THE CITY AND BOROUGH OF JUNEAU, ALASKA

May 27, 2008

MEETING NO. 2008-17: 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 p.m. by Mayor Bruce Botelho.

I. FLAG SALUTE was led by Mayor Bruce Botelho.

II. ROLL CALL

Assembly Present: Jonathan Anderson, Bruce Botelho, Jeff Bush (left at 5:50 p.m.), Bob Doll, Johan Dybdahl, Merrill Sanford (arrived at 6:20 p.m.), and Randy Wanamaker.

Assembly Absent: Sara Chambers, David Stone.

Staff Present: Rod Swope, City Manager; Kim Kiefer, Deputy City Manager; John Hartle, City Attorney; Roger Healy, Engineering Director; Dale Pernula, Community Development Director; Greg Chaney, Planning Manager; Dan Sexton, Planner I, Peggy Cowan, JSD Superintendent; Deb Lewis, School Facilities.

III. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction – None.

B. Assembly Requests for Consent Agenda Changes

Mayor Botelho noted a request to remove Transfer T-880 and Bid Award E08-094 from the consent agenda.

C. Assembly Action

MOTION, by Anderson, to adopt the consent agenda as amended by removing Transfer T-880 and Bid Award E08-094. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

a. Ordinance 2007-21(BI)

   An Ordinance Appropriating To The Manager The Sum Of $1,020,280 As Partial Funding For The Renovation Of Harborview Elementary School, Funding Provided By General Obligation School Bond Interest Income.

   Administrative Report: Attached. The manager recommended Ordinance 2007-21(BI) be introduced and set for public hearing at the June 23 Regular Assembly meeting.

   Removed from the consent agenda:

2. Transfers

   a. Transfer T-880

      Authorizing the Transfer of $2,650,000 in General Obligation School Bond monies from the Districtwide Major Maintenance Fund to Glacier Valley Renovation Capital Improvement Project and Harborview Renovation Capital Improvement Project.

      Administrative Report: Attached. The manager recommended this transfer be approved.
Public Comment: None.

**MOTION**, by Doll, to approve Transfer T-880.

Mr. Doll asked what the funds being transferred would have been used for under other circumstances.

Roger Healy said the funds are coming from the “Major Maintenance” account, which was $18 million in General Obligation Bonds that were originally bonded for what he called the “old new high school.” Because of the wording of the ballot proposition, the bonds could not be used for construction of Thunder Mountain High School (TMHS). At the time there were two options, one to “defease” the bonds and the other was to reallocate them into the School District’s recommendation of a major maintenance account. This was done with rough allocations to different schools, and it was important to understand that it was considered one project – major maintenance. On a rough basis we allocated over $4.6 million to Harborview, $2 million for Auke Bay, $1.5 million for Gastineau, $1.6 for Glacier Valley, $6.3 for Marie Drake, $600,000 for District Offices and $1.9 for ADA upgrades. The money for Harborview and Glacier Valley has already been wrapped into those projects. The money originally identified for Marie Drake was for a very general project to replace windows and finish upgrades. There is a school district application for FY08 and FY09 CIP that identifies additional financial need for Marie Drake. The estimates for the original project are old and the recent discussion of moving Montessori, Administration and Yaakoosge Daakahidi create the need for additional review of actual project costs for a new plan.

Mr. Doll asked if the terms under which the bonds were initially sold permitted this type of transfer. Mr. Healy said yes.

Mr. Anderson said it seemed that CBJ sold $18 million in bonds to build TMHS, decided not to build it, then later decided to build it and sold another $18 million to build it. Was this $18 million extra that was dumped into the school budget? Mr. Healy said the $18 million was original bonds for the “old new high school.” At the time that the ballot proposition prohibited the use of the bonds on the new high school, there were two options – one to defease and one to redirect. The Assembly took this issue to the voters; the voters supported a new use for the $18 million, which was to put it to major maintenance.

Mr. Anderson asked if the $18 million was divided between schools. Mr. Healy said yes, on a rough basis. Mr. Anderson asked if the transfer was taking some funds from each school, or from one project. Mayor Botelho said the funds had been primarily identified for Marie Drake, but now with the programming changes in the works for Marie Drake, additional planning is needed and this money can be freed up for this project. Mr. Healy agreed.

Mr. Anderson asked if funds were shifted to this account from that account, would the voters be asked to fill the account to do the original projects. Mr. Healy said the application for the Marie Drake project in the district’s CIP plan requested an additional $10 million for renovation. The funds will need to be replenished and more. He said that there needs to be a better plan for Marie Drake outlined to determine the true costs.

Mr. Anderson said this seemed a little like a shell game and he was uncomfortable with shifting funds.

Mr. Bush said it made sense to complete this project and use the funds necessary from general major maintenance, as it will need voter approval to do the next project. Leaving some funds set aside in the account for a future project that will also need additional funding did not seem prudent if the first project can’t be completed.

Mr. Doll said he hoped that there was fine print in the bond language that told the voters about the change of the use of the funds and hoped it was legal and that it will be checked on. He was concerned
about the appearance of the school having funds that no one knows about. The next time a school funding project comes up he would like to know about existing funds that may be an option for use.

Mayor Botelho asked Mr. Hartle for his opinion on the transfer of funds. Mr. Hartle said this bond money was for $18 million major maintenance, he would find out more, but the bond ordinances do allow money to be shifted from one project to another upon approval of the Assembly.

Mr. Wanamaker said he was on the Assembly when they chose to not defease the bonds, and the question was put back before the voters. He was satisfied with this approach and supported the transfer.

Roll call:
Nay: Anderson
Motion passed, 5 ayes, 1 nay.

3. Bid Award

a. Bid E08-094
Harborview Elementary Renovation

Administrative Report: Attached. The manager recommended award of this project to McGraw Custom Construction, Inc. in the Base Bid and Alternate Numbers 1-9 amount, for a total award of $16,513,421.

Public Comment: None.

MOTION, by Doll, to approve Bid Award E08-094 to McGraw Custom Construction, Inc. in the Base Bid and Alternate Numbers 1-9 amount, for a total award of $16,513,421.

Mr. Doll said he understood the bid award was made on the interest income from the Marie Drake facility fund and asked if this was the same fund Mr. Healy had discussed. Mr. Healy said there was no Marie Drake project. There was a major maintenance fund, the interest was derived from the total $18 million in the Major Maintenance account and was not specifically from Marie Drake. The fund was roughly allocated to several school maintenance issues.

Mr. Anderson said the Major Maintenance fund had $9.98 million available at this point. Mr. Healy said that is correct. Mr. Anderson asked if the Major Maintenance account was not allocated to specific projects. Mr. Healy said that in May 2005, when the old new school got voted down, there was a vote of the voters to redirect the funds to the major maintenance projects for each school identified by the school district using a rough estimate. Mr. Anderson said they were general ideas of allocations and Mr. Healy agreed.

Hearing no objection, Bid Award E08-094 was awarded to McGraw Custom Construction, Inc. in the Base Bid and Alternate Numbers 1-9 amount, for a total award of $16,513,421.

Mayor Botelho called a short recess to allow for setup of the room.

IV. NEW BUSINESS

A. Presentation on Historic District Guidelines – Joint Session With Planning Commission

Dale Pernula introduced consultant Nore Winter, of Winter and Company in Boulder, Colorado, to present the final draft of the updated Downtown Historic District Design Standards and Guidelines. The update of the Design Standards and Guidelines has included two public workshops and various meetings with local stakeholder groups to gather comments and concerns as the document developed.
This new version has many improvements over the current document, such as: the identification of four distinct building styles in the district; a step-by-step process of how to plan a preservation project; improved photos and drawings; and case studies of actual buildings within the Historic District. Staff believes this document will make project requirements in the Historic District easier to follow for property owners, the development community, and CBJ Staff.

Mr. Winter introduced Jack Williams, a Seattle architect who has also worked on this project, who serves on the Washington State Board of Architects, the President’s Advisory Council for Historic Preservation and also on the Pike Street Market Design Review Board in Seattle. Mr. Winter said he would do an orientation session for staff and any planning commissioners in the morning tomorrow in more detail. He noted that both the Historic District Guidelines and the Waterfront Design Guidelines documents submitted to the group at the meeting should be considered as drafts.

Mr. Winter conducted a Power Point presentation outlining the waterfront design guidelines, which he said built on the Long Range Waterfront Plan and is a guide for staff to use when reviewing planning permits in light of the seawalk. The plan has overall vision, site design principles, including building placement and orientation, setbacks, views and he said improvement of the waterfront for local residents was an important guideline. Some of the designs include contemporary interpretations on traditional buildings. Height, mass and scale with respect to the pedestrian is included in a guideline called “promoting human scale.”

Mayor Botelho said in the past there were discussions about trading off height dimensions for view planes. He said there was nothing in the guidelines that would preclude that and the idea was valid.

Mr. Doll said these seemed to be suggestions or rules for an architect. Was this also a policy guide? Mr. Winter said yes, and in workshops with architects and business owners, they saw this as a direction the community would like to see. As far as being a regulatory document, that was still open for discussion. Mr. Doll said he did not see this document as very restrictive, and in light of the new parking garage, he didn’t see this as being very helpful. He asked who would implement the guidelines.

Greg Chaney said this was a jumping off point for more refinement for the waterfront plan. The proposed parking garage was outside of the limits of the area subject to waterfront or historic district review.

Mayor Botelho asked if the expectation was that this may evolve into an action item for the Assembly to adopt to direct how Planning Commissioners approach projects on the waterfront. Mr. Chaney said it could. There is a waterfront plan in place with some vague, and in some cases, inappropriate design features, and we wanted to refine those with public input. We can make this official but this is still at the initial phase. We are piggybacking with the historic district guideline project for the use of Mr. Winter’s time.

Mr. Anderson asked how the planners considered weather realities of Juneau for the design for outdoor uses. Mr. Winter said they did discuss solar access opportunities in the plan, however every time he had been in Juneau it was sunny. There are some limits to seasonal uses, no doubt, but they should be considered, planned for, etc.

Mr. Doll asked about the boundary of the study running down the middle of Egan Drive, and said it seemed to say that the buildings on one side did not have relevance to those on the other side of the street. Both sides of the street needed to be conceived as being a whole. Mr. Winter agreed, and part of the response was the limit of the scope of this project. Mr. Chaney said the primary issue was the seawalk and the development next to the seawalk. We discussed whether canopies would be allowed, and we agree it is a good element, and we have a series of design elements the engineers have worked out – and we have put them all in one area. Mr. Doll said that if the approach was related to walking down the street, what will people see? He understood that Goldbelt will vastly renovate their property, and if two sides of the street will be developed to different standards, that didn’t make sense to him.
Mr. Dybdahl said that looking at the historic district, the backside of the buildings were ignored, and he liked the perspective of looking from the front and back – looking in from the waterfront. This should help make the district more consistent.

Mr. Winter presented his ideas on the downtown historic district, showed the boundaries, showed some specific height limits. The community had buildings from many different construction eras. The current guidelines focused on the mining area only. Existing guidelines are brief, decisions are difficult to uphold and can be unpredictable for all parties. Part of the re-write is an attempt to make design user friendly by providing charts and decision trees to help builders figure out how the guidelines relate to their projects. The guidelines are structured to be hierarchical, with a broad policy, narrowing to more specific guidelines. In preservation there is a path of least resistance. It is most important to maintain, repair, then replace, reconstruct and perhaps add some “sympathetic additions.” The guidelines will address the key styles found in the district, and the key features of those styles and the associated proportions. There are guidelines for additions in the district, infill options, building materials, and facade elements. There is a section on streetscape, parking facilities, signs, and temporary storefront closures (i.e. boarding windows, butcher paper, black garbage bags).

He is working with staff on a draft preservation ordinance, with standards to outline the review process. We suggest a Historic District Preservation Board be established. HRAC could still advise and do research. Mayor Botelho asked what the role of the Planning Commission would be with regard to this board. Mr. Winter said that the PC would recommend adoption of the guidelines, and a project might remain in the PC purview if a use permit was required, but the final decision on the historic issues could be made by the board. Ms. Waterman said the Wetlands Review Board was advisory to the PC. Mr. Winter said it could be done either way.

Mr. Dybdahl asked about the cost of doing historic preservation, and there were concerns about long term maintenance issues, such as adding modern insulated windows, etc. Mr. Winters said there was flexibility in the guidelines for materials. Less expensive materials are often the first to need replacing, they can be less durable, and are not cost effective in the long term. Mr. Winter said that an “r” value of single pane is 1, of a double pane is 2. The old window is often losing heat through the frame and seal, fixing that and adding a storm window can provide a greater “r” value than replacing it with a modern insulated window. There are sustainability issues regarding creation of new windows and disposal of old. If deteriorated beyond repair, put a new one in, but just because it is new is not a savings and people needed to get information first.

Mr. Doll asked if adoption of these guidelines creates a need for artisans with a set of skills not currently in the community. Mr. Winters said they have seen a growth in the number of workers who were familiar with restoration. Communities can bring in and broker a skilled worker for a similar set of projects. More money goes to labor than materials in rehabilitation, so more money stays in town.

Mr. Dybdahl asked if local governments had provided incentives to those who try to meet guidelines. Mr. Winters said yes, even if modest they symbolize community support. There is a historic preservation tax exemption on the books in CBJ which is not currently enacted. A design assistance grant can save lots of dollars down the road. There are a range of incentives that can be considered.

Mr. Wanamaker asked what “owner-oriented” meant. Mr. Winters said that if an owner reads this document when they are first considering a project, they will better understand and come in with a project that shows understanding of the guidelines and might be appropriate, which will reduce time and frustration.

The outcomes he assumes from these guidelines are clearer standards, a definition of the range of flexibility, easier decision making, owner oriented at the outset, and efficient design review.

Ms. Waterman asked about “green roofs” with plantings. Mr. Winters said this was an option.
Mayor Botelho asked if a new structure could choose from one of the four styles to emulate. Mr. Winters said yes, and they were considering a fifth style which would be a modern take on the design elements and said the “Del Sol” building was an example.

There was some discussion about changing the boundaries of the historic district to include more of the historic properties.

V. STAFF REPORTS – None.

VI. ASSEMBLY COMMENTS AND QUESTIONS – None.

VII. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS – None.

VIII. EXECUTIVE SESSION – None.

IX. ADJOURNMENT - 6:28 p.m.

Signed:_______________________________   Signed:_______________________________
Laurie Sica, Municipal Clerk             Bruce Botelho, Mayor