

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

Monday February 22, 2010, 7 p.m.  
Assembly Chambers – Municipal Building  
Regular Meeting No. 2010-05

Submitted by: \_\_\_\_\_

Rod Swope  
City Manager

**I. FLAG SALUTE**

**II. ROLL CALL**

**III. SPECIAL ORDER OF BUSINESS**

A. CCFR Volunteer Recognition – Brad Waldron

**IV. APPROVAL OF MINUTES**

- A. January 18, 2010 – Special Assembly Meeting 2010-02
- B. January 25, 2010 – Regular Assembly Meeting 2010-03
- C. February 3, 2010 – Special Assembly Meeting 2010-04

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

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

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

**VII. CONSENT AGENDA**

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

B. Assembly Requests for Consent Agenda Changes

C. Assembly Action

1. Ordinances for Introduction

a. Ordinance 2010-04

**An Ordinance Authorizing The Manager To Execute A Lease Of The Cornerstone Shelter Building And A Fraction Of U.S. Survey 381, On Hurlock Avenue, Containing 36,122 Square Feet, To Juneau Youth Services, Inc.**

In 1968, The Greater Borough of Juneau received title to U.S. Survey 381, for use as a Receiving Home. After reviewing historical files, there is no evidence that a lease, or similar written document, has ever been issued for occupancy of the property by a non-City and Borough entity. Juneau Youth Services, Inc., a nonprofit organization, has submitted a proposal for grant funding to Alaska

Housing Finance Corporation (AHFC) to improve interior portions of the structure, located at 9290 Hurlock Avenue. AHFC requires dedication of the current use of the property for a period of five years to amortize grant-funding improvements. The proposed lease would meet those requirements.

At its January 11, 2010 meeting, the Lands Committee adopted a motion of support for an ordinance that: 1) authorizes the Manager to execute a lease of the premises to Juneau Youth Services, Inc., which shall contain current lease content and form requirements, and 2) waives the payment of annual rent for a period of five years as the property will be leased to a nonprofit organization for the purpose of performing a public health function.

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

b. Ordinance 2010-05

**An Ordinance Amending The Official Zoning Map Of The City And Borough Land Use Code To Change The Zoning Of U.S. Survey 1361, Tract IV, Lot 3, North Douglas Highway, Currently Zoned D-3 To D-18.**

The applicant is requesting a zone change from D-3 to D-18 with the intention of developing the site with small individual homes in a clustered development, leaving portions of the lot in a natural state. There are two existing access points to North Douglas Highway and an existing church building. The site is adjacent to Kowee Lot 1, which was recently approved by the Planning Commission to transition from D-3 to D18. The Comprehensive Plan identifies the property to be rezoned to Medium Density Residential and CDD staff recommended to the Planning Commission that it be rezoned from D-3 to D18.

The site is shown on Map L (pg 180) of the 2008 Comprehensive Plan as Urban Low Density Residential transition Medium Density Residential (ULDR (T) MDR). Page 164 of the 2008 Comprehensive Plan describes MDR as follows:

*These lands are characterized by urban residential lands for multi-family dwelling units at densities ranging from five to 20 units per acre. Any commercial development should be of a scale consistent with a residential neighborhood.*

The Planning Commission, at its December 8, 2009 meeting, recommended rezoning to D-10 rather than the requested D-18. The D-10 district is similar to the requested D-18 zone and is intended to accommodate primarily multi-family development at 10 units per acre (CBJ 49.25.210(e)). D-18 has smaller minimum lot sizes than D-10 and reduces the rear setback requirement from 20 feet to 10 feet.

The Planning Commission recommended that the Assembly approve the rezone of the subject parcel from D-3 to D-10 with the following condition:

1. Access points should be aggregated to the extent possible, and access roads should be spaced at least one-quarter mile from adjacent access roads.

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

c. Ordinance 2009-08(AB)

**An Ordinance Appropriating To The Manager The Sum Of \$111,990 As Partial Funding Of The Planning, Study, and Design For Auke Bay Elementary School Capital Improvement Project, Funding Provided By General Obligation Bond Interest Income.**

This ordinance would appropriate unbudgeted school General Obligation Bond interest income to a new capital improvement project titled Auke Bay Elementary School.

Funds would be provided by the following:

1. 2000 GO School Bond Interest Income of \$1,093 from the Floyd Dryden Renovations CIP.
2. 2000 GO School Bond Interest Income of \$412 and 2004 GO School Bond Interest Income of \$824 for a total of \$1,236 from the J-D High School Renovation II CIP.
3. 2004 GO School Bond Interest Income of \$109,661 from the Floyd Dryden Renovations Phase II CIP.

The total appropriation of interest funds would be \$111,990. It is anticipated that additional bond funds will be transferred from the J-D High School Renovation II within the next few months, allowing that project to be closed.

Appropriation of these funds into a new Auke Bay Elementary School CIP will allow updating of condition surveys and completion of planning to determine whether renovation of the existing school, construction of a new school at the current site, or construction of a new school at a different site is the most feasible option.

The School Board approved appropriation of these funds into a new Auke Bay Elementary School CIP on February 9, 2010.

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

d. Ordinance 2009-08(AC)

**An Ordinance Appropriating To The Manager The Sum Of \$2,000 As Partial Funding for the Purchase of Artworks for the Juneau-Douglas City Museum, Grant Funding Provided by Rasmuson Foundation and Museums Alaska, Incorporated.**

This ordinance would appropriate \$2,000 toward the purchase of artwork for the Juneau-Douglas City Museum. Funding is provided by a grant from Rasmuson Foundation and Museums Alaska, Incorporated.

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

2. Resolutions

a. Resolution 2516

**A Resolution Authorizing The Manager To Apply For, And Enter Into, A Loan Agreement With The Alaska Department Of Environmental Conservation, State Revolving Loan Fund, For The Wastewater Utility Juneau-Douglas Treatment Plant Incinerator Rehabilitation Project.**

This resolution would authorize the City Manager to enter into an agreement for a \$3,000,000 loan from the Alaska Department of Environmental Conservation Clean Water Fund for the rehabilitation of the reactor vessel and associated equipment for the high-temperature, fluidized-bed incinerator at the Juneau-Douglas Wastewater Treatment Plant. The terms of the low interest loan under Alaska's State Revolving Loan Fund program are anticipated to be for 15 years at 1.5-percent interest.

The incinerator was put into service about 18 years ago as the preferred option for ultimate disposal of wastewater biosolids for the community. Deterioration of the steel skin of the reactor vessel has recently been determined to have progressed farther than originally thought, making this project a very high priority. Replacement of several steel components associated with the incinerator system and "over-skinning" of the reactor vessel's exterior with steel having high corrosion-resistance is expected to extend its life, and thereby delay its replacement, for about 15 years.

The project is expected to consist of an initial phase to do metalwork with a probable second phase to rehabilitate the refractory and insulation inside the reactor vessel. The over-skinning phase of the rehabilitation project is scheduled for completion before the end of this year with the full project being completed by the end of 2011. The total project budget is \$3,000,000

The Public Works and Facilities Committee approved this action at its February 8, 2010 meeting.

**I recommend this resolution be adopted.**

b. Resolution 2517

**A Resolution Designating A Recovery Zone For Purposes Of Sections 1400U-1, 1400U-2, And 1400U-3 Of The Internal Revenue Code Of 1986, As Amended, And The American Recovery And Reinvestment Act Of 2009.**

This resolution will designate Juneau as a recovery zone for the purpose of qualifying to issue Recovery Zone Economic Development Bonds (RZEDBs). Under the provisions of the American Recovery and Reinvestment Act of 2009, the federal government is allowing communities to issue bond debt, within specific limits, that contains additional issuer and purchaser financial benefits.

The recovery zone bonding provisions will sunset on December 31, 2010. CBJ has \$7.5 million in unissued General Obligation Bond authorizations for the Dimond Park Aquatic Center. The Finance Department is planning to issue these remaining bonds as RZEDBs. The RZEDBs will be sold as taxable debt with the federal government reimbursing the CBJ 45% of the total interest costs. This should result in a significant overall net interest rate reduction.

Approval of this resolution will allow CBJ to issue Recovery Zone Facility Bonds (RZFB). The federal provisions allow CBJ to issue RZFBs as tax-exempt financing. RZFBs would most likely be conduit debt for a local business. Depending upon the bond buyer's interest, this should result in a net savings to the project. Recently Alaska Glacier Seafoods approached the CBJ requesting assistance, if possible, in financing a new ice plant. The Assembly directed staff to work with Alaska Glacier Seafoods in finding financing. RZFBs could be a viable option to Alaska Glacier Seafoods in financing this project.

**I recommend this resolution be adopted.**

c. Resolution 2518

**A Resolution Supporting The Southeast Alaska Solid Waste Authority's FY 2011 Legislative Appropriation Request For Organizational Funds.**

The Southeast Alaska Solid Waste Authority, created under state law in 2009, is seeking funding from the Alaska State Legislature to match other grants and funds it has raised for startup and organizational costs. This resolution would express Assembly support for that legislative funding.

**I recommend this resolution be adopted.**

3. Transfers

**a. T-903, Transferring \$100,000 From Berners Avenue Sewer Capital Improvement Project (CIP) To Wood Duck Avenue Improvements CIP.**

This request would authorize the transfer of \$100,000 from the Berners Avenue Sewer Project into the Wood Duck Avenue Improvements Project.

Wood Duck Avenue, between Taku and Poplar, is scheduled for reconstruction this summer (2010). During the design, it was discovered that the sewer is in need of replacement within this segment. The estimated cost of the sewer system replacement is \$100,000.

The transfer of \$100,000 will provide the necessary funding to replace the sewer system within this portion of the Wood Duck Avenue Improvements Project and still maintain sufficient funds to complete the Berners Avenue project.

The Public Works and Facilities Committee heard and approved this action at its January 11, 2010 meeting.

**I recommend this transfer be approved.**

4. Bid Award

a. **Bid # DH09-420 Douglas, Harris, Aurora, and Statter Harbor Uplands Improvements.**

The bid was opened on February 2, 2010 with the following results:

BIDDERS	BASE BID	ALT A	ALT B	ALT C	ALT D	TOTAL BID
Admiralty Construction	\$208,890.00	\$59,000.00	\$51,500.00	\$34,000.00	\$344,788.00	\$698,178.00
North Pacific Erectors	\$201,492.25	\$59,219.33	\$55,344.04	\$37,940.10	\$294,695.02	\$648,690.74
Alaska Commercial Contractors	\$243,941.00	\$54,092.00	\$47,757.00	\$34,600.00	\$292,449.00	\$672,839.00

The Docks and Harbors Department received bids on February 2, 2010 for the Douglas, Harris, Aurora, and Statter Harbors Upland Improvements project. The work includes improvements to the approach to the main transfer bridge at Douglas Harbor; concrete pads and fencing for trash dumpsters at Douglas, Harris, and Aurora Harbors; kiosks at Harris and Douglas Harbors; and security cameras at Douglas, Harris, Aurora, and Statter Harbors.

The bid included a base bid and four additive alternates. The bid results for the full project exceeded the amount of available funding, so the Harbor Board recommended, at a Special Meeting on February 16, 2010, to award the Base Bid, plus Additive Alternates A, B, and C, in the total amount of \$353,390, to the apparent low bidder, Admiralty Construction, Inc.

**VIII. PUBLIC HEARING**

A. Ordinance 2010-01(b)

**An Ordinance Amending The Official Zoning Map Of The City And Borough Land Use Code To Change The Zoning Of U.S. Survey 752, Lot 2A, On Glacier Avenue, From D-18 To Light Commercial.**

This ordinance would rezone a section of Glacier Avenue, including a part of Evergreen Avenue. The applicant is requesting rezoning of USS 752 Lot 2A (MRV Architects office) from D-18 to Light Commercial (LC). The applicants are the owners of the office and apartment building at 1420 Glacier Avenue. The application is consistent with the Comprehensive Plan. If the parcel is rezoned to LC, a portion of the building could be used for retail sales as well as office and residential uses.

Version (b) excludes the Evergreen Cemetery property from this rezone.

The Planning Commission recommended approval of the requested rezoning at its January 12, 2010 meeting, with the condition that any future retail use must meet all code requirements, and would not be eligible to apply for any type of variance.

**I recommend this ordinance be adopted.**

B. Ordinance 2010-02

**An Ordinance Authorizing The Port Director To Negotiate And Execute A Lease To Alaska Glacier Seafoods Of A Portion Of Alaska Tidelands Survey No. 357, Located Near The Auke Bay Loading Facility, And To Accept Conveyance From Alaska Glacier Seafoods Of A Perpetual Easement Located Adjacent To The Lease Premises.**

This ordinance would authorize the Port Director to: (1) accept the conveyance of a perpetual easement from Alaska Glacier Seafoods (AGS), and (2) negotiate a lease to AGS for a portion of the CBJ uplands at the Auke Bay Loading Facility.

The easement will be located along the retaining wall owned by AGS at its Auke Bay seafood processing plant. As explained in the ordinance, CBJ placed fill along the retaining wall, with prior approval of AGS, as part of the construction of the uplands at the Auke Bay Loading Facility. This enabled CBJ to construct additional uplands and avoid the cost of constructing a retaining wall. The parties agreed to pursue conveyance of an easement for the fill placement and maintenance.

AGS also requested to lease a portion of the newly constructed uplands for future expansion of its fisheries operations. This ordinance would authorize the Port Director to lease to AGS approximately 8,698 square feet (0.2 acres) of the uplands belonging to CBJ at the Loading Facility and located adjacent to AGS's existing seafood plant.

In lieu of CBJ making direct payment for the easement, the Docks and Harbors Board has negotiated an annual lease rent credit equivalent to the market value of the perpetual easement. The term of the annual rent credit is 25 years, after which a new annual market rent will be established in accordance with the CBJ Leasing Code. The market value of the easement and the market value of the lease were established by a certified appraiser. The transaction is a fair market value trade.

The Docks and Harbors Board approved the easement and lease at its November 5, 2009 meeting. The Assembly Lands Committee heard and approved this action at its January 11, 2010 meeting.

**I recommend this ordinance be adopted.**

C. Ordinance 2010-03(b)

**An Ordinance Adopting The Refuse Collection System Code To Provide For A System Of Mandatory Refuse Collection And Disposal, And Providing For A Penalty.**

This ordinance would adopt a Refuse Collection System Code, which provides for mandatory refuse collection and disposal within the City and Borough of Juneau (CBJ). Version (b) changes the effective date of the ordinance to 60 days after the Certificate of Public Convenience and Necessity is transferred by the RCA to the CBJ.

Adoption of a mandatory collection policy for solid waste is one of the principle recommendations contained in the Solid Waste Management Strategy for the CBJ, adopted January 4, 2008. This strategy is designed to build on the strengths of the existing collection system by encouraging further development of the private collection and disposal system.

This ordinance extends the current voluntary “subscription” collection rate to provide full coverage throughout the CBJ. This approach establishes the broadest possible rate base for distributing the capital and operating costs associated with solid waste collection, processing, and disposal, and provides a mechanism for controlling and minimizing the costs to the ratepayer over time in a fair and equitable manner.

This ordinance was discussed at the Assembly Committee of the Whole (COW) meeting on December 28, 2009. The recommendation of the COW was to move an ordinance forward to the Assembly for consideration.

**I recommend this ordinance be adopted.**

D. Ordinance 2009-08(Y)

**An Ordinance Appropriating To The Manager The Sum Of \$2,000,000 As Partial Funding For The Consolidated Public Works Facility, Statter Harbor Renovation, And The Juneau International Airport Terminal Capital Improvement Projects, Such Funds Provided By The Sales Tax Fund.**

This ordinance would appropriate \$2 million in sales tax revenues collected from a prior 1% temporary sales tax levy divided between the Consolidated Public Works Facility, Statter Harbor Renovation, and Juneau International Airport Terminal Capital Improvement Projects. These projects were identified in the current five-year 1% sales tax levy approved by the voters on October 2, 2007. Economic conditions have resulted in lower sales tax revenue than anticipated when these projects were approved by the voters.

The Public Works and Facilities Committee approved this action at its December 28, 2009 meeting and recommended Assembly approval.

**I recommend this ordinance be adopted.**

E. Ordinance 2009-08(Z)

**An Ordinance Appropriating To The Manager The Sum Of \$1,752,000 As Partial Funding For North Douglas Sewer Expansion, Phase IV, Grant Funding Provided By The State of Alaska, Department of Environmental Conservation.**

This ordinance would appropriate \$1,752,000 for the North Douglas Sewer Capital Improvement Program (CIP) (U484-86), funding provided by an Alaska Department of Environmental Conservation Municipal Matching Grant.

This grant provides funding for the continued expansion of CBJ’s wastewater collection infrastructure. This funding will help complete the final phase of sewer along North Douglas Highway from the Bridge to Bonnie Brae (uphill side from 1 mile to Bonnie Brae). The North Douglas Sewer CIP has recently completed two phases of construction and another phase is currently under contract for construction beginning in early 2010.

The Public Works and Facilities Committee reviewed this action at its November 9, 2009 meeting and recommended Assembly approval.

**I recommend this ordinance be adopted.**

F. Ordinance 2009-08(AA)

**An Ordinance Appropriating To The Manager The Sum Of \$100,000 As Funding For The Lower Highland Drive Sewer And Water Repair, Partial Funding Provided By The Wastewater Utility Operating Budget**

This ordinance would transfer \$100,000 from the Wastewater Utility Operating Budget to a new project, Lower Highland Drive Water and Sewer Replacement Project (CIP 422-52).

Recently, the sewer main along lower Highland Drive, between Glacier Avenue and Behrends Avenue, was found to be deteriorated to the point of failure, in danger of collapse, and needing to be replaced. The water system along this segment of Highland Drive is also more than 50 years old and in need of replacement. The storm drainage system is about 20 years old and will be compromised with the replacement of the water and sewer systems. The curb, gutter, and sidewalks are in marginal shape and will be replaced as necessary during construction of a new water, sewer, and storm drain system. The total estimated cost for this project is \$450,000.

This appropriation would provide the additional funding necessary to complete the water and sewer replacement on lower Highland Drive.

The Public Works and Facilities Committee and approved this action at its January 11, 2010 meeting.

**I recommend this ordinance be adopted.**

**IX. UNFINISHED BUSINESS**

**X. NEW BUSINESS**

**A. Liquor Licenses 2010-2011 Renewals:**

**1. Club License #3313: Fraternal Order of the Eagles Aerie #4200 (premises location 2055 Jordan Ave. #1, Juneau)**

**2. Beverage Dispensary License #3695 Henry's Food & Spirits LLC d/b/a Henry's Food & Spirits (premises location 9109 Mendenhall Road #4B)**

**3. Beverage Dispensary License #728: JD Entertainment d/b/a The Island Pub (premises location 1102 2nd Street, Douglas)**

**4. Beverage Dispensary License #772: NYT Inc d/b/a Rendezvous (premises location 184 S. Franklin St.)**

**5. Beverage Dispensary License #673: Peterson Pacific Holding Inc. d/b/a Louie's Douglas Inn (premises location 915 3rd Street, Douglas)**

**6. Beverage Dispensary License #4349: Senate Partnership Inc. d/b/a The Penthouse (premises location The Bergman Hotel 434 3rd Street, Juneau)**

**7. Beverage Dispensary/Tourism License #1378 Alaskan Hotel & Bar Inc. d/b/a Alaskan Bar (premises location 167 S. Franklin St.)**

**8. Package Store License #271 Alaska Cache Liquor Inc. d/b/a Alaska Cache Liquor (premises location 156 S. Franklin St.)**

**9. Package Store License #2066 Fred Meyer Stores Inc. d/b/a Fred Meyer #158 (premises location 8181 Glacier Hwy.)**

**10. Restaurant/Eating Place License #851 Rodfather's LLC d/b/a The Broiler (premises location Nugget Mall)**

**11. Restaurant/Eating Place License #1416: Taku Glacier Lodge Inc. d/b/a Taku Glacier Flightseeing/Salmon Bake (premises location Taku River)**

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

The Human Resources Committee will meet, Monday, February 22, 2010, and will report on its action. Enclosed in your Human Resources Committee packets are full sets of the relevant documents pertaining to these actions. In the event the Assembly does protest one or more of the above-mentioned liquor licenses, CBJ Code 20.25.025(c) provides the licensee an opportunity to exercise their right to an informal hearing before the Assembly.

**I recommend the Assembly adopt the Human Resources Committee's recommendations for action from tonight's meeting.**

## **XI. STAFF REPORTS**

## **XII. ASSEMBLY REPORTS**

- A. Mayor's Report
- B. Committee Reports
- C. Liaison Reports
- D. Presiding Officer Reports

## **XIII. ASSEMBLY COMMENTS AND QUESTIONS**

## **XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

## **XV. EXECUTIVE SESSION**

## **XVI. ADJOURNMENT**

Note: Agenda packets are available for review online at [www.juneau.org](http://www.juneau.org).

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