

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

June 22, 2015, 6:00 PM.
City Hall Assembly Chambers

Assembly Worksession - No Public Testimony

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 Gladyszewski, Loren Jones, Jesse Kiehl, Jerry Nankervis (Telephonic 6:25 p.m.- 9:25 p.m.), Merrill Sanford, and Debbie White.

Assemblymembers Absent: Kate Troll

Staff present: Kim Kiefer, City Manager; Amy Mead, City Attorney, Rob Steedle, Deputy City Manager; Laurie Sica, Municipal Clerk; Bryce Johnson, Police Chief; David Campbell, Lieutenant, JPD; Rorie Watt, Engineering/Public Works Director; Marlene Love, Transit Operations Supervisor; Robert Palmer, Assistant Attorney; Hal Hart, Community Development Director; Beth McKibben, Planning Manager; Laura Boyce, Senior Planner; Jean Hodges, Assistant Controller; Patricia DeLaBruere, Airport Manager; Ken Nichols, Airport Engineer; Catherine Fritz, Airport Architect; Mark Miller, Superintendent, Juneau School District.

Others Present: Airport Board Members Jerry Godkin, David Epstein, Mal Menzies, Joe Heueisen.

II. APPROVAL OF AGENDA

Hearing no objection, the agenda was approved as presented.

III. APPROVAL OF MINUTES

A. June 1, 2015 Committee of the Whole Minutes

Hearing no objection, the minutes of the June 1, 2015 Committee of the Whole meeting were approved.

IV. AGENDA TOPICS

A. 2014 Juneau Police Department Annual Report

Chief Johnson thanked the Assembly for its support in many areas. He and Lt. Campbell were present to provide the Juneau Police Department's 2014 annual report, including statistics on police activity and the breakdown of the types of responses made by the department.

He said the second hand store ordinance was in place for over a year and they made 11 recoveries of jewelry, 6 of electronics and 5 of firearms. He said the ordinance was the reason why they could clear a case approximately twice a month. It was proving to be a useful tool. Mayor Sanford asked how the businesses were responding to the code requirements. Chief Johnson said only one business was having a difficult time coming into compliance but they were not enforcing the code upon any businesses yet. Leads on-line have helped significantly as well. Mr. Jones related a personal experience about stolen property recovery through implementation of the ordinance.

Chief Johnson spoke about new canine officer "Buddy," a certified drug dog, still undergoing training.

He spoke about staffing levels and there are six vacancies in sworn officers, 6 are in training and three are being sworn-in on July 6. Dispatch is finally fully staffed and there were 4 in training. It took a year to train an officer and their challenge is retention. He spoke about the stretch still with airport coverage and the upcoming July 4 activities. Mr. Jones asked about succession planning and he said there was a good mix of stratification of ages, with fewer mid-range officers and JPD generally saw resignations after 5 - 6 years of service, as there were lots of job openings nationally and Juneau was a good place for training.

Future opportunities included training for a Crisis Intervention Team which included national best practices. He anticipated a move towards body cameras as a way to improve everyone's behavior. Nationally the use of force and complaints go down. Ms. Crane asked if there was any resistance from the staff and he said two years ago, there was, but the climate had changed significantly. JPD officers were not worried about their actions as they were doing the right thing. He said JPD had been the only accredited agency in Alaska but the accreditation agency was no longer in existence, so they were investigating another agency. Mayor Sanford said the Assembly supported accreditation and was eager to help where needed to ensure that happened.

Ms. Crane said DUI has gone down significantly over the past few years and asked for an explanation. Chief Johnson said it was probably due to a reduction in traffic stops and the need to assign officers to calls. He did not think it was related to any reduction in drinking. Chief Johnson anticipated the need to address the situation when adding marijuana to the factors of DUI. Domestic violence calls were the priority over traffic stops.

Ms. Gladyszewski asked about the clearance rates for rape crimes. He said he spoke to AWARE and together determined that there are not more crimes but there were more being reported. The cases were not the easiest to clear even though there was good investigation work going on.

Ms. Becker said she was surprised by the value of heroin. Chief Johnson said it was up and it was addiction driven. People generally started with prescription medicine, then moved to heroin. He said Juneau was a hub and they were doing interdictions at the Post Office and it has helped to be at the airport.

Ms. Becker thanked Chief Johnson and the entire department for their efforts. He said the airport had been significantly more work than he anticipated and the officers were challenged in their work hours.

B. Juneau School District Major Maintenance Funding

Ms. Kiefer noted two items added to the red folder: an overview of bond deb and mill rate status from Finance Director Bob Bartholomew and an attachment to the school district's request that was left out of the packet outlining \$2.62 million in deferred maintenance and minor capital projects. Ms. Kiefer said that the target of bond debt should not exceed \$222 Million, and CBJ was currently at \$204 million. Mr. Bartholomew's memo recommended waiting 1-2 years for additional bonding, especially GO bonds. The finance department was anticipating an eventual mill rate reduction in FY17-18 and the Assembly would have more options at that time to consider.

Supt. Miller said that when the state put a five year moratorium on school bonding, it changed the landscape for funding school maintenance. We put the idea of a full renovation of Marie Drake on hold and he reviewed the list of items on the deferred maintenance list. He said a few areas of major concern were the bleachers and shot clock at JDHS, and a single wall underground 5000 gallon fuel storage tank that was not monitored. Those were the type of things that kept school superintendents up at night.

Mr. Watt said there had been a good period of state supported school construction and through that period there was an opportunity to use leftover funds for smaller projects. CBJ now found itself in a situation with no mechanism to fund deferred maintenance for the smaller things. Mr. Watt said the school district was now a department like all others in the city that were seeking maintenance funds. The list of projects was the tip of the iceberg.

Mayor Sanford said that the Assembly had been asking for asset management information, including for the schools, and many of the items at the schools had been fixed. CBJ needed a good program to be able to see what the needs are and if the Assembly did not have that information it was difficult to set priorities. The list was needed to create the CIP list, to prioritize for sales tax funding and for other uses. He would support funding to get moving on this.

Mr. Watt said that the district was previously able to hire a facilities planner, but as the big projects tapered off, that position was eliminated. The Dept. of Education would agree to use additional bond funds to do an assessment of a facility and projects were flushed out for the Assembly and the voters. The Dept. of Education restricted the use of residual bonds and became less lenient to use bonds in ways they previously had, and therefore they lost a year on Marie Drake. Staff was scraping money from bond interest for planning but the plan was completed just when the legislature placed the moratorium. The district had a nominal plan for big projects but not overall. The resources they had were put into teaching. This was an abrupt change to the funding patterns from the state.

Ms. Kiefersaid the Dr. Means, Mr. Miller and she met about six weeks ago and discussed that it would take about \$250,000 to take a good look at the school district needs so that when the state started funding again those priorities would be established and ready to be addressed. It would take a few years to get that project going as they did not have the staff to do this. The money they were seeking for maintenance could be spread over a few years to get the \$1.3 or \$1.5. We could take part of tobacco tax, say \$650,000 and include it in CIPs for special projects. She said staff could bring back proposals at the July 30 Finance Committee meeting.

Mr. Kiehl thanked Mr. Miller and Mr. Watt for bringing the concerns forward and he understood the changed environment. For at least the next five years, it would be a new world and CBJ needed to have this conversation. 100% funding would need to come from the local taxpayers' pockets. The start should be bare necessities projects. The approach may need to be more collaborative with CBJ and JSD.

Ms. Crane said CBJ had lost staff and the Assembly couldn't transfer the responsibility for these facilities to the engineering department. Mr. Watt said that CBJ engineering staff typically did this work, and that the work had been charged to the job, so it was business as usual.

Ms. Gladziszewski said she also had a concern about the database of information and asked when was the facilities position ended. Mr. Watt said that the district had enormous pressures in its operational budget for teaching positions. He said the condition surveys for JSD facilities were historical as the renovations were made. There was information for Marie Drake and there were items that could be done there, as well as at Mendenhall River Elementary, and DZ Middle School, even though relatively new, it would need a next 20-year look. The list before the Assembly came from both JSD and Engineering staff because the board recognized that the Assembly needed to see the types of projects requiring funding. Ms. Gladziszewski asked how the priorities could be set. Mr. Watt said that the relationship needs to be defined on who was going to set the priorities since the funding would come completely from the CBJ. Ms. Gladziszewski said an overall facility picture was needed. Mr. Watt said he thought there needed to be separation between funds for schools and for other CBJ facilities. He would not mix the two categories. Each program, when successful, got funds through the CIP, including the enterprise boards, streets, etc. If facility maintenance were mixed there would be conflict between programs.

Ms. Becker said the JSD needed to provide the priorities for facilities. Mr. Watt said that the funding that the Assembly could provide to JSD should be broad to be able to roll with changes.

Ms. Becker said safety and health issues were primary, and she assumed the district would prioritize that way.

Mr. Miller said that school districts were good at routine maintenance and cleanliness, but their priority was educating children. They had an outside firm review the oil tank situation, and that was not the area of expertise for the school staff. They need more facts for a master facilities plan regarding the changing population in the community. A future planning effort needed to go along with a prioritization for maintenance process.

Mr. Jones understood the interest in segregating funds but in the near term how could the Assembly deal with this until the 2017-18 sales tax funds may become available. Mayor Sanford said that led back to building and facility asset management.

Ms. Becker asked if efforts towards buying asset management programs should take precedence over the oil storage tank problem.

Mr. Kiehl supported asking the voters for additional funds for school maintenance. He wanted to set some direction for funding this at this meeting. Ms. Becker agreed that the needs were there.

Ms. Kiefer said the proposal from the school was for \$1.3 million. She spoke about the schedule to get a question on the ballot and suggested drafting an ordinance to put this on the ballot with introduction on July 10, discussion at the Finance Committee on July 30, and then action in August.

Mr. Jones said under the old funding scenario, it would have likely been two years to replace the oil tank. There was no plan to do this immediately. He was not sure there was a crisis that existed that required the Assembly to come up with an immediate solution and put it forward to the voters on the ballot.

Mr. Kiehl said the amount of funding that was used to make accelerated bond payments could have been used for these type of repairs, but that was no longer available and this was why CBJ was in this situation.

Ms. Crane said that there may be other 1% projects that were not ready to be used and she mentioned the BRH CAMU project. The Assembly should look at all of the options. Ms. Kiefer said she planned to bring those type of options to the Assembly Finance Committee on July 30.

Mayor Sanford wanted to hear all of the options. Ms. Kiefer said the concern was the tight deadline for the election, and asked for direction for drafting to get this in motion.

***MOTION**, by Sanford, to draft an ordinance for introduction on July 20 for funding school maintenance projects at \$1.3 million. Hearing no objection, it is so ordered.*

C. Airport General Obligation Bonds

Patricia DeLabruere presented the Assembly with a request from the Airport Board for \$10.15 million in the form of a GO Bond for airport improvements. She spoke to a presentation that gave an update of the current operations at the airport and outlined the projects yet to be funded. She said approximately 1 Million people travelled through the airport in a year, and there were 950 direct jobs in operations at the airport, in addition to construction jobs. The \$6.4 million in operating revenues from rates and fees at the airport were sufficient to maintain operations at reasonable rates for tenants, but were not sufficient to finance large capital projects without help from CBJ. CBJ benefited through sales taxes, business personal property taxes and property tax from airport tenants.

She spoke about the terminal renovation project, and the next Phase II is the oldest area which needs complete renovation or tear down. Part A is the north wing where the small air carriers are and it must be completely torn down due to code issues and can not be just renovated. The \$14.1 million cost

would include a variety of funding sources, and she was requesting \$3.75 M in a 2015 GO Bond request. Part B was the "Knuckle" phase and was in the future and was not being addressed at this time.

The snow removal equipment facility now dated back to 1962 and much of the equipment did not fully fit in to the building. We were not ordering new equipment until they had a place to put it. The new facility was only subject to 73% of FAA funding, some part was ineligible, and this was a \$4.2 million request in the proposed GO bond.

Ms. Crane said she understood this building was needed and she thought this was already fully funded but that was before relocation. She did not understand that Juneau had to pay back the FAA, and she asked about the cost to redesign at a new site. Was the value of the original site worth the cost of redesign? Ms. D. said access and prime property would be lost at the old location. The proposed relocation of the SREF was actually to the original planned location for the SREF building that was somehow changed during the long EIS process. The amount of real estate lost to the runway safety area mitigation on the west end for the creek restoration was a huge determiner for rethinking the location. When the Board mentioned relocating back to the west end, tenants whole-heartedly supported this move due to the lost land and the prime property that it would take up on the east end. The long-term look was the main objective. They had one tenant looking at a large portion, plus several others looking at the east end. Not one of them would consider the west end which limited their size and had no public access. She said the staff took a longlook and worked with the FAA on a complete analysis which could be found on the Airport's website:

<http://www.juneau.org/airport/projects/sitedesign.php>

Ken Nichols said they had to do a detailed economic analysis of the site for FAA and it made complete economic sense to go to the northwest site. Based on the duration of the leases and the revenue it would make up for the cost. He spoke about potential development that had been discussed and proposed.

Catherine Fritz said that an analysis was done for the FAA regarding the highest and best use of the land and this was hotly debated between the airport and FAA. The airport had limited revenue opportunity due to the location in the wetlands and that property could not be developed. The areas of land we do have are limited. Her opinion was that the decision to locate the SREF in the NE quadrant had been a political decision, because the NW quadrant was part of the original EIS. She said it was the best long term decision for the airport to relocate the facility, based on many factors, most importantly the economic factor of the potential tenants and revenue to be derived.

Ms. Fritz said there was not much that could be done to change the design of the facility to reduce costs at this point. The board went through this analysis. The space for archives could be taken away, and there was a meeting room, but that was the only training room. The FAA said the Airport needed all of the functional pieces, but was not allowed to pay for all of them. They had not spent any money on redesign of any components until the funding could be lined out.

Ms. DeLaBruere spoke about the improvements needed to Alex Holden Way. \$2.2 million was spent on a band aid approach in May but long term roadway reconstruction was needed. This had been on the CBJ CIP list for a long time. There were public access rights to this road.

She showed a chart of capital funding from 2007 - 2014 and the source of the funding. There is another \$61 million of eligible projects for FAA funding and another \$4 million for other projects. This is an incredible amount of funding and it is all coming due.

Ms. Becker thanked the staff for their report.

Ms. Crane said she was not willing to move forward this at this time and she wanted to look at all requests at the same time to know what we are looking at putting forward to the voters.

Mayor Sanford concurred and said CBJ was close to the cap on bond debt an the Finance Department had suggested that CBJ wait one year. Ms. White agreed.

Hearing no objection, Ms. Becker said the Assembly would discuss the matter with Mr. Bartholomew at the upcoming Finance Committee meeting.

D. Capital Transit Update

Mr. Watt said he knew that last year was a frustrating year regarding transit issues and he had spent significant time on this issue since moving into his new position. He was hoping for a good interactive process with the Assembly. He outlined his report, provided statistics on bus use, and said they had made significant progress with DOT and were building bus shelters. The facility renovation project was in preliminary design and was estimated at \$6.3 million, which included electronic fare boxes. They would have a project soon and it would need to be phased. CBJ has an award winning transit system but has not been able to adapt because it had gone too long without making any changes, so it has been an inflexible system. The changes desired add to the stress on the system. The 2014 plan was adopted, had some good information, but was not able to be implemented. We tried to move too fast on relocating the hub to the skate park and that was a false start. We decided to be driver centric in our approach. He said the Assembly wants to be able to incrementally adjust the system, and the drivers see what they called an "empty refrigerator," with no resources to make that happen. Mr. Watt said there was a comprehensive system analysis and there were many good things noted. There was an idea that the transit operators didn't want to change the system, and that was not true, they just didn't want to change it to make it worse. The system was so tight that when one route got messed up it rippled in to the entire system. The drivers had kept the existing route structure by working at shaving time when they could. They were doing this in loyalty to the other drivers and customers. If more minutes were added to the system this left the drivers without a break. Some of the early efforts tried to reroute back loop service. We met with the driver work group, the consultant, Mr. Goldrich, and it was a good process, and there were several options that they couldn't make work. We have tonight an option derived from the driver's experience, which he outlined. We can get the goal of Riverside service, serving Dimond Park, without upsetting the apple cart.

Ms. Crane asked about reduced service to Davis Avenue and the effect. Mr. Watt said traffic was the problem at the hours that service was reduced and riders there would not be happy. A person would be able to get to the bus but just not make the trip in and out. Introduction of more pedestrian movement was a cause for concern.

Mr. Jones discussed pedestrian behavior. Mr. Watt said the entire Old Glacier Highway corridor through Lemon Creek was a real problem and CBJ needed to push DOT to do the proposed improvement project, and if they didn't, he said the CBJ should consider putting a light at Davis.

Mr. Watt said the best part about the proposed changes was that they came at no cost and worked within the existing budget. He said it was a good plan, it needed to be rolled out to the public for input.

Discussion continued with questions and answers from Assemblymembers.

Ms. Crane said this was the best plan so far and was thankful for the work that went into it. Mr. Watt said that it was thanks to the drivers as they wrote the plan.

Mr. Watt spoke about proposed changes in technology and transit would implement automated passenger counting to get real time data to measure ridership and route timing. He pushed the consultant for an answer about electronic fare boxes and was told they generate only 10% more revenue. The fee structure and the policy on free rides was a big topic and needed to be reviewed. If we give people a ride on caravan for free and we charge for the bus, this sets up a problem.

Mr. Watt spoke about Park and Ride and the potential of looking at church parking lots during the week, also the new parking area at Statter Harbor. Nugget Mall was difficult with timing in the system as a hub, and we talked to the Mendenhall Mall about increasing the presence with the

mall - they don't want us on the mall road, but they have property for sale - if we move there as an anchor, we have all new opportunities. He showed a diagram of a lot next to Tesoro and said this would be a good valley hub in the long run. The lot was assessed at \$550,000 and he asked for permission to obtain an appraisal to determine the possibility of a potential purchase.

Mr. Kiehl said he did not object but would like to see how the proposed changes work before we start investing in a new transit point. Mr. Watt said he understood and the new changes would be implemented October 1. If you do a transit center at this location you would need a whole new transit plan and it would give you maximum flexibility. It would be a long process but there would be so many more options. Ms. White agreed with Mr. Kiehl.

Ms. Gladyszewski asked about park and ride and how many spots are they looking at. Mr. Watt said he was not sure but could gauge it by setting up a pilot project.

Ms. Crane spoke in favor of obtaining an appraisal. Ms. White estimated a commercial appraisal to range in cost from \$5,000 - \$60,000.

Hearing no objection, the Assembly agreed to an appraisal of the property at a cap of a \$6,000 investment.

Mr. Watt said that many people were encouraging the system to invest in electric buses. There was a plan to purchase four new buses and he strongly discouraged the purchase of electric buses, saying it was not the right time.

Mr. Watt said the Human Services Transportation Plan would come before the Assembly in August.

E. Title 49 Land Use Code - Revisions Proposed by the Planning Commission regarding Subdivisions

Ms. Boyce said she was available to answer questions only or to provide a presentation.

Mr. Jones said his main concern was lowering the standard for roads and the potential for increased costs to the city in the future due to a need to provide for Local Improvement Districts for those roads. If the purpose was to increase affordable houses, those homes would have families with children that would want services such as sidewalks and paved streets. He still had concerns about the remote subdivisions.

Mr. Kiehl said he had concerns and questions about privately maintained access roads in rights of way.

Ms. Boyce said the staff would like to have the applicant pay for the notification required and that should be added to the code.

Ms. Mead said an important issue for the Assembly to consider in the ordinance was that the street standards that were required would be tied to the ADT (Average Daily Trips) standards. Gravel roads would be allowed, except for in the valley, if the trips generated would be under 250 ADT in the minor subdivision with 13 or fewer lots. Prior to the accessory apartment ordinance, this worked, because both a single family home and accessory apartments were measured the same way with an average of 9.57 trips per day each, and 250 was the top ADT for a minor subdivision. With the new accessory apartment ordinance, it reduced the number of parking spots required from 2 to 1 for the apartment and a definition was added saying that the apartment was subordinate to the use. So now for the purpose of calculating ADT, the accessory apartment could no longer use the same ADT (9.57) for the main home. If using the streets standards table, the 250 ADT is actually 16 or 17 lots, which no longer matches with the language of the private access. The subdivision review committee was aware of this but was concerned about making changes so late in the discussion. Ms. Mead said it was an inconsistency in the code. The

Assembly needed to fix this by either removing the limitation for private access ways only in minor subdivisions from the code, or in the table setting up the street standards, the ADT is changed so that it is not 0-250 or whatever the 13 lots would generate, assuming that there could potentially be an accessory apartment on each lot. Ms. Becker asked to get a written explanation of the issue.

Hearing no objection, the Committee requested that the ordinance be removed from the public hearing scheduled for June 29, and recommended scheduling another Committee of the Whole meeting on July 27 to discuss this ordinance, with an anticipated public hearing at the August 10 regular Assembly meeting.

V. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

None.

VI. ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 10 p.m.

Submitted by Laurie Sica, Municipal Clerk