

DRAFT MINUTES
Public Works and Facilities Committee Meeting
Monday – August 20, 2007 – 12:00 p.m.
Assembly Chambers

I. CALL TO ORDER

Attendees

Committee Members: Jonathan Anderson, Bob Doll, Merrill Sanford, and David Stone

Assembly Member: Marshal Kendziorek

Staff Members: John Bohan, Nancy Gifford, Marie Gladziszewski, Roger Healy, Jennifer Mannix, Eric Mohrmann, Rod Swope, and Rorie Watt

Other(s): Ron Clarke

II. APPROVAL OF MINUTES

- A. May 16, 2007 – Special Meeting

Doll – Hearing no objection, the minutes are approved.

- B. June 11, 2007 – Regular Meeting

Doll – Change "This motion is approved" to "Hearing no objection, this motion is approved." Hearing no other changes or objections, the minutes are approved as amended.

- C. July 9, 2007 – Regular Meeting

Doll – Hearing no objection, the minutes are approved.

III. PUBLIC PARTICIPATION

None.

IV. ITEMS FOR ACTION

- A. Marine Park Interpretive Signs – DNR Grant

MOTION by Stone: *I would move Staff's recommendation to transfer funds in the amount of \$3,800 from the Seawalk account to the Marine Park Interpretive Signs project close out.*

Doll – Is there discussion? Is there objection? Hearing neither, the motion is approved.

- B. Transfer Request – West Ninth Street LID

MOTION by Anderson: *I would move that we recommend to the Assembly the transfer of \$30K from the Flow Meter Additions CIP to the West Ninth Street LID.*

Doll – Did we damage the existing water line at all in the course of reconstruction?

Healy – No, the old line was found during excavation.

Doll – Is there further discussion? Is there objection? Hearing neither, the motion is approved.

- C. Transfer Request – North Tee Harbor Waterline

Sanford – What's the total amount of the project now?

Bohan – The Randall Road Extension is under \$500K.

Anderson – Mr. Healy, we voted on something else in the last month that you said was the last piece. This sounds like an echo.

Healy – You're correct. It wasn't during the last month but the last six months. We appropriated interest from the bonds that funded the initial portion of the water line project, along with several other bonded projects. And we identified \$200K to supplement the funding for this project. At that time it was an additive alternate to the existing project but the time to award expired. We were not able to award to the existing contractor costs and so had to rebid it. Because of increased costs, we believe we will need additional funding.

Anderson – You're sure that this is the last piece?

Healy – Toner-Nordling has done the estimate on the construction costs. We're as confident as we can be at this time.

Anderson – Can you tell me what the Linda Avenue project entails?

Healy – That project extends from an area near the corner of Riverside Drive at the entrance to Thunder Mountain High School at James Boulevard. It's a parallel road to Riverside Drive. That project is all but complete. The only thing we have left to do is finalize the final change order. The project manager assures us that we have existing monies to cover the final change order. That project included construction of two new sidewalks, a new road bed, and filling in the ditch.

MOTION by Sanford: *I would move the transfer of \$100K from the Linda Avenue project to the North Tee Harbor Waterline CIP (422-27).*

Doll – Is there discussion? Is there objection? Hearing neither, the motion is approved.

V. INFORMATION ITEMS

A. Updates to North Douglas Sewer & West Valley Sewer

Doll – For the record, it is not possible to approve North Douglas and deal otherwise with West Valley? Can't we deal with these two projects separately?

Healy – Yes, certainly you can. Almost by chance the two came together at the same time. What we strove to do with the assessment methods was to keep them equal in many ways. These are different kinds of properties in different kinds of areas. Please keep in mind that a radical change to the assessment method of one may have a direct impact on the public's perception of the other.

Watt – In following up on that, there is no requirement that we do LIDs for sewer extension projects; but we choose to do so as a matter of policy.

Watt – PowerPoint presentation – Sewer Policy, Sewer Money, Decision Continuum

Sanford – Why can't we take boat condo properties off? We could note on the deeds that we went past the properties with sewer. We need to get beyond those areas in order to reach parcels that we can build on and develop. We'd either set a base charge, or delay the charge till the conversion to sewer usage.

Watt – We can do anything we want. Going back to the memo, I think the best thing to do is to look at the numbers. Rarely are LIDs unanimous; we had one last year for a paving LID, and that was one of a kind. A 60% return is normal, as is the response of 'mostly favorable.' We don't get many like the West Valley LID, where we heard a resounding 'no' as a result of an organized effort of owners who rallied for the political process.

A component of our philosophy regarding sewer extensions is that we are extending sewer for the good of the community and for the development that the community is in favor of.

Stone – At this point we have a force main across the river that has terminated, and we're at that position now?

Watt – That's correct.

Anderson – On the north Douglas side over the past several years, we've heard a lot of discussion about environmental issues, system failures, and pollution of the channel. Does the West Valley area also have environmental problems?

Watt – On North Douglas, generally every uphill parcel is in some state of failure. Owners have a harder time making systems work there because of difficult soils. Beach side owners have less trouble, but theirs is still not the best scenario. In the West Valley there are relatively high flow systems, very small lots, or, a combined outfall into the river. There's an impermeable layer, and beneath that, some very coarse gravels. If we built the system correctly, we could have low flow sewer systems that could last quite a long time.

Anderson – On North Douglas, will we allow those owners who do not yet have sanitary systems to bypass the LID payment(s) until such systems are installed?

Watt – I hadn't considered that train of thought but yes, I think if we bypass properties we should rewrite our sewer ordinance. The way the current sewer ordinance reads, it's a small economic cost to extend the sewer main. If we pay to extend the trunk of the main and make it really easy, we don't want to manufacture a situation where people opt out and then opt back in for less in a very short amount of time.

Doll – Are you still accepting ballots?

Watt – Yes, the LID process is an interesting one. It's an advisory vote, and it's an informal process but our informal policy is to never turn down a ballot till the time it goes to the Assembly.

Doll – In reading the comments, particularly of people in the West Valley, I had the same thought that occurred to Mr. Sanford, that if the situation with the boat owners is in some way unique, we might do something special, e.g., put a lien on their property that would be paid if they decided to install housing. One of the difficulties with doing that is as soon as we begin to make an exception for one owner, those nearby will expect us to make one for them as well. The Staff has done a great job of accommodating residents with the LID process, particularly for the West Ninth Street project, but I would suggest that there's a point beyond which we should not go. In attempting to mollify every participant, sooner or later you're going to run up against a time when you can't do anything more. You're going to have to ask the people who get paid for doing this to make a decision.

Sanford – Is there any way to break the trunk line down?

Watt – Going back to the memo's three options for the West Valley project, number 3 suggests that the Assembly direct Staff to come up with a new squirrel cage, if you will, and we're happy to do that. We're currently experiencing a time of plenty, but we might not be five years from now. We should look at changing the ordinance, excluding properties that may not have a short term impact, adjusting the timings of fees, and including simple issues like extending the payback period from ten years to fifteen or twenty.

MOTION by Sanford: I would move the North Douglas project forward to the full Assembly for a public hearing.

Doll – Is there discussion? Is there objection? Hearing neither, the motion is approved.

If we pose the question, 'Why we are extending sewer?' I can think of two answers:

1. It's a public health measure, and it's not just a matter of getting your dog dirty and washing him. There are more serious public health issues involved here.

2. It will facilitate development, so owners can make a profit by better utilization of their real estate.

Bypassing West Valley is an economic decision made by the residents. They have made it clear that they do not want sewer. But the public health issue remains with us and we have to decide how serious that is.

Sanford – I agree Mr. Chairman. Because of the way the area was developed, water and electricity were included while sewer was not. But now, because we installed sewer, that doesn't allow owners to use it unless they want to, and they they'd have to change the use of their land. Most of the buildings there are brand new within the last five years. They're not creating a public nuisance of a safety/sanitation hazard. Those individuals who need a bathroom are renting/buying portable heads and placing them in between the buildings.

Watt – It's important to keep this in perspective. For boat condos, we're talking about a property value of \$20M with an assessment total of \$100K, so that's a small piece of the puzzle. I think the West Valley large tract property owners pose a more significant policy issue.

Anderson – What percentage of the 'no' votes came from boat condo owners?

Watt – Dollar wise, about 4% or 5%.

Kendziorek – In terms of the dollar percentage, if a property is currently undeveloped but has a high potential for development, the owner is only charged for what's currently developed. So, if a North Douglas property owner has a large chunk of land with nothing on it, he's charged very little, but if an owner has an expensive house on a small property, he might be charged considerably more. Is that correct?

Watt – The assessment method doesn't take into account whether the property is developed or undeveloped. The only caveat is that the owner's property can't be developed to a higher standard. He might argue that "I have a single family home right in the middle of my lot, and in order to do something denser, I'd have to tear down the house." The underlying philosophy doesn't care if there's a building there or not.

Kendziorek – So the North Douglas uphill folks who have undeveloped land, are basically being charged at the same rate as those who have land that's already developed.

Watt – Equal size properties would be the same.

MOTION by Anderson: *I would move that we request that Staff prepare a new LID for the West Valley area, with revised parameters (boundary, assessments).*

Doll – Is there discussion? Is there objection? Hearing neither, the motion is approved. Am I correct in stating that for every owner that ultimately connects to the North Douglas sewer system the cost will be the same for anyone else utilizing that utility?

Watt – That's correct.

Sanford – How much of North Douglas has not yet been completed?

Watt – Going back to the alphabet soup, the next phase encompasses areas A, B, and C, or approximately a mile and a half.

Doll – How does funding look? The LID portion still needs to be established but can you complete those three sections with the funds that you anticipate receiving?

Watt – I think funding is relatively optimistic. Our cost estimates in the West Valley are lower than predicted, and North Douglas is about the same. We have received some State money, but there's not a lot of wiggle room either.

Healy – One other thing that we intend on doing one week from today is to bring along an update of what our consultants' estimates are so that any consideration of a lower assessment has an affect on how far we go. We want to have that information available for the decision making process.

Sanford – That last mile and a half is not included in the 1% that we're currently collecting. Is that money going to be spent on these two projects?

Healy – Regarding permitting, our consultants have been in discussions with DNR and we are on their priority list. We anticipate a Public Notice sometime in September. We've been informed that on a standard priority list, it will take considerably longer to complete.

Waste Management Study:

Doll – I gave each Committee member a couple of copies of:

1. A timetable prepared by Ms. Gladziszewski in reference to the current Waste Management study, taking us down through February 8th; and,
2. A copy of a proposal that came to me from the Southeast Conference. I think this topic will be on the agenda at the Southeast Conference in Skagway, and we ought to be prepared on how we wish to respond.

Their timetable and ours don't quite match but they're close. We can tell our fellow Southeast communities that we have this timetable to work with and give a proper answer to their questions. But we should also prepare ourselves for the fact that these Southeast cities are expecting Juneau to take the lead in this effort. And that's a challenge in the sense that we are all acutely sensitive to the capital move process and the degree to which we want them to support us on that issue, so poking them in the eye on this one would not be a good idea. We've got multiple objectives in mind.

Sanford – Mr. Chairman, do you think that they expect us to take the lead on it, or be a big part of it?

Doll – Well, the way it was put to me was 'it won't work unless Juneau joins in.'

Sanford – I agree with that. That comes with the tonnage involved.

Doll - Perhaps 'lead' is not the right word, but we should exercise our muscle in Southeast. By the way, they're anticipating a contribution of \$30K from Juneau toward the formation of the regional authority, so just getting the mechanism in place has a cost associated with it.

Sanford – I have a question for Staff: the February 8th date, did we fall behind on the schedule? Weren't the original dates in October?

Gladziszewski – Yes. The consultants submitted a draft report a few weeks ago and it wasn't adequate. They did a team reorg, and presented this revised schedule.

Doll – Would you recite for the Committee the consultants' schedule?

Gladziszewski – Mon - Arrive in Juneau
Tue - Meet with the Solid Waste Working Group
Wed - Tentative meeting with PWFC; Public Meeting in the evening – I'll get the draft report to you beforehand.

VI. ADJOURNMENT

Healy – The next meeting is scheduled for August 27th.

This meeting was adjourned at 1:05 p.m.