be addressed in a new resolution as outlined by the Planning Commission.

Mr. Jones said this would not repeal the Planning Commission's decision, it still stood, and there were plans underway to meet those conditions.

Ms. Crane said she assumed that doing this resolution would help with the museums negotiation with SHPO. A resolution would show there is a new community agreement.

Ms. Gladziszewski said the advisory condition from the PC was just acknowledging the CBJ resolution. Ms. Kiefer said there was a resolution on the books now, and by repealing and renewing, it recognized the impossible requirement and still showed support of the project. This provided historical context for the future. Ms. Gladziszewski said she did not support an additional requirement to use the flicker feather design in other areas.

Mr. Kiehl said he saw value in the Assembly tracking the development of the project and had no problem with using the flicker feathers where they could be used as it was an iconic design.

Roll call:

Aye: Becker, Crane, Gladziszewski, Kiehl, Troll, Sanford

Nay: Jones, Nankervis

Motion passed, 6 aye, 2 nay.

Ms. Linda Thibodeau, Director of the SLAM, was present to give an update on the project. The legislature fully funded the construction during the last session and they were now in the third phase. In the late 80's and early 90's, it was determined the facility was underbuilt. We included the state libraries and state archives as well into the state museum project. Five locations will be incorporated into one. All of the collections from the museum and Territorial Records and Alaska Railroad

Corporation Records from the National Archives were moved into the new building. The building is already functioning as a repository. We have used about 3/4 of the amount of concrete that we will need to finish and we anticipate opening in May 2016. The mitigation discussed is moving along and an inhouse exhibit will incorporate the flicker design, the history of the institution, and there will be a kiosk display with a small replica of the flicker feather panels. There will also be a traveling display and a book published. Six teams of writers and photographers went around the state documenting the centennial projects that would be included in the book, and there will be an e-book as well. This has been a big research project and we have learned many interesting things.

Mr. Nankervis asked how the parking would work at the SLAM. Ms. Thibodeau said there would be double the spaces than in the past. There are 30-35 spaces in the back where the construction is staged that will be open public parking. The basement will have 66 parking spots and we have not determined how we will use those in the evening. We need to ensure public safety and not allow it to be a public nuisance. She said in total there would be approximately 120 spots plus the bus turnaround. We are ceding some of our current space to the legislature to ease the winter crush.

Ms. Becker asked if she had shared the plans for this display with the HRAC and Ms. Thibodeau said she had not, but would do so.

C. Biosolids Update - Biosolids Disposal Options

Michele Elfers and Samantha Stroughtenger provided a memo in the packet and were present to answer questions.

Ms. Troll asked for information on centrifugal treatment. Ms. Elfers said a goal was to reduce water and this could be accomplished by a belt filter press and/or by a centrifuge. There was a centrifuge but it was uninstalled as part of the odor control program. This question would be answered in the Preliminary design phase. Basically, it was all about removing water. Ms. Stroughtenger said it wasn't really an option for the treatment and disposal of the sludge, it would just thicken the sludge. There would need to be an analysis of the sludge to determine what solid content could be reached, and the energy costs and savings balance involved. It is an analysis that hasn't been done, and can be done at a future time.

Mr. Kiehl asked about anaerobic digestion, the concern about an explosive by-product, the safety risk, and using the gas by product to burn to put energy back into the system. Ms. Stroughtenger said she could provide some information from CH2M Hill. She said there would still be sludge that would need dewatering and the need to handle and dispose of the material. The preferred alternative was burning dried biosolids in a furnace for heat recovery.

Ms. Gladziszewski asked for information on why composting was dropped off of the list. Ms. Elfers said a goal was to reduce the volume of end product and composting required adding materials. There was a cost to handling the end product and not a lot of uses for the end product other than landfill cover. Another reason was the lack of a large enough area of land to use to create the compost, considering the significant amount of wetlands in the community. It would be a Class A biosolids product, an organic material that could not be used for fill, but it could be used to grow food for human consumption.

D. Biosolids Update - Solid Waste Planning Re-Cap

Rorie Watt said he did not have any good news regarding solid waste, but saw the discussion on biosolids evolving into a desire for long range planning on waste management strategies. He said the CBJ had many discussions on that topic in the mid-2000's. There were no easy options on municipal solid waste. A question was whether this was an opportunity to do something now that leveraged biosolids with a better solid waste solution. Mr. Watt said he did not think so. There was not enough volume of material available in Juneau and in Southeast to make an incinerator system economically feasible. The Assembly tabled the effort on solutions to solid waste in 2010 because the solutions were hard. They included acquiring the garbage system, the certificate, and requiring

universal collection, which was controversial to the public. He said that if CBJ got the collection certificate and pursued an incinerator, and found a site for it, to finance an incinerator even without the biosolid issue, the cost per person would calculate out to \$55 per month for each of 10,000 rate payers (which there are not that many) just to pay for the incinerator. That was a large bill with a conservative estimate. Biosolids could be burned if they were a small part of the volume, but in this area it was a larger part of the wastestream and it would take a large amount of energy to burn off all of the liquid. A dryer for the biosolids was useful in all of the alternative scenarios and was consistent with anything to be done in the future. He said the problem needed to be resolved in the next 20 years, but he did not feel it was time to solve this problem now. It would come back at a better time.

Mayor Sanford said his basic questions were still not answered. He did not understand why CBJ needed an RCA certificate, or anything more than a private/public partnership with the landfill. CBJ did not have to do this all on its own. He wanted to see a comprehensive look at the waste stream and be guaranteed that the \$20-30 million on the biosolid disposal piece could be used later on within a comprehensive set up. He would like to be able to produce energy and sell it to the grid. He wanted to know if the landfill could be mined and if the biosolid solution could work with that.

Mr. Watt said it was the recommendation of the work group and the waste consultant that acquiring the certificate was part of the strategy. CBJ would not be able to influence a private business to spend the money that it would take to address the issues without controlling the waste stream. There were twelve recommendations in the WIH report and CBJ made it to #2, which were still using the landfill and hiring a solid waste coordinator. Contractual partnerships between the entities was #5 on the plan. CBJ had no stake in the game, as it did not own/operate either the collection of the waste or management of the landfill or have an ability to regulate either business.

Ms. Gladyszewski said the consultants said the CBJ had solid waste goals that were beyond its ability to effect them because it had no mechanism to enter relationships that were existing. It was cheaper to get into the trash hauling business than into landfilling and that was the recommendation to investigate trash hauling, which was done. Mayor Sanford asked if Pacific Waste / Arrow Refuse said they would not be a partner with us. Ms. Kiefer said when the CBJ negotiated with Arrow to buy the certificate, they were looking at doing a partnership in that CBJ would first establish universal collection, in which everyone would be paying, and then CBJ would buy the certificate and then contract back with them to do the hauling. It was originally a \$7 million cost and the last negotiation was \$15 million, and the Assembly did not want to pursue that. Then CBJ pursued getting its own certificate. We assumed we could do this without being regulated by the state but the RCA said that was not true, that they would set our rates. That is when the Assembly abandoned the idea. Mayor Sanford asked if someone said no to a private/public partnership. Ms. Kiefer said that was looked at with WM, ARROW, and CBJ and they were not willing to work together with CBJ. Mayor Sanford said perhaps the question needed to be asked again.

Mr. Watt said digging out the existing landfill would create odors and there would be a high moisture content in the material that would make it difficult to burn. Some time ago this practice occurred at the landfill when the incinerator ran very hot but now there were issues with burning hazardous materials in the landfill such as asbestos, metals and plastics that could make burning problematic. There would also be a high energy and regulatory cost. Selling energy back to the grid is a great strategy in some places but was not a good option for Juneau currently. He spoke about the idea of combining wood waste with the biosolids and said that there was not a wood stream to tap into for this idea to happen.

Ms. Gladyszewski asked about a regional landfill or waste to energy program. Mr. Watt said CBJ still did not "own" the garbage in order to make a decision to participate, and he did not see the private sector initiating it due to the cost to the consumer.

Ms. Troll said there had been technological advances and there was a new owner of the power company, so perhaps now was a time to pursue such a public/private partnership. Mr. Watt said that garbage was not one of the power company's core businesses. Mr. Watt said he was hopeful that gasification technologies would evolve but did not recommend that CBJ be on the vanguard of that as

lessons were learned in being a prototype at the Mendenhall WWTP.

Ms. Troll said she would like to see cost analysis on a centrifuge regarding biosolids.

Ms. Crane said this has been an issue that comes and goes and it was clear that there was nothing sized for this community, and she did not want to see CBJ be an early adopter of unproven technology.

Ms. Gladziszewski said this has been an issue forever and people think the Assembly can and should do something about solid waste. She thought there might be a communication problem - CBJ does not control the waste stream. Maybe we can talk about this during goal setting. We could do something but at what cost. She asked if the Assembly needed to provide a response on the recommendation on the biosolids.

Mr. Watt said comments were still forthcoming from the Juneau Commission on Sustainability and from the Planning Commission, so no Assembly recommendation was needed at this time, but staff would like to get direction on a potential revenue bond and proceeding with design work at some point.

Ms. Troll asked for the analysis of a centrifuge and Mr. Watt said it would add on several months to the project to do it.

Mayor Sanford asked if sufficient funds were requested for this project in the request to the state. Ms. Kiefer said \$22 million was requested but the number could be adjusted.

MOTION, by Troll, to move forward with information gathering from advisory groups and information on financing, and to move the matter to the Finance Committee when the information was ready. Hearing no objection, it was so ordered.

E. Capital Transit Revised Plan

Mr. Steedle introduced new CBJ transit superintendent, Kyan Reeve, who operated the Ketchikan Gateway Borough transit system for five years. Mr. Reeve said he was very excited to join CBJ.

Mr. Duncan said key items from the Transit Development Plan were to get service on Riverside Drive, to provide earlier service, to provide reliable service regarding timing for transfers, and budgetary issues, so this plan touched on all of these needs. In order to get time back into the schedule, the valley transfer point was moving from the Nugget Mall to the Pipeline Skate Park. We are interlining the express bus to save money and this will allow us to serve Riverside on a consistent half hour basis. A problem is that the asphalt is not deep enough at the skate park to handle buses on a consistent basis. We need to go to the public to inform them of what is going on. We are discontinuing service between Atlin and Stephen Richards in order to put service on Riverside Drive, which will effect about 50 people a day. We will gain much more traffic going to Riverside. We are also discontinuing service to St. Ann's Ave. in Douglas and turning around at Savikko park instead, which saves time but there are only one or two passengers there. We will also save time by discontinuing service on the downtown loop and all buses will terminate at the Downtown Transit Center. We are discontinuing service into UAS but people can walk out to the Back Loop, which allows greater frequency for that service. He said he was pointing out where the Assembly would hear from constituents what was good and bad about this plan. Overall he said it was a good plan and it put service on Riverside and was cost effective. The plan would go to the Planning Commission the next day to discuss the need for a City/State Permit for the transit station at the Skate Park. He said this was a 4-5 year fix and eventually a valley transit center was desirable to start a park and ride and serve other needs. Mr. Duncan said this was the staff's best recommendation.

Mr. Nankervis asked how people would be accommodated at the Pipeline Skate Park. Mr. Duncan said an island would be installed in the parking lot with a shelter to allow two busses to pull in on one

side of the island and two busses could pull in on the other side. The ramps for wheelchairs there would be accessible. There were restrooms available there, and lighting would be added. Because of the availability of asphalt, implementation could be as early as January and as late as Mid-May. Transit was presently working with Engineering on this project.

Mayor Sanford asked if Transit had vetted the changes with neighborhoods. Mr. Duncan said meetings would be held to put out what the changes were. We are done with the "what do you think" phase as we have gathered lots of information and we need to tell people this is the most effective plan that we can come up with. If we get really bad feedback we will have to deal with it.

Mr. Keihl said this approach was offensive and ridiculous to him. He had a hard time with the valley local bus turning at the McNugget intersection and not stopping to pick up a passenger until it hit the airport at Shell Simmons Drive. That did not serve the customers and people would be flagging the bus by Nugget Mall and Lee Smith, and at least one stop should be planned in that heavy use commercial area. We discussed discontinuing service all the way to the prison in Lemon Creek to save time, but that is still in this plan. He disagreed with discontinuing the downtown loop which served high density housing and an area that had great potential for more high density housing. Many people used the bus to go to REACH.

Ms. Becker said she had concerns about the cost of construction at the skate park and asked where the funds would come from. Mr. Duncan said that \$75,000 in the bus shelter CIP would be available for the project and they were presently estimating the costs. The costs would not come from the operating budget. Mr. Duncan said to answer Mr. Kiehl's points, they would like to have a bus shelter at the Jordan Creek and Nugget Malls but that would take cooperation with DOT, which took time. Transit determined that there was enough usage for the Lemon Creek stop to justify continuing the service.

Ms. Troll said CBJ had a system that ran remarkably well with limited financial support over the years. She acknowledged the work on the plan that answered some of the additional service without additional cost. We don't achieve all needs but the plan is now amenable to the drivers, so this is progress, given the limitations the Assembly has put on Transit through the budget. We don't want to tell the public like it or leave it, but we do want to explain how the plan was developed and why.

Mr. Duncan said they would take the plan to the public and say it was staff's best recommendation, would catalog feedback, and if there was significant push back that would be reported to the Assembly to make an ultimate decision. Mr. Duncan said there had been a lengthy series of public meetings to get to this point so a fine line needed to be walked between going back to ground zero and wanting people's comments. He said he would distribute the plan to the riders on the bus and they could put on an additional person to take calls to get feedback.

F. Tongass Advisory Committee Update

Ms. Troll introduced the discussion that was taking place at the Tongass Advisory Committee. The group was appointed by the Secretary of Agriculture with a direct charge to figure out how to transition the timber industry to predominately young growth industry in ten to fifteen years. Once that is done, it will address other uses of the Forest Service plan. She recently went to Prince of Wales to see existing mill operators, toured communities, and got a sense of the challenges of young growth. She learned that there is a "wall of wood" that would become available in 10 - 15 years and is a function of the second growth forest maturing to the point that it became prime economic time to harvest the wood. At that time it will be important to have an integrated timber industry in Southeast, which meant providing dimensional lumber, biomass, wood chips, etc. The Forest Service has required 50/50 local supply and export, and we would like to see local markets for the lumber and other products. There is an awareness is that there has to be old growth in the mix. A transition also needed to happen within the Forest Service on their methods of operation as all the processes were old growth driven. We are looking at transitioning the Forest Service to be more user friendly. This group was very engaged and had positive discussions, and she was encouraged that there would be a consensus recommendation at the end of April. She spoke about the Thorne Bay school being

heated with cord wood boilers and the students involvement with the design and maintenance and the greenhouse operation using excess heat. She hoped those in Juneau would investigate conversion from diesel boilers to wood to create a market to handle the "wall of wood."

Mayor Sanford asked for more information on the timing of the readiness of the "wall of wood." Ms. Troll said the study was underway and she would provide the information when it was available.

Ms. Becker asked about conversation on old growth and Ms. Troll referred to that as "the elephant in the room," that everyone recognized that was an element of the plan but there would not be large clearcuts as in the past. There were ongoing micro sales of dead and falling old growth taking place now.

Mr. Nankervis asked what her title and role was. Ms. Troll said there were five different sectors including Native Alaskans, timber industry, conservation, government, and "other." She was an alternate member in the government section and was part of the discussion but did not get to vote. She applied to serve and thought she was chosen due to her experience serving as an elected official in Ketchikan and Juneau, and from working on Tongass issues through United Fishermen of Alaska. She was not representing CBJ, but was wearing a general government interest "hat," to bring a government perspective to the conversation. She said the effort was less advocacy driven than the Tongass Futures Roundtable.

V. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

None.

VI. ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 8:05 p.m.

Submitted by Laurie Sica, Municipal Clerk