

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

June 25, 2018 7:00 PM

City Hall, Assembly Chambers  
Regular Meeting 2018-18

Submitted By:

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Duncan Rorie Watt  
City and Borough Manager

**I. FLAG SALUTE**

**II. ROLL CALL**

**III. SPECIAL ORDER OF BUSINESS**

A. **Special Recognition: Laurie Sica**

**IV. APPROVAL OF MINUTES**

A. **June 4, 2018 Regular Assembly Meeting 2018-15**

B. **June 11, 2018 Special Assembly Meeting 2018-16**

C. **June 13, 2018 Special Assembly Meeting 2018-17**

**V. MANAGER'S REQUEST FOR AGENDA CHANGES**

**VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

**VII. CONSENT AGENDA**

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction

B. Assembly Requests for Consent Agenda Changes

C. Assembly Action

1. Ordinances for Introduction

a. **Ordinance 2017-06(AW) An Ordinance Appropriating to the Manager the Sum of \$119,853 as Funding for Various Capital Improvement Projects and Bond Debt; Funding Provided by General Obligation Bond Interest Income.**

This ordinance would appropriate \$119,853 in bond interest income that was earned on general obligation bond proceeds allocated to the projects listed below. Per CBJ Charter and direction of Bond Counsel, the interest income is available to: 1) cover original projects expenditures, 2) pay bond debt service & IRS arbitrage fees or 3) other eligible Capital Improvement Projects. The proposed expenditures are in compliance with the guidance.

Funding provided by un-expended bond interest income from ten capital improvement projects.

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

- b. **Ordinance 2018-11(A) An Ordinance Appropriating to the Manager the Sum of \$53,000 as Partial Funding for the Treadwell Mine Park Preservation Capital Improvement Project; Grant Funding Provided by the Treadwell Historic Preservation and Restoration Society.**

The project is to prepare and paint the exterior and interior of the existing concrete structure known as the Treadwell Office Building. This work continues recent historic preservation work at the Treadwell Mine Historic Park.

The Treadwell Historic Preservation and Restoration Society is contributing \$53,000 to this project. Funds were obtained by the Society through private and corporate donations for the purpose of historic preservation activities at the Treadwell Mine site.

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

- c. **Ordinance 2018-11(C) An Ordinance Appropriating to the Manager the Sum of \$84,479 as Funding for the Parks and Recreation Department; Funding Provided by Hotel Tax Fund's Fund Balance.**

On July 1, 2018, the CBJ will enter into an agreement with the Juneau Arts and Humanities Council (JAHC) to manage the operations of Centennial Hall. Because the work of managing the hall will shift from public employees covered by the Public Employer Retirement System (PERS) to employees of a nonprofit organization not subject to PERS, the CBJ will incur a onetime termination cost of up to \$84,479.00. This ordinance would appropriate the funds needed to pay for the termination costs to the Parks & Recreation Department. The funds will come from the Hotel Bed Tax Fund's fund balance.

This issue was discussed with the Assembly Finance Committee at its June 13, 2018, meeting. The AFC directed staff to prepare an

appropriating ordinance and move it to the full assembly for introduction and public hearing.

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

- d. **Ordinance 2018-12(A) An Ordinance Appropriating \$40,000 from the Treasury for FY19 School District Operations with the Sole Purpose of Funding the Auto Shop Lease Costs.**

This ordinance would appropriate \$40,000 to the Juneau School District, to be used solely for the rental payment relating to the facility use agreement between the district and the University of Alaska needed for the district's auto shop program.

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

- e. **Ordinance 2018-36 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of USS 2305, Lot 9 Fraction (Northern Portion) and USS 2335 Fraction (Western Portion), Located at 4535 North Douglas Highway, from D-3 to D-15.**

This ordinance would rezone lots on North Douglas Highway from D-3 to D-15.

The two lots (1.64 acres) are under the same ownership and together are currently occupied by one single family dwelling.

The requested rezone would be an expansion of an existing D-15 zone immediately to the north. The large lot to the north was rezoned from RR(T)D-3 to D-15 in 2014. The 2013 Comprehensive Plan identifies the immediate area around and including the lots as Medium Density Residential (MDR). This designation supports lots which have zoning with dwelling densities between five to twenty units per acre. The Comprehensive Plan notes that rural lands and lands in the North Douglas Subarea should be rezoned to higher densities when public water and sewer are provided to them. The subject lots were connected to public water in 1987 and public sewer in 2011.

The CBJ Land Use Code provides minimum restrictions for zone change requests. This proposal conforms to these restrictions as follows:

1. The request is for less than 2 acres, but if approved will expand an existing D-15 zoning district.
2. No similar request has been made in the past year.

3. This request substantially conforms to the land use maps of the 2013 Comprehensive Plan.

On April 18, 2018, a public meeting was held at the Douglas Library. On May 22, 2018, the Planning Commission recommended that the Assembly approve the rezone.

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

f. **Ordinance 2018-37 An Ordinance Authorizing an Alternative Procurement Method Related to the City and Borough's Recycleworks Program.**

This ordinance authorizes the Manager to complete an alternative procurement that would allow the CBJ to locate all of its waste programs at the privately owned and operated Waste Management landfill.

Under this authorization the Manager intends to complete a number of activities. First, the Manager intends to execute a ten-year contract with four five-year renewals that will result in the construction of a purpose-built recycling building. The Assembly will annually be asked to appropriate funds for the recycling program. Appropriation Ordinance 2018-11 (b) will appropriate supplemental FY19 funding for the recycling program. Waste Management will operate the recycling program.

Second, the Manager intends to lease land from Waste Management at the landfill at fair market value and construct a purpose-built household hazardous waste (HHW) collection center on that land. At a future date the Assembly will be asked to approve an appropriating ordinance to fund the land lease and construction costs of the building. The HHW program services will be competitively bid by CBJ.

Third, the Manager and staff intend to develop a composting or other organics management program that could also be located at the landfill, also on leased land. The program details have not yet been developed. The Assembly will have the opportunity to consider funding this program through a future appropriation process.

**The City Manager recommends this ordinance be introduced and set for public hearing at a special Assembly meeting on July 11, 2018.**

g. **Ordinance 2018-11(B) An Ordinance Appropriating to the Manager the Sum of \$126,000 as Supplemental Funding for Waste Management's Fiscal Year 2019 Operating Budget; Funding Provided by the Waste Management Fund's Fund Balance.**

This ordinance would appropriate \$126,000 from the Waste Management Enterprise Fund Balance to the Waste Management Operating Budget to provide funding for the recycling program envisioned by Ordinance 2018-37. This appropriation would fund, through FY19, the increased contract cost between the existing recycling contract and the expanded contract contemplated by Ordinance 2018-37.

**The City Manager recommends this ordinance be introduced and set for public hearing at a special Assembly meeting on July 11, 2018.**

2. Resolutions

a. **Resolution 2825 A Resolution of the City and Borough of Juneau in Support of the Juneau Fisheries Terminal Expansion.**

This resolution affirms Assembly support for Docks & Harbors to submit a \$25M Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grant application. This grant, formerly called TIGER, provides the opportunity for municipalities to compete for \$1.5B in US Department of Transportation investments to improve road, rail, transit, and port projects that achieve national objectives.

In March 2017, Docks & Harbors completed a master planning document, the Juneau Downtown Harbors Uplands Master Plan: Bridge Park to Norway Point. This document, adopted with public input, described elements desired at the Juneau Fisheries Terminal which are contained in the BUILD grant application.

The Docks & Harbors Operations-Planning Committee reviewed the resolution and recommended adoption at its June 20, 2018, meeting.

**The City Manager recommends this resolution be adopted.**

3. Liquor License

a. **Liquor Licenses**

The below liquor license actions are before the Assembly to either protest or waive its right to protest each license action.

**Renewals:**

**Package Store AMCO License # 2066: Fred Meyer Stores Inc. d/b/a Fred Meyer #158**

Location: 8181 Glacier Hwy., Juneau, AK 99801.

**Package Store AMCO License # 4742: Glacier Hwy, LLC d/b/a Glacier Hwy LLC**

Location: 6525 Glacier Highway, Juneau, AK 99801.

This is an application for a license renewal as well as an application for their first waiver since they did not operate for a minimum of 30 days within the preceding license year.

**License Transfer & Application for a Restaurant Designation Permit Beverage Dispensary Tourism License #2541: MGO Inc., d/b/a Juneau Airport Travelodge**

Location: 9200 Glacier Highway, Juneau, AK 99801.

This is an application for a license renewal as well as an application for a Restaurant Designation Permit.

**New License& Application for a Restaurant Designation Permit Beverage Dispensary Tourism License 5649: Tailwind JNU LLC d/b/a Tailwind Concessions**

Location: 1873 Shell Simmons Drive, Suite 220, Juneau, AK 99801.

(Juneau Airport outside security.) This is an application for a new license as well as an application for a Restaurant Designation Permit.

Staff from the Police, Finance, Fire, Public Works (Utilities), and Community Development Departments have reviewed the above licenses and recommend the Assembly waive its right to protest these applications.

Copies of the documents associated with each license are in the Assembly's e-packet or available in hard-copy upon request to the Clerk's office.

**The City Manager recommends the Assembly waive its right to protest the above-listed liquor license applications.**

4. Transfers

a. **Transfer T-1000 Transfer of \$250,000 from Cruise Berth Improvement Capital Improvement Project to the Dock Cathodic Protection Capital Improvement Project.**

The CBJ Docks and Harbors director requests a transfer of funds from CIP account H51-101 (Cruise Berth Improvements) to CIP H51-104 (Dock Cathodic Protection).

This transfer will provide funding to move forward with contracting the third and final phase of the Dock Cathodic Protection Project - preparing and painting the waterside of the Marine Park retaining wall.

The Docks and Harbors Board reviewed this transfer at its May 23, 2018, Operations/CIP Committee meeting.

**The City Manager recommends this transfer be approved.**

## **VIIIPUBLIC HEARING**

- A. Ordinance 2017-06(AX) An Ordinance Appropriating to the Manager the Sum of \$250,000 as Supplemental Funding for Harbors' Fiscal Year 2018 Operating Budget; Funding Provided by Harbors' Fund Balance.**

Docks & Harbors anticipates exceeding its FY18 authorized spending authority by \$250K in the Harbor Enterprise. The increase is attributable to extraordinary expenditures including personnel costs, infrastructure improvements and resolving abandoned and derelict vessels. The additional request is an increase of 5% of the total authorized expenditures in FY18. Sufficient revenues in excess of the budget are available in the current fiscal year.

The Assembly Finance Committee reviewed this request at its meeting on June 13, 2018.

**The City Manager recommends this ordinance be adopted.**

- B. Ordinance 2018-20 An Ordinance Authorizing the Manager to Sell Four City and Borough of Juneau Parcels, Located at 5436 Commercial Drive and 5433 Shaune Drive, to AKBev Group LLC.**

This ordinance would authorize the CBJ to sell four parcels to the Alaskan Brewing Company. The CBJ currently uses two of the parcels for its Household Hazardous Waste program and uses the other two parcels for part of its Water Utility program. With the consolidation of the Engineering and Public Works departments and the desire to move the HHW program to a more efficient location, the public would benefit from selling these parcels instead of continuing to operate the existing programs on them.

The Planning Commission recommended the CBJ sell the four lots at its meeting on January 23, 2018. This transaction was also discussed at the following Assembly Committee meetings: April 10, 2017 Lands, January 29, 2018 Committee of the Whole, May 8, 2018 Public Works and Finance, and May 21, 2018 Committee of the Whole.

**The City Manager recommends this ordinance be adopted.**

- C. Ordinance 2018-32 An Ordinance Amending Title 72 of the City and Borough of Juneau Code Relating to Driving Without a License.**

This is a housekeeping ordinance clarifying that the operation of a vehicle without a license is an offense, not only when one's license has expired, but also when a license has never been obtained. (Consistent with state law, the CBJ code provides for a lesser penalty for operating a motor vehicle when one's license has been expired for less than one year.)

**The City Manager recommends this ordinance be adopted.**

**D. Ordinance 2018-35 An Ordinance Authorizing the Manager to Execute Permits for City and Borough of Juneau Road Reconstruction and Maintenance Projects in State Rights-of-Way with the Alaska Department of Transportation and Public Facilities.**

This ordinance would allow the Manager to execute approach road permits that include indemnification provisions with the Alaska Department of Transportation and Public Facilities to allow the CBJ to reconstruct municipal roads and other approaches when the access points are located within the State's rights-of-way as required by 17 AAC 10.020(c).

ADOT&PF's boilerplate access road permits contains an indemnification provision. CBJ Charter 9.13(a) generally prohibits the CBJ from indemnifying others. However, Charter 9.13(c) allows the CBJ to indemnify the State when the CBJ would not otherwise be able to participate. This ordinance would allow the Manager to execute ADOT&PF access road permits required by state law.

**The City Manager recommends this ordinance be adopted.**

**IX. UNFINISHED BUSINESS**

**X. NEW BUSINESS**

**A. UAF Cooperative Extension Service Lease in Public Safety Building**

On April 23, 2018, the Assembly unanimously authorized the Manager to purchase the former Public Safety Building located at 450 Whittier Street in the Willoughby District; closing is scheduled to occur on or about June 29, 2018. Presently, the University of Alaska Fairbanks Cooperative Extension Service leases space in this building from the current owner, the State through the Alaska Mental Health Trust. It has been determined that it is in the CBJ's best interests to retain UAF as a tenant after the property has transferred to CBJ ownership. There is no mechanism in code that specifies how such a rental should proceed. It is my intent to utilize a process similar to the process used for leasing office space in the CBJ Water Utility Building, given the similarities between the two (non-consumptive, short-term use). A lease for a non-exclusive, non-consumptive use of CBJ property may be granted by the manager for a term not to exceed one year.

I propose to proceed with a rental agreement for the use of office space in the already-existing building located at 450 Whittier Street. The rental amount will be for \$3,603.86 per month and the rental term shall not exceed one year. As there are no other CBJ departments that have a property interest in the space being rented, I do not intend to circulate the rental agreement for review to other CBJ departments or the planning commission (as is the process provided for by CBJ 53.09.310 for use permits).

No action by the Assembly is required and this topic was on the agenda to provide



information to the Assembly.

**B. Appeal - Juneau Church of the Nazarene v CBJ Assessor**

On June 1, 2018, the CBJ Assessor denied a request from the Juneau Church of the Nazarene for religious use exemption status for property located at 3220 Mendenhall Loop Road, Juneau, AK 99801. On June 5, 2018, an appeal of the Assessor's decision was filed.

In accordance with the Appeals Code, the Assembly must decide whether to accept or reject the appeal. If you determine, after liberally construing the notice of appeal in order to preserve the rights of the appellant, 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 the appeal is accepted, you must 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, a presiding officer should be appointed.

In hearing an appeal, the Assembly sits in its quasi-judicial capacity and must avoid discussing the case outside of the hearing process. (See CBJ 01.50.230, Impartiality.)

**The City Manager makes no recommendation in quasi-judicial matters before the Assembly.**

**C. Best Starts Resolution**

**XI. STAFF REPORTS**

**XII. ASSEMBLY REPORTS**

- A. Mayor's Report
- B. Committee Reports, Liaison Reports, Assembly Comments and Questions
- C. Presiding Officer Reports

**XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

**XIV. EXECUTIVE SESSION**

- A. Litigation Update
- B. Collective Bargaining Update

**XV. ADJOURNMENT**

**XVI. SUPPLEMENTAL MATERIALS**

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: [city.clerk@juneau.org](mailto:city.clerk@juneau.org)

**THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Meeting Minutes - June 4, 2018

**MEETING NO. 2018-15:** 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 Ken Koelsch.

**I. FLAG SALUTE****II. ROLL CALL**

Assembly Present: Mary Becker, Rob Edwardson, Maria Gladziszewski, Norton Gregory, Loren Jones, Jesse Kiehl, Ken Koelsch, Jerry Nankervis, and Beth Weldon.

Assembly Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Amy Mead, Municipal Attorney; Jane Mores, Deputy City Attorney; Laurie Sica, Municipal Clerk; Bob Bartholomew, Finance Director; Mike Vigue, Engineering and Public Works Director; George Schaff, Parks and Recreation Director; Jill Maclean, Community Development Director; Dallas Hargraves, HRRM Director; Greg Chaney, Lands and Resources Manager; Carl Uchytel, Port Director; Dave Scanlon, Eaglecrest Ski Area Manager.

**III. SPECIAL ORDER OF BUSINESS**

Mayor Koelsch read a proclamation, stating that Juneau Pride 2018 would hold events from June 8 through 15 and encouraged people of the community in celebrating diversity.

**IV. APPROVAL OF MINUTES**

A. May 14, 2018 Regular Assembly Meeting 2018-14

Hearing no objection, the minutes of the May 14, 2018 Regular Assembly Meeting 2018-14 were approved with grammatical corrections.

**V. MANAGER'S REQUEST FOR AGENDA CHANGES****VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS****VII. CONSENT AGENDA**

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction

B. Assembly Requests for Consent Agenda Changes

## C. Assembly Action

*MOTION, by Nankervis, to adopt the consent agenda as presented, with one change, adjusting the manager's request introducing Ordinance 2018-34 to set the public hearing for that ordinance to a special Assembly meeting on Wednesday, June 13, immediately preceding the Finance Committee meeting. Hearing no objections, the consent agenda was adopted.*

## 1. Ordinances for Introduction

- a. Ordinance 2018-32 An Ordinance Amending Title 72 of the City and Borough of Juneau Code Relating to Driving Without a License.

This is a housekeeping ordinance clarifying that the operation of a vehicle without a license is an offense, not only when one's license has expired, but also when a license has never been obtained. (Consistent with state law, the CBJ code provides for a lesser penalty for operating a motor vehicle when one's license has been expired for less than one year.)

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

- b. Ordinance 2018-34 An Ordinance Authorizing the Manager to Execute Utility Permits with the Alaska Department of Transportation and Public Facilities for the Construction, Repair, and Maintenance of City and Borough of Juneau Utilities in State Rights-of-Way.

This ordinance would allow the Manager to execute utility permits with the Alaska Department of Transportation and Public Facilities to construct, repair, and maintain CBJ utilities, as required by AS 19.25.010, AS 35.10.210, and 17 AAC 15.061.

ADOT&PF's boilerplate utility provision contains an indemnification provision. CBJ Charter 9.13(a) generally prohibits the CBJ from indemnifying others. However, Charter 9.13(c) allows the CBJ to indemnify the State when the CBJ would not otherwise be able to participate. This ordinance would allow the Manager to execute ADOT&PF utility permits required by state law.

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

Hearing no objection, the Assembly set the Public Hearing for this meeting to a Special Assembly Meeting on Wednesday, June 13, at 5:15 p.m., immediately preceding the Finance Committee meeting at 5:30 p.m. in the Assembly Chambers

- c. Ordinance 2018-35 An Ordinance Authorizing the Manager to Execute Permits for City and Borough of Juneau Road Reconstruction and

Maintenance Projects in State Rights-of-Way with the Alaska Department of Transportation and Public Facilities.

This ordinance would allow the Manager to execute approach road permits that include indemnification provisions with the Alaska Department of Transportation and Public Facilities to allow the CBJ to reconstruct municipal roads and other approaches when the access points are located within the State's rights-of-way as required by 17 AAC 10.020(c).

ADOT&PF's boilerplate access road permits contains an indemnification provision. CBJ Charter 9.13(a) generally prohibits the CBJ from indemnifying others. However, Charter 9.13(c) allows the CBJ to indemnify the State when the CBJ would not otherwise be able to participate. This ordinance would allow the Manager to execute ADOT&PF access road permits required by state law.

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

- d. Ordinance 2017-06(AX) An Ordinance Appropriating to the Manager the Sum of \$250,000 as Supplemental Funding for Harbors' Fiscal Year 2018 Operating Budget; Funding Provided by Harbors' Fund Balance.

Docks & Harbors anticipates exceeding its FY18 authorized spending authority by \$250K in the Harbor Enterprise. The increase is attributable to extraordinary expenditures including personnel costs, infrastructure improvements and resolving abandoned and derelict vessels. The additional request is an increase of 5% of the total authorized expenditures in FY18. Sufficient revenues in excess of the budget are available in the current fiscal year.

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

## 2. Resolutions

- a. Resolution 2823 A Resolution Ratifying the Labor Agreement between the City and Borough and the International Longshore and Warehouse Union AFL-CIO, Healthcare Unit 2201.

This resolution would provide Assembly ratification of the tentative agreement negotiated between Bartlett Regional Hospital and the International Longshore and Warehouse Union, Healthcare Unit 2201, for a collective bargaining agreement that will expire on December 31, 2020.

The tentative agreement includes the following wage increases: 1.5% in

fiscal year 2019, 1% in fiscal year 2020, and 1% in fiscal year 2021. The total cost of these provisions over the life of the contract for both union and non-represented employees is projected to be approximately \$4,183,000.

In addition, there are other non-economic language changes to the collective bargaining agreement.

This tentative agreement has been ratified by the union membership and was passed unanimously by the Bartlett Regional Hospital Board of Directors.

**The City Manager recommends this resolution be adopted.**

### 3. Bid Award

#### a. Bid Award DH18-068 Auke Bay Marine Station Float Extension

The results of the bid opening were as follows. The period to file notice to protest has ended. The Docks and Harbors Board reviewed this bid at its regular board meeting on May 31, 2018 and recommends a bid award to Trucano Construction.

Additional project funding will be provided by Transfer T-1001, also on this consent agenda.

Bidders

Total Bid

Trucano Construction	\$202,700
Silver Bow Construction	\$292,500
Engineer's Estimate	\$158,000

**The City Manager recommends award of the bid to Trucano Construction for the total amount bid of \$202,700.**

### 4. Liquor License

#### a. Alaskan Brewing LLC d/b/a Alaskan Brewing Co. Transfer of Controlling Interest in Liquor License #2534

**Brewery License #2534 Alaskan Brewing LLC d/b/a Alaskan Brewing Co.**

Location: 5429 Shaune Drive, Juneau.

This license action is for an ownership transfer of controlling interest. The

Assembly just waived its right to protest the license renewal at its April 2, 2018, meeting. Staff from the Police, Fire, Finance, Engineering/Public Works and Community Development departments recommend the Assembly waive its right to protest the transfer of controlling interest application provided in this packet.

The 60-day local government comment period for this license action expires as of July 3.

**The City Manager recommends the Assembly waive its right to protest the above-listed liquor license application.**

## 5. Transfers

- a. Transfer T-1001 Transfer of \$50,000 from Harris Harbor Restrooms Capital Improvement Project to the ABMS Maintenance and Improvements Capital Improvement Project.

The request is to transfer \$50,000 to an existing CIP to allow construction and installation of new marine floats attached to the existing moorage floats at the Auke Bay Marine Station.

Time is of the essence for this transfer as a bid (DH18-086) that exceeded cost estimates was received on May 30, 2018. The bid award for this project is included in this consent agenda.

The Harris Harbor restroom project is 98% complete and the budget shows adequate funds to complete the project and provide the needed funds to the Auke Bay Marine Station project. Demand is high for these floats in Auke Bay thus it is in the best interest of Docks and Harbors to keep the original schedule of this project.

Currently there is \$93,231 in the H51-115 account. If the transfer is approved the account balance would be \$43,231 which is more than adequate to complete the restroom project.

The Docks and Harbors Board reviewed this transfer request at its regular meeting of May 31, 2018.

**The City Manager recommends this transfer be approved.**

## VIIIPUBLIC HEARING

- A. Ordinance 2018-29 An Ordinance Authorizing the Manager to Execute a Utility Permit for a Water System Reconstruction in a State Right-of-Way with the Alaska Department of Transportation and Public Facilities.

This ordinance would allow the CBJ to reconstruct a water service at 2570 Douglas Highway, which is located within a State of Alaska right-of-way.

On February 15, 2017, the CBJ's water service and the customer line were damaged. Emergency repairs were done. The cause of the damage is currently being litigated. The adjacent property owner, Elton Engstrom, has requested that the CBJ remove and replace the existing water service. In order to do so, the CBJ needs a utility permit from the State of Alaska.

The Department of Transportation and Public Facilities recently provided the CBJ with a proposed utility permit, but it contained an indemnification provision. CBJ Charter 9.13(a) generally prohibits the CBJ from indemnifying others. However, Charter 9.13(c) allows the CBJ to indemnify the State when the CBJ would not otherwise be able to participate. This ordinance would allow the Manager to execute the utility permit which includes the indemnity provision.

**The City Manager recommends this ordinance be adopted.**

Public Comment:

None.

Assembly Action:

*MOTION*, by Edwardson, to adopt Ordinance 2018-29. Hearing no objection, it was so ordered.

B. Ordinance 2018-30 An Ordinance Amending the General Penalty Code.

Although most misdemeanor offenses are subject to a penalty of 30 days or less, state law provides for a sentence of up to one year for certain crimes. A defendant may be sentenced to up to one year for a conviction of offensive touching of another not proscribed by Alaska statute as sexual abuse of a minor.

This ordinance would amend the CBJ's general penalty provision to allow for a sentence of up to one year for such an offense, consistent with state law.

**The City Manager recommends this ordinance be adopted.**

Public Comment:

None.

Assembly Action:

*MOTION*, by Gregory, to adopt Ordinance 2018-30. Hearing no objection, it was so ordered.



C. Ordinance 2018-31 An Ordinance Amending the Land Use Code Relating to Sobering Centers and Emergency Shelters.

This ordinance would amend the Land Use Code as it relates to sobering centers and emergency shelters. CDD was directed by the Manager's Office to determine in which zoning districts sobering centers should be allowed. Based on research of other communities, staff determined a new use category for sobering centers was necessary, as well as a clarifying definition to distinguish sobering centers from emergency shelters. Sobering centers are proposed to be allowed with a conditional use permit in the Light Commercial, General Commercial, Mixed Use and Mixed Use 2 zoning districts.

On December 27, 2016, the Planning Commission recommended that the Assembly adopt the ordinance.

**The City Manager recommends this ordinance be adopted.**

Public Comment:

None.

Assembly Action:

MOTION, by Weldon, to adopt Ordinance 2018-31. Hearing no objection, it was so ordered.

D. Ordinance 2018-33 An Ordinance Authorizing the Manager to Execute a Permit for Road Reconstruction in a State Right-of-Way with the Alaska Department of Transportation and Public Facilities for the Intersections of D Street and 3rd Street (Douglas Highway) adjacent to 915 and 916 3rd Street and H Street and 3rd Street adjacent to 1316 3rd Street in Downtown Douglas.

In order to complete the street reconstruction of D Street, from 2<sup>nd</sup> to 5<sup>th</sup> Street and H Street from 2<sup>nd</sup> to 3<sup>rd</sup> Street in downtown Douglas, as routine maintenance provided for in the FY 2018 Capital Improvement Program, the CBJ must obtain approval (an approach road permit) from the Department of Transportation and Public Facilities in order to reconstruct the roadway aprons and sidewalk approaches.

State regulations (17 AAC 10.020(c)) require ADOT&PF to include an indemnity provision from the permittee to the State in all approach road permits.

Normally the CBJ is prohibited by Charter section 9.13(a) (which is substantially similar to Article IX, section 13 of the Alaska Constitution) from contractually agreeing to indemnify another party. (Charter sec. 9.13 prohibits the CBJ from incurring an obligation absent an appropriation for that purpose. An indemnity

provision is an agreement to compensate the other party for any harm or loss arising out of the agreement, such as paying any judgment or damages, and oftentimes defending the other party in any legal action.) The Charter carves out a limited exception, however, allowing the Assembly, by ordinance, to require the payment of funds from appropriations of a later year (or for more than one year) for any federal or state grant, contract, lease, program, etc., without which the municipality would not be able to participate.

This ordinance would allow the City Manager to execute the approach road permit, which includes an indemnity provision, in accordance with Charter section 9.13(c), as required by 17 AAC 10.020(c).

**The City Manager recommends this ordinance be adopted.**

Public Comment:

None.

Assembly Action:

*MOTION, by Gladziszewski, to adopt Ordinance 2018-33.*

Mr. Jones asked and received clarification about the project area of road construction.

Hearing no objection, it was so ordered.

- E. Ordinance 2017-06(AU) An Ordinance Appropriating to the Manager the Sum of \$8,180,300 as Partial Funding for Various Departments' Fiscal Year 2018 Operating Budgets; Funding Provided by Increased Revenues and Fund Balance.

This ordinance would appropriate \$8,180,300 for increases in FY18 operations among three CBJ departments.

**The Hospital** anticipates exceeding its FY18 Assembly authorized spending authority by \$8.0M. The increased spending is needed to address the number of increased patient visits in FY18. The costs are fully funded with related increased revenue. Overall, the patient visits were more than originally projected.

**The Airport** anticipates exceeding its FY18 Assembly authorized spending authority by \$140,300. The increase is attributable to the cost of lump sum negotiated wage payment not included in the base budget. Sufficient revenues in excess of budget are available to cover the additional salary expenses.

**The Affordable Housing Division** is anticipating a shortfall of \$40,000 in the FY18 operating budget. This shortfall is due to the cost of the continuation of the Mobile Home Loan Program not included in the base budget. The anticipated

funding for this increase is the Housing Fund's Fund Balance.

The Assembly Finance Committee reviewed the increases at its meeting on May 9, 2018, and forwarded them to the full Assembly for approval.

**The City Manager recommends this ordinance be adopted.**

Public Comment:

None.

Assembly Action:

*MOTION, by Jones , to adopt Ordinance 2017-06(AU).* Hearing no objection, it was so ordered.

## IX. UNFINISHED BUSINESS

- A. Resolution 2819(c) A Resolution Adopting the City and Borough Capital Improvement Program for Fiscal Years 2019 Through 2024, and Establishing the Capital Improvement Project Priorities for Fiscal Year 2019.

This resolution would adopt the Capital Improvement Program (CIP) for fiscal years 2019 through 2024, as required by Charter Section 9.4, and lists the capital projects that will be initially appropriated by ordinance in FY19. The initial FY19 resolution authorizes \$25.7 million for CIPs and \$2.5 million for operating budget activities.

The Public Works and Facilities Committee reviewed the CIP at its meeting on February 26, 2018, and forwarded the plan to the Assembly.

The CIP resolution was introduced at the Assembly meeting on April 4, 2018, and referred to the Assembly Finance Committee, where it was reviewed during the meetings of April 11 and May 9, 2018. It was open for public comment, as required by charter, during the Special Assembly meeting of April 25, 2018.

The AFC approved Resolution 2819(c) as amended and referred it to the full Assembly for adoption.

**The City Manager recommends this resolution, as amended by the Assembly Finance Committee, be adopted.**

Public Comment:

None.

Assembly Action:

MOTION, by Kiehl, to adopt Resolution 2819(c). Hearing no objection, it was so ordered.

B. Ordinance 2018-10 An Ordinance Establishing the Rate of Levy for Property Taxes for Calendar Year 2018 Based Upon the Proposed Budget for Fiscal Year 2019.

This ordinance establishes the mill rates for property taxes for 2018, which funds a significant portion of the City and Borough of Juneau's FY19 operating budget. The Charter requires the Assembly to adopt, by ordinance, the tax levies necessary to fund the budget before June 15.

The mill levies presented in this ordinance support the City Manager's FY19 Proposed Budget that has been reviewed by the Assembly Finance Committee. As part of the budget review process, the Assembly Finance Committee reviewed and recommends, to the Assembly, the final mill levies. The final mill levies must be adopted on or before June 15.

For FY19 both the operating and debt service mill rates remain unchanged. This ordinance proposes a total mill levy of 10.66; the components of which are:

<b><u>Operation Mill Rate by Service Area</u></b>	<b>Millage</b>
Roaded Service Area	2.30
Fire Service Area	0.36
Areawide	6.70
<b>Operating Total</b>	<b>9.36</b>
<b>Debt Service</b>	<b>1.30</b>
<b>Total</b>	<b>10.66</b>

An opportunity for public comment was provided at a Special Assembly meeting on April 25, 2018. The Assembly Finance Committee reviewed the mill rate ordinance at its meetings on April 25 and May 9, 2018, referring the ordinance to the full Assembly for adoption.

**The City Manager recommends this ordinance, as approved by the Assembly Finance Committee, be adopted.**

Public Comment:

None.

Assembly Action:

MOTION, by Becker, to adopt Ordinance 2018-10. Hearing no objection, it was so ordered.

C. Ordinance 2018-11(b) An Ordinance Appropriating Funds from the Treasury for FY19 City and Borough Operations.

This ordinance appropriates \$343,479,300 for the City and Borough of Juneau's FY19 operating budget, excluding the school district. It is necessary to appropriate all transfers between funds that support operations, debt service and capital projects as well as the associated expenditures within the funds themselves. These transfers account for \$96,830,700 of the FY19 operating budget.

The original ordinance was introduced at the April 4, 2018, Special Assembly meeting and referred to the Assembly Finance Committee (AFC) for deliberation. The AFC held six meetings/work sessions on the budget. An opportunity for public comment was provided at a Special Assembly meeting on April 25, 2018. The AFC moved the amended budget ordinance back to the full Assembly at its May 9, 2018, meeting. The AFC changes are reflected in the (b) version of the ordinance, where data being updated or deleted is shown by strikeout font.

The Charter requires adoption of the FY19 operating budget by June 15, 2018.

**The City Manager recommends this ordinance, as amended by the Assembly Finance Committee, be adopted.**

Public Comment:

None.

Assembly Action:

MOTION, by Nankervis, to adopt Ordinance 2018-11(b). Hearing no objection, it was so ordered.

**X. NEW BUSINESS**

A. Rogers Land Exchange

Alan and Ellen Rogers of 812 Fritz Cove Road (Smuggler's Cove Road) contacted the CBJ to propose an equal value land trade to exchange a strip of land along the northwest boundary of their property (including waterfront) for a portion of upland CBJ parkland. They will pay all survey and subdivision costs.

On May 1, 2018, the Parks and Recreation Advisory Committee passed a motion of support for the proposal. The Lands Committee reviewed the concept at its May 21, 2018, meeting and passed a motion to forward the land trade to the full Assembly with a positive recommendation.

CBJ§53.09.230(a) stipulates that prior to considering a land exchange, the Assembly must determine if it is appropriate to work “*by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the Assembly by motion, the manager may commence negotiations for the...exchange...of City and Borough land.*”

Therefore the Assembly has to determine by motion whether to work directly with the Rogers family or seek additional proposals. Since the original proposer (Rogers family) is an adjacent property owner with a unique set of circumstances, it is extremely unlikely that any other party would have the opportunity to propose a land exchange on similar terms. Final terms of the land trade are to be approved by ordinance.

**The City Manager recommends that the Assembly approve a motion finding the proposed land trade to be generally acceptable and directs the Manager to commence negotiations for the exchange.**

Public Comment:

None.

Assembly Action:

*MOTION, by Edwardson, to find the proposed land trade between Alan and Ellen Rogers and CBJ to be generally acceptable and direct the Manager to commence negotiations for the exchange.*

Mr. Edwardson said the code required the Assembly to identify a public benefit and he asked what that benefit of this exchange might be. The strip of land appeared to be narrow, steep and unusable.

Mr. Watt said the benefit is additional waterfront land and it may be used for a utility if one is ever out there. He asked for approval to commence the negotiation and he would ensure there is a public benefit.

Hearing no objection, it was so ordered.

## **XI. STAFF REPORTS**

### **A. UAS Auto Shop**

Ms. Mead said she was asked to look into a mechanism for the Assembly to fund the leasing of the UAS facility for purposes of the high school auto shop program. She has

had two conversations with the Department of Education and was told that under the circumstances, the Assembly may, by a specific appropriation, limited for this purpose, appropriate the money for the lease for the school district and it would be considered a special revenue fund of the school district and it could not be part of their general operating budget. The ordinance would need to specify that it could not be used for any other purpose.

-  
Public Comment:

Robin Paul said she agreed with Rorie Watt's idea of building a new city hall and said she can envision local trade people building it. Many of those people will have taken a shop class at the school. She spoke about her sons experiences with participating in high school shop classes and now they were practicing diesel and marine mechanics. Her sons and many of their classmates still live and work in Juneau and Southeast Alaska and teaching shop classes is good for the economy and the community. She asked the Assembly to support and fund the auto shop program.

Assembly Action:

*MOTION, by Weldon, to direct staff to draft an appropriating ordinance for support of the auto shop program in the amount of \$40,000, funding source from general fund fund balance. Hearing no objection, it was so ordered.*

B. JCOS Letter to US Forest Service

Mr. Watt referred to a draft letter from the Juneau Commission on Sustainability (JCOS) offering comments on the Mendenhall Glacier Recreation Area planning process, and if there is no objection, he recommended it being sent under the Mayor or Manager's signature.

Public Comment:

None.

Assembly Action:

*MOTION, by Gregory, to send the draft letter as prepared by the JCOS under the manager's signature. Hearing no objection, it was so ordered.*

## **XII. ASSEMBLY REPORTS**

A. Mayor's Report

Mayor Koelsch said he prepared a Memorial Day proclamation dedicated to Pat Carrothers, Archie Van Winkle (Juneau's only Medal of Honor recipient).

Mayor Koelsch participated in the following events: Elementary Art Recognition and Community Day at UAS; a retirement party for JPD staff Officer Blaine Hatch, Rich Smith and Kelly McGee; Juneau Rotary Family Fishing Day at Twin Lakes; and a farewell performance by Troy Quinn, director of the Juneau Symphony, and the symphony in "Shaken, not Stirred."

Mayor Koelsch congratulated the TMHS Girls Softball on their State Championship and the JDHS Boys Fastball State Championship. The Princess Sophia exhibit is open until October at the state museum. The Norwegian Bliss, the largest passenger ship holding 4000 passengers, will arrive tomorrow. Celebration begins by the arrival of the canoes in the Douglas Boat Harbor tomorrow between 2-3:30, and continues through the weekend.

#### B. Committee Reports, Liaison Reports, Assembly Comments and Questions

Mr. Edwardson shared that following the arrival of the canoes at the Douglas Boat Harbor, there will be a Tlingit Haida "Strengthening Ties" event at the future location of cultural center (formerly known as Thane Ore House) from 5 - 9:30 and is a community event. Included will be repatriation of cultural items, gifting ceremonies, dance groups, a potluck and a documentary film "Rise," about the Standing Rock movement. This year there will be a food court outside of Tlingit and Haida during Celebration and he provided the menu.

Parks and Recreation Advisory Committee: Liaison Gregory said the next meeting is set for June 5 and there will be a presentation on "Pickleball" from Marc Wheeler.

Eaglecrest Board: Liaison Gregory said the next meeting was set for June 7 and would discuss FY19 pricing, desired qualities for future board members and the General Manager evaluation.

Planning Commission: Liaison Weldon said the PC met on May 22 and will hold a public hearing on the mining ordinance on June 26. The Comprehensive Plan ad hoc committee met and looked at other communities' plans and discussed the mission. The next PC meeting is set for June 12.

Aquatics Board: Liaison Weldon said the board met with the new Parks and Recreation director and the next meeting is set for June 19.

Ms. Weldon said she attended Memorial Day services, a retirement party for Jeffra Clough of the Eaglecrest Ski Area, the JPD retirement party for Blaine Hatch, the Juneau Track Club tournament at the Juneau Gun Club, and she promoted the How To Run for Local Office Workshop on June 9.

Bartlett Board: Liaison Gladziszewski said the Board met in May heard a report that the union agreed to negotiations. The CEO reported on legislation, HB 312 is a healthcare



workplace violence bill, and about payment delays from Medicaid. State funding for Alaska Psychiatric Institute is good news, funding will help alleviate mental health programs. The Board removed \$10 million that was on their books dedicated for the CAMHU project. Recruiting for ???

Affordable Housing Commission: Liaison Gladziszewski said the next meeting is set for June 5.

Human Resources Committee: Chair Gladziszewski said there are many applicants for the enterprise board vacancies and there will be a need for an additional meeting, and set June 11 at 6 pm in place of the cancelled COW meeting for interviews for the Docks and Harbors and Airport Boards. June 27 was set for Eaglecrest Board interviews.

Public Works and Facilities Committee: Chair Jones said the next meeting is set for June 11.

-  
School Board: Liaison Jones said the next meeting is set for June 12, and then the next meeting is not until August.

Juneau Commission on Aging: Liaison Jones said JCOA held an event at the Juneau Pioneer's Home on May 20 to celebrate Older Americans Month and the next meeting was set for June 12.

Downtown Business Association: Liaison Jones said the next meeting is set for June 5.

Mr. Jones said he would attend the June 13 Special Assembly and Finance Committee meeting by teleconference.

MOTION, by Jones, to direct staff to draft a resolution to put on the ballot an advisory question to find a funding source to support Best Starts pre-K programs.

He distributed a draft and requested the Assembly approve asking the staff to work this and get it on the October ballot.

Ms. Gladziszewski asked if the intent is to go to committee as there were a lot of questions she had. Mr. Jones said he would like to see it approved by the August meeting and he would like to ask staff to do the work to get it before the Assembly, whether it goes to a committee or not.

Hearing no objection, the matter was referred to the staff for work.

Finance Committee: Chair Kiehl said the next meeting was set for June 13.

Alaska Municipal League: Liaison Kiehl said the AML summer meeting is in Healy in

August and anyone wishing to attend should contact Susan Phillips about travel plans as soon as possible.

Mr. Kiehl spoke about his Memorial Day experience, and appreciated the Juneau Pride Month proclamation, the support for Celebration and he thanked the many faith organizations participating in Family Promise.

Lands and Resources: Chair Becker said the committee met and discussed the Rogers Land trade, Indian Point land and Douglas Cemeteries.

Travel Juneau: Liaison Becker said that Travel Juneau hired McDowell Group to conduct a survey of independent travelers in the airport and ferry terminal, participated in the Litter Free cleanup, the first ship visit and helped get the state flags up. The board has discussed the division of hotel tax between Travel Juneau and the Juneau Arts and Humanities Council. Ms. Becker noted a new business renting jeeps with pre-programmed directions and that Alaska Seaplanes will start air service from Juneau roundtrip to Whitehorse. The next meeting is set for June 21.

Alaska Committee: Liaison Becker said the AK Committee is making plans for Juneau promotion at state fairs.

Chamber of Commerce : Liaison Becker said Senator Egan spoke to the group and was presented with a plaque to honor his service to the community.

Ms. Becker read a proclamation at the Pioneer Home honoring Older Americans Month, and congratulated the baseball and softball teams.

Committee of the Whole: Chair Nankervis said the COW met on May 21 and reviewed FEMA flood maps and RecycleWorks operations. The COW on June 11 was cancelled and the next meeting would be Wednesday, July 11.

Mr. Nankervis said he attended the recent Symphony production, attended the retirement ceremonies, Memorial Day Services and gave his congratulations to the softball and baseball teams. He encouraged people to participate in Celebration. He congratulated new CDD Director Jill Mclean. Front Street construction looks great. He asked for permission to work with the City Manager and staff to investigate and "adopt a park" policy to address litter, moving and maintenance. Hearing no objection, it was so ordered.

## C. Presiding Officer Reports

1. SEAL Trust v CBJ Assessor 2017 - Assessor's Petition for Reconsideration  
On May 18, 2018, the Clerk's Office received a timely petition for reconsideration from the CBJ Assessor in the matter of SEAL Trust v CBJ Assessor -2017, an

appeal that was heard by the State of Alaska Office of Administrative Appeals, and a decision was issued and adopted by the Assembly at its meeting of May 14, 2018. The final decision and the petition for reconsideration are enclosed in this meeting packet.

CBJ Code 01.50.180, Reconsideration, provides the following:

(a) The appeal agency may, within 30 days after the delivery or mailing of a decision to the parties, order a reconsideration of all or part of the appeal on its own motion or on petition of a party. To be considered by the appeal agency, a petition for reconsideration must be filed with the agency within 15 days after delivery or mailing of the decision. A petition for reconsideration filed by a party will be placed before the appeal agency at the first regular meeting at which the matter may be scheduled or at a special meeting called for that purpose. Unless granted by an affirmative vote of the appeal agency, the petition for reconsideration is deemed denied.

(b) An appeal may be reconsidered by the appeal agency on all the pertinent parts of the record and the additional evidence and argument that are permitted, or may be assigned to a hearing officer. A reconsideration assigned to a hearing officer is subject to the procedure provided in section 01.50.140. If oral evidence is introduced before the appeal agency, an appeal agency member may participate in the decision only if the appeal agency member has heard the evidence in person at the initial hearing and the hearing on reconsideration.

**As this is a matter regarding an appeal, the City Manager makes no recommendation.**

Ms. Mead excused herself from the meeting and Deputy Municipal Attorney Jane Mores was present to assist the Assembly with the appeal matter.

### **XIIICONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

None.

### **XIV.EXECUTIVE SESSION**

#### **A. SEAL Trust Appeal**

*MOTION*, by Nankervis, to discuss the SEAL Trust v CBJ Assessor appeal in its quasi-judicial capacity in executive session. Hearing no objection, the Assembly entered closed session at 8:20 p.m. and returned to regular session at 8:40 p.m.

–  
*MOTION*, by Kiehl, to order reconsideration of the appeal decision. He objected and recommended a no vote.

Roll call:

Aye: Nankervis, Koelsch

Nay: Becker, Edwardson, Gladziszewski, Gregory, Jones, Kiehl, Weldon.

Motion failed, 2 ayes, 7 nays.

**XV. ADJOURNMENT**

There being no further business to come before the Assembly, the meeting adjourned at 8:42 p.m.

Signed: \_\_\_\_\_  
Laurie Sica, Municipal Clerk

Signed: \_\_\_\_\_  
Kendell D. Koelsch, Mayor

**SPECIAL ASSEMBLY MEETING  
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Meeting Minutes - June 11, 2018

MEETING NO. 2018-16: The Special Meeting of the City and Borough of Juneau Assembly, held in Conference Room 224 of the Municipal Building, was called to order at 9:05 p.m. by Mayor Ken Koelsch.

**I. CALL TO ORDER / ROLL CALL**

Assemblymembers present: Mayor Ken Koelsch, Deputy Mayor Jerry Nankervis, Maria Gladziszewski, Mary Becker, Jesse Kiehl, Loren Jones, Beth Weldon (telephonic), Norton Gregory, and Rob Edwardson

Members absent: None.

Staff present: Deputy Clerk Beth McEwen

**II. AGENDA TOPICS**

**A. Board Appointments for Airport and Docks and Harbors Boards**

The Full Assembly sitting as the Human Resources Committee (HRC) will be interviewing applicants for the Airport Board and Docks & Harbors Board at a meeting immediately preceding this Special Assembly meeting. The HRC will forward its recommendations to the Assembly for appointments to the following seats:

**Juneau International Airport Board:** One (1) seat for an unexpired term beginning immediately and expiring June 30, 2019; two (2) seats for full terms beginning July 1, 2018 and expiring June 30, 2021.

**Docks & Harbors Board:** Three (3) seats for full terms beginning July 1, 2018 and expiring June 30, 2021.

**The City Manager has no recommendations regarding these appointments.**

Assembly Human Resources Committee (HRC) Chair Maria Gladziszewski reported that the HRC interviewed applicants for the Juneau International Airport Board and the Docks and Harbors Board and forwarded the following appointment recommendations:

**MOTION** by Ms. Gladziszewski for the Assembly to reappoint Angela Rodell and to appoint Al Clough to serve terms on the Juneau International Airport Board

beginning July 1, 2018 and expiring June 30, 2021 and to appoint Chris Peloso to the vacant seat for a term beginning immediately and expiring June 30, 2019.

*Hearing no objection, the motion carried.*

**MOTION** by Ms. Gladziszewski for the Assembly to appoint Jim Becker, Dan Blanchard, and David McCasland to full terms on the Docks and Harbors Board beginning July 1, 2018 and expiring June 30, 2021. *Hearing no objection, the motion carried.*

### **III. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

*None.*

### **IV. ADJOURNMENT**

*There being no further business to come before the Assembly, the meeting adjourned at 9:06 p.m.*

Signed: \_\_\_\_\_  
Elizabeth McEwen, Deputy Clerk

Signed: \_\_\_\_\_  
Kendell D. Koelsch, Mayor

**SPECIAL ASSEMBLY MEETING  
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Meeting Minutes - June 13, 2018

**MEETING NO. 2018-17:** The Special Meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 5:15 p.m. by Mayor Ken Koelsch.

**I. CALL TO ORDER / ROLL CALL**

Assembly Present: Mary Becker, Rob Edwardson, Norton Gregory (teleconference), Loren Jones (teleconference), Jesse Kiehl, Ken Koelsch, Jerry Nankervis, and Beth Weldon (teleconference).

Assembly Absent: Maria Gladziszewski.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Robert Palmer, Assistant Attorney; Laurie Sica, Municipal Clerk; Bob Bartholomew, Finance Director; Mike Vigue, Engineering and Public Works Director; Greg Chaney, Lands and Resources Manager.

**II. AGENDA TOPICS**

- A. INTRODUCTION - Ordinance 2018-20 An Ordinance Authorizing the Manager to Sell Four City and Borough of Juneau Parcels, Located at 5436 Commercial Drive and 5433 Shaune Drive, to AKBev Group LLC.

This ordinance would authorize the CBJ to sell four parcels to the Alaskan Brewing Company. The CBJ currently uses two of the parcels for its Household Hazardous Waste program and uses the other two parcels for part of its Water Utility program. With the consolidation of the Engineering and Public Works departments and the desire to move the HHW program to a more efficient location, the public would benefit from selling these parcels instead of continuing to operate the existing programs on them.

The Planning Commission recommended the CBJ sell the four lots at its meeting on January 23, 2018. This transaction was also discussed at the following Assembly Committee meetings: April 10, 2017 Lands, January 29, 2018 Committee of the Whole, May 8, 2018 Public Works and Finance, and May 21, 2018 Committee of the Whole.

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

Assembly Action:

*MOTION*, by Nankervis , to introduce Ordinance 2018-20 and set it for public hearing at the next regular Assembly meeting. Hearing no objection, it was so ordered.

- B. PUBLIC HEARING for Ordinance 2018-34 An Ordinance Authorizing the Manager to Execute Utility Permits with the Alaska Department of Transportation and Public Facilities for the Construction, Repair, and Maintenance of City and Borough of Juneau Utilities in State Rights-of-Way. This ordinance would allow the Manager to execute utility permits with the Alaska Department of Transportation and Public Facilities to construct, repair, and maintain CBJ utilities, as required by AS 19.25.010, AS 35.10.210, and 17 AAC 15.061.

ADOT&PF's boilerplate utility provision contains an indemnification provision. CBJ Charter 9.13(a) generally prohibits the CBJ from indemnifying others. However, Charter 9.13(c) allows the CBJ to indemnify the State when the CBJ would not otherwise be able to participate. This ordinance would allow the Manager to execute ADOT&PF utility permits required by state law.

**The City Manager recommends this ordinance be adopted.**

Public Comment:

None.

Assembly Action:

*MOTION*, by Edwardson, to adopt Ordinance 2018-34. Hearing no objection, it was so ordered.

### III. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

### IV. ADJOURNMENT

There being no further business to come before the Assembly, the meeting adjourned at 5:20 p.m.

Signed: \_\_\_\_\_  
Laurie Sica, Municipal Clerk

Signed: \_\_\_\_\_  
Kendell D. Koelsch, Mayor



Presented by: The Manager  
 Introduced: 6/25/2018  
 Drafted by: Finance

# ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-06(AW)

**An Ordinance Appropriating to the Manager the sum of \$119,853 as Funding for Various Capital Improvement Projects and Bond Debt; Funding Provided by General Obligation Bond Interest Income.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is a noncode ordinance.

**Section 2. Appropriate.** There is appropriated to the manager the sum of \$119,853 for bond debt, and various capital improvement projects.

Bond Debt	\$55,911
Dimond Park Swim Pool	11,459
Restrooms, Paving & Concession	23,471
New Terminal Renovation	15,603
Waterfront Seawalk II	<u>13,409</u>
<b>Total</b>	<b>\$119,853</b>

**Section 3. Source of Funds**

General Obligation Bond Interest Income	\$ 119,853
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**Section 4. Effective Date.** This ordinance shall become effective upon adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
 Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
 Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
Introduced: 6/25/2018  
Drafted by: Finance

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-11(A)**

**An Ordinance Appropriating to the Manager the Sum of \$53,000 as Partial Funding for the Treadwell Mine Park Preservation Capital Improvement Project; Grant Funding Provided by the Treadwell Historic Preservation and Restoration Society.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is a noncode ordinance.

**Section 2. Appropriate.** There is appropriated to the Manager the sum of up to \$53,000, as partial funding for restoration work at Treadwell.

**Section 3. Source of Funds.**

Grant from Treadwell Historic	\$ 53,000
Preservation and Restoration Society	

**Section 4. Effective Date.** This ordinance shall become effective upon adoption.

Adopted this \_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
Introduced: 6/25/2018  
Drafted by: Finance

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-11(C)**

**An Ordinance Appropriating to the Manager the Sum of \$84,479 as Funding for the Parks and Recreation Department; Funding Provided by Hotel Tax Fund's Fund Balance.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is a noncode ordinance.

**Section 2. Appropriate.** There is appropriated to the Manager the sum of up to \$84,479, as funding for the Centennial Hall PERS Termination Costs.

**Section 3. Source of Funds.**

Hotel Tax Fund's Fund Balance	\$ 84,479
-------------------------------	-----------

**Section 4. Effective Date.** This ordinance shall become effective upon adoption.

Adopted this \_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
Introduced: June 25, 2018  
Drafted by: Finance

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-12(A)**

**An Ordinance Appropriating \$40,000 from the Treasury for FY19 School District Operations with the Sole Purpose of Funding the Auto Shop Lease Costs.**

**Section 1. Classification.** This ordinance is a noncode ordinance.

**Section 2. Estimated Funding Sources.** This Ordinance will make the following changes to the City and Borough of Juneau School District Operating Budget for the fiscal year beginning July 1, 2018, and ending June 30, 2019.

**CBJ Transfers**

Special Revenue: \$ 40,000

**Section 3. Appropriation.** The following amounts are hereby changed for the fiscal year beginning July 1, 2018, and ending June 30, 2019.

Rental payment relating to the facility \$ 40,000  
use agreement between the district and  
the University of Alaska for the district's  
auto shop program:

**Section 4. Effective Date.** This ordinance shall become effective immediately upon adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
 Introduced:  
 Drafted by: A. G. Mead

# **ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-36**

## **An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of USS 2305, Lot 9 Fraction (Northern Portion) and USS 2335 Fraction (Western Portion), Located at 4535 North Douglas Highway, from D-3 to D-15.**

WHEREAS, the area of the proposed rezone, USS 2305, Lot 9 Fraction (Northern Portion) and USS 2335 Fraction (Western Portion), consisting of a combined 1.64 acres and located at 4535 North Douglas Highway, are zoned D-3 according to the official zoning map of the City and Borough of Juneau; and

WHEREAS, the adjacent lot to the north, Channel Heights, Lot 1, is zoned D-15; and

WHEREAS, the land use maps of the Comprehensive Plan identify the subject lots as 'Medium Density Residential' (MDR); and

WHEREAS, the MDR designation is characterized by urban residential lands for multifamily dwelling units at densities ranging from 5 to 20 units per acre and where any commercial development should be of a scale consistent with a residential neighborhood, as regulated in the Table of Permissible Uses; and

WHEREAS, the City and Borough of Juneau Land Use Code characterizes D-15 zones as relatively low-density multifamily districts, intended to accommodate primarily multifamily residential development at 15 units per acre; and

WHEREAS, the subject lots are located in Subarea 8 on Map L of the Comprehensive Plan and Subarea 8 is described as 'Predominantly Rural'; and

WHEREAS, Guideline 4 of the Comprehensive Plan for the North Douglas subarea where the subject lots are located recommends that once public water and sewer services are provided higher residential densities be allowed; and

WHEREAS, public water was provided in 1987 and public sewer was provided in 2011 on North Douglas Highway adjacent to the subject lots; and

WHEREAS, rezoning the lots from D-3 to D-15 substantially conforms to the maps of the Comprehensive Plan.

NOW THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

**Section 2. Amendment to the Official Zoning Map.** The Official Zoning Map of the City and Borough, adopted pursuant to CBJ 49.25.110, is amended to change the zoning of USS 2305, Lot 9 Fraction (Northern Portion) and USS 2335 Fraction (Western Portion), from D-3 to D-15. The described rezone is shown on the attached Exhibit “A” illustrating the area of the proposed zone change.

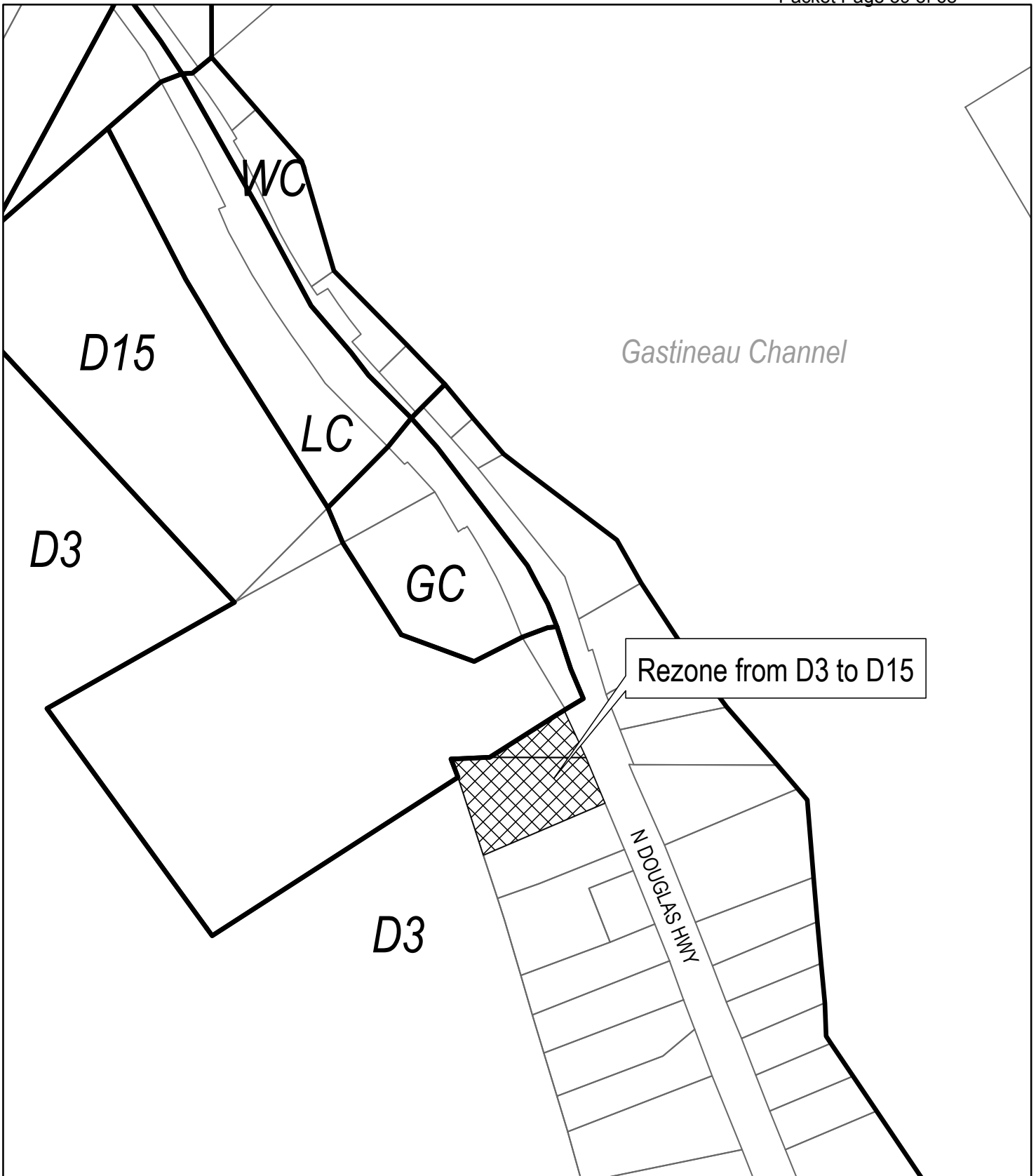
**Section 3. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
Laurie J. Sica, Municipal Clerk



**EXHIBIT A - Ord. No. 2018-36**  
 Zone Change for  
 USS 2335 FR & USS 2305 LT 9 FR  
 from D3 to D15

0 125 250 500 Feet



Presented by: The Manager  
 Introduced:  
 Drafted by: A. G. Mead

# **ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-37**

## **An Ordinance Authorizing an Alternative Procurement Method Related to the City and Borough's Recycleworks Program.**

WHEREAS, the City and Borough's (CBJ's) waste programs, specifically its recycling and household hazardous waste programs, reduce environmental contamination in the community through safe disposal of materials, and reduce the amount of waste going into the landfill, thus preserving capacity and extending the life of the landfill; and

WHEREAS, increasing diversion of waste from the landfill through the City and Borough's waste programs keeps solid waste disposal costs low for the community; and

WHEREAS, it has long been a goal to consolidate the City and Borough's waste programs, including its recycling and household hazard waste programs, to one location to realize public convenience and operational efficiencies and where:

- The building currently housing the existing recycling program is no longer safe for public use and in order to allow for a new building to be constructed prior to the winter season, timing is of the essence; and
- The household hazardous waste program is currently housed in a facility that is not advantageous for the program for a variety of reasons including traffic patterns on Commercial Boulevard and isolation from other refuse programs; and

WHEREAS, co-locating the City and Borough's waste programs with the community's solid waste landfill powerfully conveys to the public the consequences of their disposal choices and the need to reduce, re-use, and recycle to help preserve the capacity of the landfill for future generations; and

WHEREAS, Waste Management, which currently operates the CBJ's recycling program and the landfill, has proposed a partnership with the CBJ that would allow for such co-location as follows:

- Waste Management would continue to run the CBJ's recycling program, purchasing a new building for that purpose, with the CBJ to enjoy the benefit of the building for the lifetime of the facility at the CBJ's discretion;



- Waste Management would lease property to the CBJ at the Waste Management facility for the CBJ's household hazardous waste program;
- Waste Management would lease additional property to the CBJ for the CBJ's organic materials management programs;
- Waste Management would conduct a "Litter Free" event in the fall, in addition to the event held by Waste Management in the spring; and
- Waste Management would provide educational materials, designed to educate the public about the benefits of recycling and for use on social media platforms, for the CBJ's use; and

WHEREAS, Waste Management has demonstrated market strength and is powerfully situated to find markets for recycled products; and

WHEREAS, while a global tightening on recyclable material standards has caused other Southeast Alaska communities to stop accepting mixed paper as a recyclable material, Waste Management continues to accept mixed paper for recycling and is able to provide all recycling services required by CBJ; and

WHEREAS, the areas of land that would be used for the City and Borough programs at the landfill have no other competing uses, thus expanding the use of that site; and

WHEREAS, unlike all other options considered by the CBJ, the location at the landfill would leave valuable industrially zoned land available for other community uses and avoids the need for the City and Borough to purchase expensive land; and

WHEREAS, Waste Management (through its entity Capitol Disposal, Inc.) was the successful bidder on the request for proposals for the recycling program (formally the Fixed Facility & Services for CBJ's Municipal Solid Waste Programs, RFP 13-107) and was awarded the contract in 2013 for a three year term, with three additional one-year optional extensions; and

WHEREAS, the CBJ has extended the term of the contract every year since 2016; and

WHEREAS, the purpose of the City and Borough's purchasing process is to provide for a fair and equitable method of procuring services and improvements while maximizing the value of public funds and benefit to the community; and

WHEREAS, Section 9.14 of the Home Rule Charter of the City and Borough of Juneau requires that public improvements be procured by competitive bid except that the assembly may adopt an alternative procurement method upon the Manager finding it would be in the best interest of the City and Borough to do so based on cost, timing, and other relevant criteria; and

WHEREAS, when it is impracticable to do otherwise, the Charter allows for services to be procured by methods other than competitive bid; and

WHEREAS, the Manager has determined in writing (attached as Exhibit A) that renewing the recycling contract with Waste Management under the proposed terms would be in the best interest of the CBJ based on cost, timing, and benefit to the customers, and that exercising his authority under CBJ 53.04.010 to acquire land at fair market value through this agreement would similarly be in the best interests of the CBJ.

THEREFORE BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is a non-code ordinance.

**Section 2.** The provisions of Title 53 Chapter 50 of the City and Borough of Juneau Code of Ordinances do not apply to this transaction.

**Section 3.** As it would be in the best interest of the City and Borough of Juneau and public based on cost, timing, the benefit to the users, and the leasing opportunity presented by this proposal, and given that it appears Waste Management is uniquely capable of doing the necessary work, the Manager is authorized to extend the recycling contract with Waste Management (through Capitol Disposal, Inc.). The contract shall include the following terms:

1. Over the course of the initial ten-year term of the contract, the CBJ will pay no more than \$27,500 per month for the operation of the recycling program and for access to and use of a new recycling facility, which shall be provided and maintained by Waste Management for primarily the CBJ's use, subject to appropriations by the Assembly for this purpose in accordance with Section 9.13 of the Charter. (The previous contract cost for operation of the old facility was \$17,000 per month.)
2. The CBJ will have the option of exercising four five-year renewals, for a total of thirty years, which is the design life of the building, subject to appropriation.
3. If Waste Management terminates the recycling contract prior to the envisioned 30 year total term for any reason except the CBJ's un-cured breach of contract, Waste Management will lease the recycling facility (land and building) to the CBJ for fair market value for the CBJ's sole use.
4. The recycling facility will be open five days per week for commercial and non-commercial users. (The previous contract provided for the facility to be open three days per week for non-commercial users and 2.5 days per week for commercial recycling.)
5. Waste Management shall continue to operate the CBJ-owned baler, to be used primarily for the CBJ's recycling program.

- Section 4. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Attest:

Laurie J. Sica, Municipal Clerk



City and Borough of Juneau  
City & Borough Manager's Office  
155 South Seward Street  
Juneau, Alaska 99801  
Telephone: 586-5240 | Facsimile: 586-5385

DATE: June 18, 2018

TO: Mayor & Assembly

FROM: Rorie Watt, City Manager

RE: Public Interest Finding – Waste Management RecycleWorks Contract

The Committee of the Whole forwarded the following recommendation at their May 21, 2018 meeting to the full Assembly:

Recommend to the full Assembly that the manager negotiates an agreement with Waste Management under these terms to operate the recycling program and lease land for HHW and composting operations.

The Assembly may pass an Ordinance authorizing an alternative procurement that will allow CBJ to contract with Waste Management. A best interests finding for this authorization must be provided by the Manager. This contract is in the best interests of the CBJ for the following reasons:

1. Cost.
  - a. Consolidation of our recycling and hazardous waste programs allows for operational efficiencies that will result in savings to our citizens.
  - b. Locating these services at the Waste Management landfill allows CBJ to avoid the cost of purchasing land for this purposes, leaves valuable industrially zoned land on the tax role.
  - c. Cost of Living: Diversion of solid waste from the landfill extends the life of the landfill and keeps solid waste disposal costs low for the community. When the landfill reaches capacity, solid waste will be shipped out of Juneau and the cost to the community will increase for waste disposal.
2. Timing.
  - a. There is a need to act now to preserve our existing programs. The existing recycling program has been housed in the old incinerator building for many years and the building is no longer safe for use. Acting now will allow a new building to be constructed prior to the winter season.
3. Customer Benefit.
  - a. Co-locating the programs allows for one-stop disposal by CBJ.
  - b. Co-locating the programs at the landfill will provide our citizens a powerful reminder of the need to reduce and re-use products to reduce our landfill footprint.
  - c. Reducing the amount of waste that goes into the landfill will help preserve capacity for the next generation of citizens.
  - d. Public Convenience: Maintaining solid waste services at the landfill allows for public convenience in disposal of trash and recyclables. The broader agreement will also

provide for extended disposal services including HHW and organics at the same location.

4. Land Use.
  - a. Maintaining the location of the recycling program at the landfill does not require new industrial land to be occupied; it extends an existing use of land that does not appear to have other uses.
  - b. Other sites remain available for private sector purposes. It has been an Assembly goal to locate additional industrially zoned land for the community. By locating our programs at the landfill, this Assembly goal is supported.

Recommendation:

It is my recommendation that a contract with Waste Management is in the best interests of the City and Borough.

Presented by: The Manager  
Introduced: 6/25/2018  
Drafted by: Finance

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-11(B)**

**An Ordinance Appropriating to the Manager the Sum of \$126,000 as Supplemental Funding for Waste Management's Fiscal Year 2019 Operating Budget; Funding Provided by the Waste Management Fund's Fund Balance.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is a noncode ordinance.

**Section 2. Appropriate.** There is appropriated to the Manager the sum of \$126,000, as funding for the recycling program at Capitol Disposal.

**Section 3. Source of Funds.**

Waste Management Fund's Fund	\$ 126,000
Balance	

**Section 4. Effective Date.** This ordinance shall become effective upon adoption.

Adopted this \_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
Introduced:  
Drafted by: A. G. Mead

**RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2825**

**A Resolution of the City and Borough of Juneau in Support of the  
Juneau Fisheries Terminal Expansion.**

WHEREAS, the CBJ Docks & Harbors is an enterprise organization under the direction of the Assembly; and

WHEREAS, Docks & Harbors plays an integral role in advancing economic opportunities for marine related businesses, tourism, and commercial fisheries; and

WHEREAS, Docks & Harbors receives no direct sales tax or property tax in the operational budget and, as an enterprise operation, is expected to self-generate revenue for annual expenses and to explore all opportunities for grant funding where it exists; and

WHEREAS, an existing crane dock located at the Juneau Fisheries Terminal consisting of a rock filled sheet pile bulkhead with concrete apron, fender piles, and two hydraulic cranes are at the end of their service life requiring replacement to continue to support the commercial fishing industry; and

WHEREAS, Docks & Harbors has developed conceptual plans to expand to meet the seafood industry and the commercial fishermen's increased production by providing new moorage floats, drive down facility, loading dock, net shed, an ice house, and access to boat repair facilities at the Juneau Fisheries Terminal; and

WHEREAS, the U.S. Department of Transportation (U.S. DOT) has announced \$1.5 billion in funding under the Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grant program, which provides a unique opportunity for the U.S. DOT to invest in road, rail, transit and port projects that promise to achieve national objectives; and

WHEREAS, Docks & Harbors intends to submit an application to the U.S. DOT for BUILD Transportation Discretionary Grant consideration to expand the Juneau Fisheries Terminal.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1.** The Assembly supports the submission of a grant application to the U.S. DOT for BUILD Transportation Discretionary Grant funding for the Juneau Fisheries Terminal expansion.

**Section 2. Effective Date.** This resolution shall be effective immediately after its adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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Kendell D. Koelsch, Mayor

Attest:

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Laurie J. Sica, Municipal Clerk



Presented by: The Manager  
Introduced: 6/25/2018  
Drafted by: Finance

TRANSFER REQUEST FOR THE CITY AND BOROUGH OF JUNEAU,  
ALASKA

SERIAL NUMBER T-1000

It is hereby ordered by the Assembly of the City and Borough of Juneau,  
Alaska, that \$250,000 be transferred:

From: CIP

H51-101	Cruise Berth Improvement	\$250,000
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To: CIP

H51-104	Dock Cathodic Protection	\$250,000
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The \$250,000 consists of:

F232	Port Development Fees	\$250,000
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Moved and Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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D. Rorie Watt, City Manager

Attest:

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Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
 Introduced: June 4, 2018  
 Drafted by: Finance

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2017-06(AX)**

**An Ordinance Appropriating to the Manager the Sum of \$250,000 as Supplemental Funding for Harbors' Fiscal Year 2018 Operating Budget; Funding Provided by Harbors' Fund Balance.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is a noncode ordinance.

**Section 2. Appropriation.** There is appropriated to the Manager the sum of \$250,000 for the following Departments' Fiscal Year 2018 operating budgets:

<u>Department</u>	<u>Amount</u>
Harbors	<u>\$250,000</u>
<b>Total</b>	<b>\$250,000</b>

**Section 3. Source of Funds**

<u>Department</u>	<u>Source of Funds</u>	<u>Amount</u>
Harbors	Harbors' Fund Balance	<u>\$250,000</u>
<b>Total</b>		<b>\$250,000</b>

**Section 4. Effective Date.** This ordinance shall become effective upon adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
 Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
 Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
Introduced:  
Drafted by: A. G. Mead

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-20**

**An Ordinance Authorizing the Manager to Sell Four City and Borough of Juneau Parcels, Located at 5436 Commercial Drive and 5433 Shaune Drive, to AKBev Group, LLC.**

WHEREAS, the City and Borough of Juneau's (CBJ) property at 5433 Shaune Drive historically housed the Public Works Department and the Water Utility staff; and

WHEREAS, by consolidating the Engineering and Public Works Departments, the CBJ no longer has need for as large a facility for the remaining tenant: the Water Utility staff; and

WHEREAS, further consolidation of Valley and Town Street Maintenance crews has made CBJ property adjacent to Capital Transit's maintenance facility available for use by the Water Utility; and

WHEREAS, the Household Hazard Waste (HHW) program is currently housed in the "Salt Box" located at 5436 Commercial Boulevard, a facility that was originally constructed for multiple uses, including the storage of road salt; and

WHEREAS, the location and facility design of the Salt Box is not advantageous for the HHW program for a variety of reasons including traffic patterns on Commercial Boulevard and isolation from other refuse programs; and

WHEREAS, the AKBev Group, LLC, doing business as the Alaskan Brewing Company, submitted an application to purchase the four parcels at 5436 Commercial Drive (Lots 41 and 42, S.S.G. Subdivision Phase IV, Plat 93-17) and 5433 Shaune Drive (Lots 4 and 5, S.S.G. Subdivision, Plat 82-10) from the CBJ to expand its business; and

WHEREAS, the fair market value of the parcels is as follows: \$1,090,000 for Lots 41 and 42, S.S.G. Subdivision Phase IV, Plat 93-17 and \$1,780,000 for Lots 4 and 5, S.S.G. Subdivision, Plat 82-10; and

WHEREAS, an existing building crosses the Lot 41 and 42 lot line, and an existing building crosses the Lot 4 and 5 lot line; and

WHEREAS, the CBJ intends to consolidate Lots 4 and 5 and consolidate Lots 41 and 42 to comply with Title 49; and

WHEREAS, the resulting lot consolidations will have different legal descriptions but the actual property to be conveyed will be the same; and

WHEREAS, the Planning Commission recommended the Assembly dispose of these four lots at its meeting on January 23, 2018.

THEREFORE BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is a non-code ordinance.

**Section 2. Authorization to Dispose of Land by Negotiated Sale.** The Manager is authorized to negotiate and execute the sale of property currently identified below subject to the minimum terms and conditions specified in this ordinance:

**5436 Commercial Drive**

Lot 41, S.S.G. Subdivision Phase IV, Plat 93-17, Juneau Recording District, First Judicial District, State of Alaska; Lot 41 contains 16,500 square feet, more or less; and

Lot 42, S.S.G. Subdivision Phase IV, Plat 93-17, Juneau Recording District, First Judicial District, State of Alaska; Lot 42 contains 16,500 square feet, more or less; and

**5433 Shaune Drive**

Lot 4, S.S.G. Subdivision, Plat 82-10, Juneau Recording District, First Judicial District, State of Alaska; Lot 4 contains 16,409 square feet, more or less; and

Lot 5, S.S.G. Subdivision, Plat 82-10, Juneau Recording District, First Judicial District, State of Alaska; Lot 5 contains 16,409 square feet, more or less.

**Section 3. Conditions of Sale.** Conveyance of the property shall be pursuant to a purchase and sale agreement, which must include the following minimum essential terms:

(A) The purchase price of the property shall be the fair market value, which has been determined by appraisal as follows:

- i. \$1,090,000 for the property currently known as Lots 41 and 42, S.S.G. Subdivision Phase IV, Plat 93-17;
- ii. \$1,780,000 for the property currently known as Lots 4 and 5, S.S.G. Subdivision, Plat 82-10; and

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(B) AKBev Group, LLC, shall be required to purchase title insurance and pay half of all closing and recording costs.

**Section 4. Other Terms and Conditions.** The Manager may include such other terms and conditions as may be in the public interest and in accordance with CBJ Title 53.

**Section 5. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
Introduced:  
Drafted by: A. G. Mead

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-32**

**An Ordinance Amending Title 72 of the City and Borough of Juneau Code  
Relating to Driving Without a License.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

**Section 2. Amendment of Subsection.** CBJ 72.10.065 Drivers must be licensed, is amended at subsection (d), to read:

**72.10.065 Drivers must be licensed.**

- (a) A person may not be denied the privilege to drive a motor vehicle upon a highway in this municipality, except as prescribed by law.
- (b) Every person exercising the person's privilege to drive, or exercising any degree of physical control of a motor vehicle upon a highway, vehicular way or area, or other public property in this municipality, is required to have in the possession of the person a valid state driver's license issued under the provisions of this chapter for the type or class of vehicle driven, unless expressly exempted by law from this requirement.
- (c) A person licensed under the provisions of this chapter may exercise in this municipality the privilege to drive a motor vehicle and is subject to the restrictions prescribed

by this chapter.

(d) A person convicted for a violation of this section is guilty of an infraction: punishable by a fine of not more than \$300.00, except that if the person's license has been expired less than one year, a conviction under this section is punishable by a fine of \$75.00. In addition to any fine, the privilege to drive may be lost as a result of the accumulation of points under AS 28.15.221—AS 28.15.261.

~~(1) Punishable by a fine of \$75.00 if the person's license has been expired less than one year; or~~

~~(2) Punishable by a fine of not more than \$300.00 if the person's license has been expired for one year or more. In addition, the privilege to drive may be lost as a result of the accumulation of points under AS 28.15.221—AS 28.15.261.~~

**Section 3. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Kendell D. Koelsch, Mayor

Attest:

\_\_\_\_\_  
Laurie J. Sica, Municipal Clerk

Presented by: The Manager  
 Introduced:  
 Drafted by: A. G. Mead

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2018-35**

**An Ordinance Authorizing the Manager to Execute Permits for City and Borough of Juneau Road Reconstruction and Maintenance Projects in State Rights-of-Way with the Alaska Department of Transportation and Public Facilities.**

WHEREAS, the Alaska Department of Transportation and Public Facilities (ADOT&PF) is authorized by statute to regulate and control access to highways and rights-of-way within the State; and

WHEREAS, in order for the CBJ to reconstruct municipal roads, approaches, and other forms of access where the access points are located within the State's rights-of way, ADOT&PF requires the execution of an approach road permit; and

WHEREAS, 17 AAC 10.020(c) requires ADOT&PF, in granting an approach road permit, to include in the permit the following indemnification language:

a requirement that the permittee shall indemnify, defend, and hold harmless the state, or officers, agents, employees, and contractors of the state in any matters pertaining to the driveway or approach road, and that the permittee shall assume all liability or cost in connection with the driveway or approach road; and

WHEREAS, pursuant to CBJ Charter 9.13(a) and its prohibition against payment being made or an obligation being incurred without an appropriation, the CBJ is generally prohibited from agreeing to indemnify; and

WHEREAS, CBJ Charter 9.13(c) carves out an exception to that general prohibition:

Notwithstanding Section 9.13(a) of this Charter, the assembly by ordinance may require payment of funds from appropriations of a later fiscal year or of more than one year for any contract, lease or note or bond obligation, or federal or state grant, or any other federal or state program that the municipality may not otherwise participate in.







# OFFICE OF THE MUNICIPAL CLERK

155 S. Seward St., Room 202  
 Phone: (907)586-5278 Fax: (907)586-4552  
 email: [city.clerk@juneau.org](mailto:city.clerk@juneau.org)

## Notice of Appeal

This appeal is governed by CBJ 01-50, the Municipal Appellate Code. This code establishes the standards and procedures for appeals.<sup>1</sup> Anyone who files an appeal should be familiar with the appellate code. The clerk can give you a copy of the code.

Attach a copy of the decision being appealed. Do not attach any other documents, exhibits, or additional pages to this form, except for any pages needed to continue the answers to the requested information below. The clerk will accept this form only if the appropriate filing fee is attached. The fee to file an appeal to the assembly is \$500.00. To be timely, an appeal must be filed within 20 days of the date the decision being appealed is filed with the clerk.

### Action Being Appealed

*Board decisions are appealable: board recommendations and most staff decisions are not.*

☐ Agency Appealed From: Assessor's Office

☐ Description and Date of Decision:

### Concerned Parties

*Identify the people who have an interest in the action being appealed: yourself and others.*

<input type="checkbox"/> Party Filing Appeal	Mailing Address	Telephone	Fax	Email
Juneau Church of Nazarene	P.O. Box 32360, Juneau	907-777-2100		prayingman@nazmail.com
Pastor Dan Wiese	3209 Bresee St, Juneau	907-777-2100		
Ellie Roger	8499 Jennifer Dr., Juneau	723-3053		elagiacier@aol.com

☐ Parties Who Won the Decision Appealed

Mailing Address	Telephone	Fax	Email
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<sup>1</sup> 01.50.070 STANDARD OF REVIEW AND BURDEN OF PROOF. (a) The appeal agency may set aside the decision being appealed only if:

- (1) The appellant establishes that the decision is not supported by substantial evidence in light of the whole record, as supplemented at the hearing;
  - (2) The decision is not supported by adequate written findings or the findings fail to inform the appeal agency of the basis upon which the decision appealed from was made; or
  - (3) The agency failed to follow its own procedures or otherwise denied procedural due process to one or more of the parties.
- (b) The burden of proof is on the appellant. (Serial No. 92-36 ☐ 2 (part), 1992).

-over-

CBJ CLERK

JUN - 5 2018

RECEIVED

2016 - Appeal Form  
Page 2 of 2

### Issues on Appeal<sup>2</sup>

*Concisely describe the legal and factual errors that form the basis for your appeal. Do not argue them: argument will be heard later.*

The Guneau Church of the Nazarene has been in operation for forty years at the current location. This property is used for religious purposes.  
The issue is the liability of property tax for 2017 and 2018.

### Relief Requested

*What should the Assembly do with the action being appealed: send it back, modify it, or something else?*

We respectfully request that the CBJ Assembly determine that the Guneau Church of the Nazarene property (ID# 5B2101470430) be completely exempt from property tax due to the fact that it is a religious institution. We are also requesting the return of the \$500.00 filing fee for this appeal to the CBJ Assembly.  
Ella Rogers, Church Board Secretary 6-4-18

**Signature**

**Date**

*If you are representing any group, or a person other than yourself, you must sign a notarized statement that you are authorized to represent them.*

2 01.50.030(b)(5) COMMENCEMENT OF ACTION.

The notice of appeal shall include a concise statement of the legal and factual errors in the decision that form the basis of the appeal.

-over-

**Laurie Sica**

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**From:** Ella <elaglacier@aol.com>  
**Sent:** Friday, June 1, 2018 8:56 PM  
**To:** Robin Potter  
**Cc:** Jenna.Mallinger@juneau.org.; prayingman@nazmail.com  
**Subject:** Re: 5B2101470430 ASSESSOR RECOMMENDATION

Robin,  
 Per our conversation this morning we do not question the value of the property and do not wish to appeal to the BOE. However, we will be appealing to the Assembly concerning the request to exempt the property from taxation. Thank you again for all of your assistance.

Ella  
 -----Original Message-----

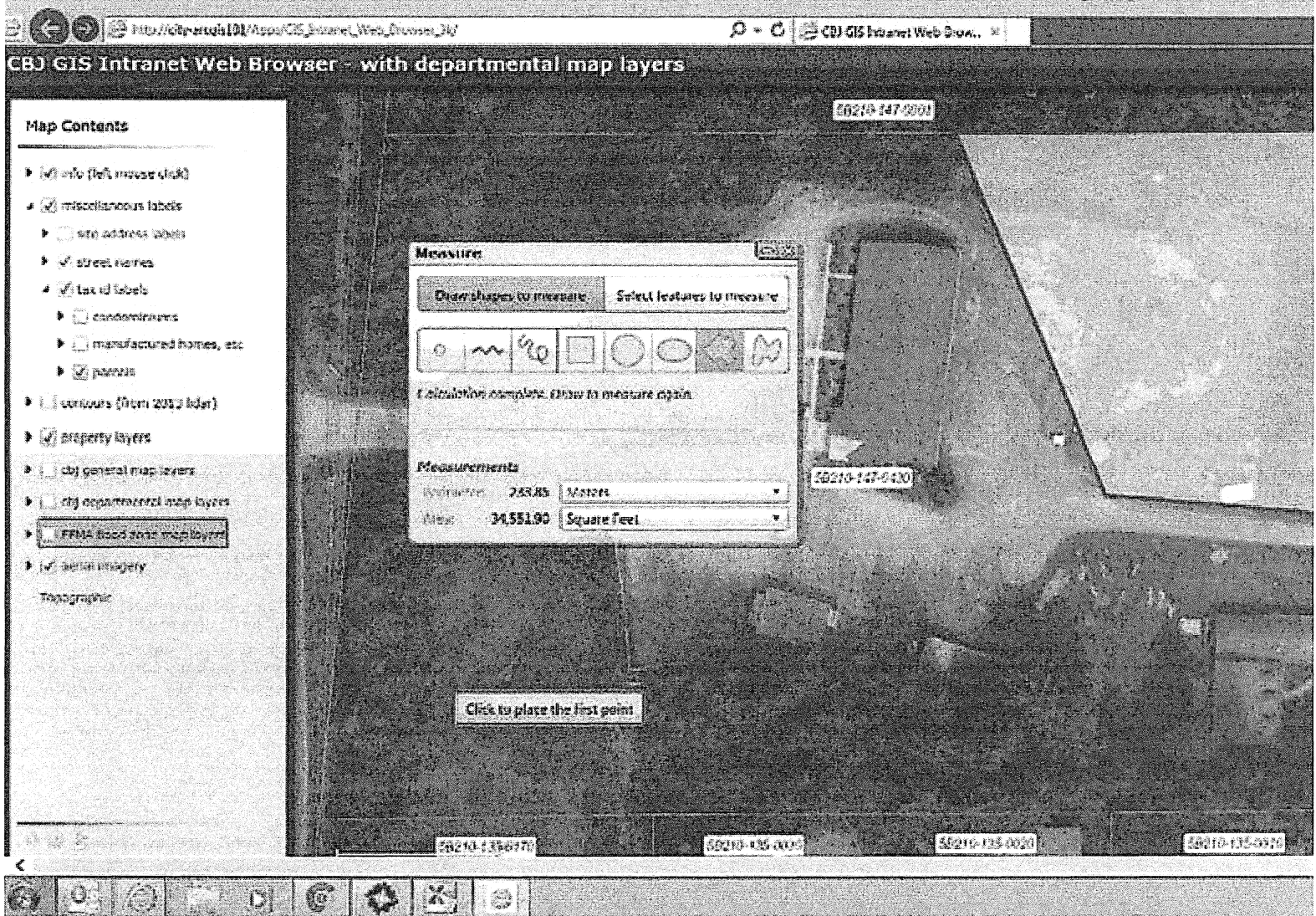
From: Robin Potter  
 To: 'Ella'  
 Cc: Jenna Mallinger  
 Sent: Fri, Jun 1, 2018 4:56 pm  
 Subject: RE: 5B2101470430 ASSESSOR RECOMMENDATION

Ella,  
 Per our telephone conversation this morning you decided to withdraw your appeal because of the exemption, not the land value.  
 During lunch I received your email asking if I could look at the property again?  
 I did and there is still no change to value.  
 Per the Uniform Standards of Professional Appraisal Practice I am required to treat all properties fairly and equitably according to standards of practice as prescribed by law.  
 I cannot make unsubstantiated changes to property values.  
 I had a telephone discussion with your pastor last July 2017 for ideas to convert the property into an exclusive religious use, but none were put into place.  
 To provide you with an exemption for taxable excess land when every other church is paying their fair share in similar circumstances would not be ethical or appropriate.  
 To qualify for a religious use tax exemption on real and personal property **owned by churches or religious bodies and exclusively occupied or used for religious worship or for the residence of its minister.** Property utilized for the parking lot per Community Development requirements and a minimum percentage of greenbelt landscaping is included in the exemption determination.  
 I did a thorough review on this property and sent you my recommendation along with the documentation in an email dated May 14,2018.

Nothing has changed as the 2018 value is based on AS 29.45.110 Full and True Value as of January 1, 2018.

I am re-sending you the information provided on May 14,2018 in both attachment format and in this email.

1. Below is an aerial photo of 5B2101470430. The entire parcel is 4.38 acres. The taxable portion is .79 acres or 34,412 SF.



2. The first attachment are the site visit photos taken on April 12, 2018. These photos indicate taxable portion as being vacant. Items observed was a movable tether ball pole a flat bed trailer and a slide in camper. Nothing to support an exclusive religious use was noted.
3. The second attachment is the review of the neighborhood for both equity in the land value and property sales utilized in determining the current market value per AS 29.45.110.

This review includes sales data for the neighborhood, base land rates and adjustments arrayed in parcel size to validate the land is being treated equitably with other property.

I am sorry I cannot be of further assistance to you.

Robin

**Robin Potter ACAA V**

Assessor, Finance Department

City & Borough of Juneau

155 S. Seward Street

Juneau, AK 99801

907.586.0333

[http://www.juneau.org/financeftp/assessor\\_main.php](http://www.juneau.org/financeftp/assessor_main.php)



**From:** Ella [<mailto:elaglacier@aol.com>]

**Sent:** Friday, June 01, 2018 12:35 PM

**To:** Robin Potter

**Subject:** Re: 5B2101470430 ASSESSOR RECOMMENDATION

Robin,

Thank you for returning my call, I know you are very busy. Would you please take another look at the property?

Thanks again,

Ella

Sent from my iPhone

On May 17, 2018, at 2:45 PM, Robin Potter <[Robin.Potter@juneau.org](mailto:Robin.Potter@juneau.org)> wrote:

That is fine, Ella. Just understand the assessed value is all the Board can hear.

The cutoff scheduling for the first BOE hearing was this morning.

You will be scheduled for a BOE later in the month of June. Jenna will notify you of the date, time and location approximately 10 days prior to the hearing.

**Robin Potter ACAA V**

Assessor, Finance Department

City & Borough of Juneau

155 S. Seward Street

Juneau, AK 99801

907.586.0333

**[http://www.juneau.org/financeftp/assessor\\_main.php](http://www.juneau.org/financeftp/assessor_main.php)**

**From:** Ella [<mailto:elaglacier@aol.com>]

**Sent:** Thursday, May 17, 2018 2:40 PM

**To:** Robin Potter

**Cc:** [prayingman@nazmail.com](mailto:prayingman@nazmail.com)

**Subject:** Re: 5B2101470430 ASSESSOR RECOMMENDATION

Robin Potter,

The church board voted unanimously to reject the assessed value and appear before the Board of Equalization.

Please acknowledge receipt of this email.

Ella Rogers

Church Board Secretary

Juneau Church of the Nazarene

-----Original Message-----

From: Robin Potter <[Robin.Potter@juneau.org](mailto:Robin.Potter@juneau.org)>

To: ELAGLACIER <[ELAGLACIER@AOL.COM](mailto:ELAGLACIER@AOL.COM)>

Cc: Jenna Mallinger <[Jenna.Mallinger@juneau.org](mailto:Jenna.Mallinger@juneau.org)>

Sent: Mon, May 14, 2018 4:02 pm

Subject: 5B2101470430 ASSESSOR RECOMMENDATION

Church of the Nazarene of Juneau,

Attached are the supporting documents for the recommendation of your appeal for 5B2101470430 land value.

A review of both market and equity supports a no change to the taxable value for the land.

**2018 Assessment of land**

**Site Value 775,600 Assessed Value 775,600**

**Exemption**

**Structures 100% Site 604,968**

**Total Taxable Value \$170,632**

Please reply with your acceptance or rejection of the value. If you accept, the assessed value petition case will be closed. If you reject, you will be scheduled for the next Board of Equalization hearing and notified of the date time and location.

If I do not receive a reply to this email by May 21, 2018, I will consider the case closed.

**Note: If your objection has to do with the Exemption amount, please contact the clerk's office to file an exemption appeal with the assembly.**

**Robin Potter ACAA V**

Assessor, Finance Department

City & Borough of Juneau

155 S. Seward Street

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**[http://www.juneau.org/financeftp/assessor\\_main.php](http://www.juneau.org/financeftp/assessor_main.php)**

**From:** Robin Potter

**Sent:** Tuesday, May 08, 2018 10:59 AM

**To:** ELAGLACIER@AOL.COM

**Subject:** PETITION TO EXEMPT ALL OF 5B2101470430

Hello Ella,

I am following up with our recent telephone conversation regarding the excess land included in parcel 5B2101470430 being taxed because it does not meet the religious exclusive use requirements.

For reference, I have attached the following information;

- A copy of the letter mailed March 6, 2017 mailed to all church owned properties within the CBJ with apportioned use of their property.
- Information regarding the legal requirements both statewide and locally.
- Photos taken of the Subject property April 12, 2018.
- A worksheet with information related to the market value and base land rates in the neighborhood. (Fair and equitable valuation).

I discussed this same concern with your pastor last summer and I provided him with suggestions on how to develop the property so that it would meet the requirements. I also stated the changes would have to be completed prior to January 1, 2018 to be considered for 2018. Suggestions included constructing meditative gardens, a labyrinth, sunrise service accommodations, stations of the cross, etc. (Portable picnic tables and sporting equipment do not qualify). It has to be permanent and clearly represent the exclusive religious purpose of use.

When I inspected the property on April 12, 2018 none of those suggestions had been acted upon. I have attached photos and aerials of the property to this email along with the state statutes defining religious use.

To respond to your reasons regarding the use of the property for parking and church functions;

**Ownership** – Of property by religious organization does not qualify the property for exempt religious use purposes.

**Parking** - There is a large parking area in the front of the church main entrance area.

The property at the rear of the parcel, facing Bresee St. has not been permitted for parking lot nor does it meet Community Development conditional use requirements for parking.

**Church Functions** – The religious exemption requirements are pretty specific within the State Constitution, statutes and ordinances.

There is no provision for use as picnic or recreation area.

Please do not hesitate to contact me directly if I can be of assistance to you.

Regards,

Robin

**Robin Potter ACAA V**

Assessor, Finance Department

City & Borough of Juneau

155 S. Seward Street

Juneau, AK 99801

907.586.0333

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## **RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. \_\_\_\_**

### **A Resolution Calling for an Advisory Ballot Proposition on City and Borough Financial Support for Improving and Expanding Access for all Juneau Families to Affordable High Quality Child Care and Early Learning/Pre-school.**

**WHEREAS**, the Juneau Economic Development Final Plan – adopted by the Assembly by Ordinance No. 2015-10, survey results showed that approximately 75% of business/employer respondents found Juneau’s availability and cost of child care services a “very significant” or “somewhat significant” barrier to Juneau’s economic development. Adopted goals of the plan include: “Ease the Child Care Barrier: Increasing the capacity, quality, and affordability of child care,” and “Support Quality Pre K-12 Education,” and

**WHEREAS**, on May 9, 2017 the Juneau Board of Education unanimously approved Resolution 2017-02, “A Resolution Supporting High Quality Pre-K and to Improve Kindergarten Readiness and Student Success,” and

**WHEREAS**, there is great deal of scientific research indicating that ages 0-5 are the most important years for healthy brain development, learning preparation, and development of skills and personality traits that will have a major impact on becoming a successful adult, and

**WHEREAS**, more than 2 out of 3 of Juneau’s kids are “not ready” for Kindergarten according to state Department of Education measures, and

**WHEREAS**, Alaska exceeds most other states in Adverse Childhood Experiences (ACES). Juneau exceeds the Alaska average in several ACES categories including sexual and emotional abuse and household substance abuse, and

**WHEREAS**, high quality child care and preschool with a proven curriculum, trained teachers, and parental involvement increases Kindergarten readiness and can reduce the incidence and impacts of ACES through parent involvement, early intervention, and building resilience in youth, and

**WHEREAS**, Juneau has a well-documented child care and early learning shortage. Juneau lost approximately 20 percent of its child care/early learning providers in the last 12 months. Juneau has less than half of the child care/early learning it is estimated to need for its families, and very few of the current providers have the resources from parent support alone to provide appropriately qualified and trained teachers and high quality learning and care, and

**WHEREAS**, the Assembly has decided to call for an advisory vote on the City and Borough providing financial support for improving and expanding child care and early learning to be presented to the voters at the October 2, 2018 municipal election;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Submission of Proposition to Voters.** A proposition as set forth in Section 2 of this resolution shall be submitted to the qualified voters of the City and Borough at the next regular election to be held on October 2, 2018. The City and Borough Clerk shall prepare the ballot proposition to be submitted to the qualified voters as provided by this resolution and shall perform all necessary steps in accordance with law to conduct the election and place this proposition before the qualified voters at said election.

**Section 2. Proposition.** The proposition to be submitted to the voters as required by Section 1 shall read substantially as follows:

**Proposition No. \_\_\_\_\_**  
**Advisory Proposition on Child Care and Early Learning/Preschool**

**Explanation of Proposition**

Through this ballot measure, the Assembly asks for your advice on providing City and Borough financial support for improving and expanding access for all Juneau families to affordable high quality child care and early learning/pre-school. This is a non-binding measure.

The primary goals of this effort would be to increase the percentage of 5 year old children who are “prepared to learn” (by annual State assessment process) when entering kindergarten from 32% to at least 63%, and reducing the impact of “Adverse Childhood Experiences (ACES)” on Juneau’s children.

This effort is expected to cost up to \$2.8 million of CBJ funding in the fifth year when the programs is fully implemented, thereafter adjusted for inflation annually. The Assembly intends to increase property taxes to fund this effort, but may be able to partially offset property tax rate increases over the next five years with natural increases in local sales and property values. \$2.8 million is the equivalent of 0.58 mill of property tax in 2018, or \$58.00 per \$100,000 of assessed value.

**PROPOSITION NO. \_\_\_\_**

Do you support this effort primarily funded with property tax revenue to improve and expand access for all Juneau families to affordable high quality child care and early learning/pre-school?

- ☐ Yes
- ☐ No

**Section 3. Effective Date.** This resolution shall be effective immediately upon adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Ken Koelsch, Mayor

Attest: \_\_\_\_\_  
Laurie J. Sica, Clerk

## Best Starts Child Care/Early Learning Plan In a Nutshell

### Best Starts Overview for Affordable Available High Quality Child Care/Early Learning for all of Juneau's Kids

1. High Quality incentive: For every child in licensed care:
 

\$100/child/or infant/toddler per month	@ <b>Quality level 2*</b>
\$200/child & \$350/infant/toddler per month	@ <b>Quality levels 3-5*</b>
2. Incentive to serve low income families (in addition to the above):
 

\$150/child or infant/toddler/month - Low Income Family Incentive.
3. Sliding scale financial support for low income families. (Existing State program)
4. CBJ HEARTS funding increase - incentive for early learning training.
5. Connect kids and parents with services.
6. Management and Quality Control.
 

(\*State of Alaska – “Learn and Grow” 5 Quality Levels)

**Best Starts Strategy:** Similar subsidy strategies have been implemented successfully in other cities including Seattle. In fact, subsidy is the only way to guarantee providers have the resources to raise quality.

**1. High Quality incentive:** Provides a moderate subsidy per child to make up the difference between what parents can afford, and the cost of hiring qualified workers who can implement a high quality curriculum (as measured by the AK Dept of Education 5 quality level “Learn and Grow” standards). Infant/toddler care has the highest subsidy because it is the most expensive to provide due to high staff ratios. This strategy benefits every child in Juneau by raising overall consistency and quality, and makes it economically feasible existing providers to stay in business and new providers to open.

**2. Incentive to serve low income families and allow parents to work:** In addition, provides a \$150 per low income child per month incentive for licensed providers that are quality level 3-5.

**3. Sliding scale financial support for low income families:** Since the 1970's, the State has provided a partial subsidy on a sliding scale based on income, but it has not been enough to make child care affordable for all low income families.

**4. CBJ HEARTS incentive for training:** For several years the CBJ has successfully provided an education award program that has proven effective in increasing the number of qualified child care teachers. Best Starts would increase the number of teachers with needed training (currently only 30% of Juneau child care teachers are trained).

**5. Connect kids and parents with services:** Providers will be assisted in connecting kids and parents with family support and parenting services, health services, and other family oriented services to build stronger families and reduce the incidence and impact of ACES (Adverse Childhood Experiences).

**6. Management and Quality Control:** The cost to administer and evaluate Best Starts is low because it largely uses existing measures and systems. The Assembly will appoint an Early Education Steering Committee to guide implementation & report to the public. Representatives: Assembly/CBJ, School District, Tlingit and Haida Central Council, other providers, Juneau Association for the Education of Young Children, United Way, Chamber of Commerce, League of Women Voters, parents, & interested citizens. The School District will be the fiscal agent and hire a Quality Coordinator to assist and maintain high quality for public and private participating providers.

## Why is child care/early learning important to Juneau?

- We know that the first 5 years of life are the most critical for learning and developing successful character traits to become healthy successful adults. To illustrate the critical nature of early education, state assessments show that only one out of three Juneau kids are prepared to enter Kindergarten, AND, according to state tests, a large number of Juneau kids never achieve proficiency in language, science and math in K-12. A nationally recognized forty year study of children to adults show that **high quality** child care/early learning during ages 0-5 increases academic and lifetime success and reduces future government and societal costs far greater than the investment in early learning.
- Child care is difficult to find in Juneau, and expensive. It is a stress to families and employers. Available high quality care is a family stress reducer, and can decrease ACES impacts due to parental involvement, potential early identification of problems, and building resilience in children.
- An available, affordable, high quality child care/early learning system in Juneau is a key to our economic growth. Child care is a critical need for recruiting and retaining employees. Best Starts will make Juneau one of the most Business and Family Friendly cities in the nation.

## What is the child care crises in Juneau?

- **Quantity** – Juneau has lost over 100 or 20% of its child care spaces in the 12 months. There are about half as many spaces as needed to serve Juneau families who want child care.
- **Quality** – The state “Learn and Grow” quality system gives ratings from 1 (lowest) to 5 (highest) based on qualifications of staff, curriculum, facilities, etc. Juneau currently has only two child care/early learning centers beyond a 1 rating.
- **Affordability for families** - The cost for child care in Juneau is an average of \$938 per month. The state “Child Care Assistance Program” helps families only with the first \$675 of cost paying a % of \$675 on a sliding scale based on family income, requiring low income families to pay 100% of amounts over \$675. This makes child care unaffordable to many lower income families.

## What is the root cause of the child care crises in Juneau?

The root cause is: **most parents cannot afford to pay enough for child care to enable providers to operate a quality child care or preschool.** Currently, child care teachers in Juneau earn an average of approximately \$12.50/hour with few benefits. There is little financial future for child care workers, so few qualified teachers are hired and turnover is very high. Providers are also facing increased state pressure to raise quality standards and hire more qualified staff, but they do not have the revenue to do so, further worsening the problem.

## Do Juneau’s Schools, Child Care and Pre-school system support Best Starts?

Yes, the public, private, and non-profit providers all support Best Starts and are partners.

**Can Juneau Afford Best Starts for its kids?** The cost of Best Starts ramps up over 5 years to a sustaining program of \$2.8 million per year adjusted annually for inflation. If growth exceeds the funding, the incentives can be scaled back instead of costing more. For reference: the entire proposed FY 19-20 CBJ budget is \$330 million; Total Sales and Property taxes \$89.6 million; the total cost of K-12 is \$85.7 million (Juneau’s local tax contribution to K-12 is \$27 million).

Go to [www.juneaubeststarts.org](http://www.juneaubeststarts.org) or email [info@juneaubeststarts.org](mailto:info@juneaubeststarts.org) or you may call Kevin Ritchie at 957-1599 if you want more information, have questions, comments, or wish to volunteer.