MEETING NO. 2008-34: 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 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, Johan Dybdahl, Merrill Sanford, David Stone and Randy Wanamaker (telephonic).

Assembly Absent: Sara Chambers, Bob Doll.

Staff Present: Rod Swope, City Manager; Kim Kiefer, Deputy City Manager; Barbara Ritchie, Deputy City Attorney; Laurie Sica, Municipal Clerk; Craig Duncan, Finance Director; Mila Cosgrove, Human Resources Director; Dave Palmer, Airport Manager; Rorie Watt, Engineering Director; Beth McEwen, Deputy City Clerk; Natasha Petrofsky, Health and Wellness Coordinator.

III. SPECIAL ORDER OF BUSINESS

A. Employee Recognition

Mila Cosgrove recognized Natasha Petrofsky, Health & Wellness Coordinator for CBJ for the past two years. During that time, the program had earned local, state and national awards. Ms. Cosgrove said Ms. Petrofsky handles her work with humor, grace, and positive regard for choosing healthy lifestyles.

Craig Duncan recognized Laurie Sica for her work to assist with the preparation of bond documents and provided her with a framed “specimen” bond, which included her electronic signature.

IV. APPROVAL OF MINUTES

A. November 3, 2008 – Regular Meeting 2008-33

Hearing no objection, the minutes of the November 3, 2008 Regular Meeting 2008-33 were approved.

V. MANAGER’S REQUEST FOR AGENDA CHANGES

Mr. Swope requested that the Assembly substitute the version of Ordinance 2008 – 15(X) in the red folder for introduction. He also recommended that the Assembly add an update regarding MEBA contract negotiations to the Executive Session.

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

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

B. Assembly Requests for Consent Agenda Changes – None.

C. Assembly Action

**MOTION** by Anderson, to adopt the consent agenda as amended by substituting the revised Ordinance 2008-15(X) for introduction. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

   a. Ordinance 2008-35

   **An Ordinance Authorizing A Loan In An Amount Not To Exceed $8,183,000.00 From The Central Treasury To The Airport Fund For The Purpose Of Providing Interim Financing For The Airport Terminal Expansion And Renovation Project.**


   b. Ordinance 2008-15(X)

   **An Ordinance Appropriating To the Manager The Sum Of $170,900 as Funding for the Fiscal Year 2007, Fiscal Year 2008 and Projected Fiscal Year 2009 Shortfall in the Permanent Principal Balance of the Jensen-Olson Arboretum Endowment Fund, and De-Appropriating $72,000 in Funding from the Jensen-Olson Arboretum Endowment Fund, Funding Provided by the General Fund Balance.**

   Administrative Report: Attached. The manager recommended Ordinance 2008-15(X) be introduced and set for public hearing at the next regular Assembly meeting.

   c. Ordinance 2008-15(Z)

   **An Ordinance Appropriating To The Manager The Sum Of $311,584 As Funding For The Metropolitan Medical Response System, Grant Funding Provided By The State Of Alaska, Department Of Military And Veterans Affairs.**

   Administrative Report: Attached. The manager recommended Ordinance 2008-15(Z) be introduced and set for public hearing at the next regular Assembly meeting.

   d. Ordinance 2008-15(AA)

   **An Ordinance Appropriating To The Manager The Sum Of $80,000 As Funding For Emergency Operations Planning And Notification System, Grant Funding Provided By The State Of Alaska, Department Of Military And Veterans Affairs.**

   Administrative Report: Attached. The manager recommended Ordinance 2008-15(AA) be introduced and set for public hearing at the next regular Assembly meeting.
e. Ordinance 2008-15(AD)  
An Ordinance Appropriating To The Manager The Sum Of $513,000 As Partial Funding For The Airport Terminal Renovation Project, Funding Provided By An Alaska Energy Authority Grant.

Administrative Report: Attached. The manager recommended Ordinance 2008-15(AD) be introduced and set for public hearing at the next regular Assembly meeting.

f. Ordinance 2008-15(AH)  
An Ordinance Appropriating to the Manager the Sum of $446,918 as Funding for The Jordan Creek Sediment Analysis Capital Improvement Project, Grant Funding Provided by an Alaska Department of Environmental Conservation Municipal Grant.

Administrative Report: Attached. The manager recommended Ordinance 2008-15(AH) be introduced and set for public hearing at the next regular Assembly meeting.

2. Bid Award

a. E09-075 – Casey Shattuck Reconstruction, Phase IV

Administrative Report: Attached. The manager recommended award of this project to Arete Construction Corporation, in the amount of the Base Bid and the Additive Alternate, for a total award of $1,234,789.

VIII. PUBLIC HEARING

A. Ordinance 2008-36  
An Ordinance Amending The Public Finance Code To Adopt The State's Revised Name For The Community Revenue Sharing Program.


Public Comment: None.

Assembly Action:

MOTION, by Stone, to adopt Ordinance 2008-36 and he asked for unanimous consent. Hearing no objection, it was so ordered.

B. Ordinance 2008-15(AB)  
An Ordinance Appropriating To The Manager The Sum Of $43,900 As Funding For Implementation Of The Juneau Coastal Management Program FY09 Required Tasks, Grant Funding Provided By The State Of Alaska Department Of Commerce, Community And Economic Development.


Public Comment: None.
Assembly Action:

**MOTION**, by Bush, to adopt Ordinance 2008-15(AB) and he asked for unanimous consent. Hearing no objection, it was so ordered.

C. Ordinance 2008-15(AC)

An Ordinance Appropriating To The Manager The Sum Of $147,000 As Funding For The Juneau School District Safety Upgrades Capital Improvement Project, Grant Funding Provided By The FY 08 Designated Legislative Grants (Municipality).


Public Comment: None.

Assembly Action:

**MOTION**, by Bush, to adopt Ordinance 2008-15(AC) and he asked for unanimous consent. Hearing no objection, it was so ordered.

D. Ordinance 2008-15(AE)

An Ordinance Appropriating To The Manager The Sum Of $1,763,158 As Partial Funding For The Airport Terminal Expansion Project, Funding Provided By The Passenger Facility Charge.


Public Comment: None.

Assembly Action:

**MOTION**, by Sanford, to adopt Ordinance 2008-15(AE) and he asked for unanimous consent.

Mr. Anderson asked about FAA moving funding from the terminal remodeling project to the runway safety project, how and why they did that, and how the Board would compensate for the changes.

Mr. Palmer said the FAA has two programs to fund airport improvement project in Juneau. Entitlement funds went to the Airport based on a formula that counted the number of passengers, and were to be spent by the city for whatever project the Board and Assembly deemed appropriate, within federal rules for eligibility. There are also funds discretionary to the FAA Alaska Region. They distribute those funds statewide, based on their decisions of what is needed. The runway safety project will run in excess of $30 million, and almost all of the funds were coming from discretionary money from the FAA office in Anchorage. We anticipated spending some of the entitlement funds on the terminal project. A month and a half ago when FAA staff were in Juneau reviewing the list of projects, they said the FAA policy was that if they were to put significant amounts of discretionary money into an airport then the community is expected to spend the entitlement money there also. If the Board wants the $30
million, the Board will spend its $1 – 2 million on the runway safety project. Therefore, this leaves a deficit in the terminal project. The passenger facility charges (PFC) are a funding source; we had a PFC project approved for the terminal. Under the FAA rules, we are allowed to increase that up to 25% at the Board’s request and with FAA approval, and the FAA did approve that. If we went above 25% we are required to consult with the airlines first, which is not a problem, but it adds another 30 days to the process. We are shooting for a December 18 advertising date for the terminal renovation project. We looked at the PFC to fill the hole left by FAA’s funding direction.

Mr. Anderson asked if the PFC money originally planned for use would be used in another project, and if so, what project. Mr. Palmer said the Airport received roughly $1 Million per year in PFC funds and this is being spent in advance. This scenario was described as part of the loan ordinance that would be coming before the Assembly at the next meeting. The Board will direct PFC for an additional two years to the terminal renovation project.

Mr. Anderson said that a result of this money spent here or a ramification of it was the upcoming ordinance on the loan because the PFC would not be available. Mr. Palmer said yes.

Hearing no objection, it was so ordered.

E. Ordinance 2008-15(AF)

An Ordinance Appropriating To The Manager The Sum Of $276,476 As Partial Funding For The Juneau International Airport Runway Safety Area Construction Capital Improvement Project, Grant Funding Provided By The State Of Alaska Department Of Transportation And Public Facilities.


Public Comment: None.

Assembly Action:

MOTION, by Sanford, to adopt Ordinance 2008-15(AF) and he asked for unanimous consent. Hearing no objection, it was so ordered.

F. Ordinance 2008-15(AG)

An Ordinance Appropriating to the Manager the Sum of $2,000,000 as Partial Funding for the Thunder Mountain High School Capital Improvement Project, Funding Provided by 2006 General Obligation Bond Interest Income.


Public Comment: None.

Assembly Action:

MOTION, by Bush, to adopt Ordinance 2008-15(AG) and he asked for unanimous consent. Hearing no objection, it was so ordered.
IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Liquor License

1) Involuntary Ownership & Location Transfer of Beverage Dispensary License #4370
Transfer FROM: Sea Dawgs Inc. d/b/a Doc Waters
Transfer TO: B.C.M. Inc. d/b/a Marlintini’s Lounge License #4842
President Ethan Billings
Location: 9121 Glacier Highway, Juneau, AK 99801

MOTION, by Sanford, that the Assembly accept the recommendation of the Human Resources Committee and protest the involuntary transfer from Sea Dawgs, Inc. d/b/a B.C.M. Inc. d/b/a Marlintini’s Lounge based on the outstanding sales tax balance of $17804.00 and the amounts owning for the unfilled third quarter returns for 2008. Hearing no objection, it was so ordered.

XI. STAFF REPORTS - None.

XII. ASSEMBLY REPORTS

A. Committee Reports

Committee of the Whole: Chair Bush said he would work with Mr. Swope to set up future meetings.

Finance Committee: Chair Stone said the next meeting will be held on Wednesday, November 19, at 5 p.m. in the Assembly Chambers, and agendas had been distributed.

Lands & Resources Committee: Chair Anderson said the next meeting would be held on Monday, December 15, at 5 p.m. in the Assembly Chambers.

Public Works and Facilities Committee: Chair Sanford said the PWFC met on November 10 and accepted two ADEC sewer grants, which will be applied to the North Douglas and West Valley sewer extensions.

Human Resources Committee: Mr. Sanford said the HRC met immediately preceding this Assembly meeting and requested the following action:

MOTION, by Sanford, that the Mayor prepare a letter to the State Department of Transportation protesting the Men’s Crisis Center’s participation in the State’s Adopt-a-Highway program based upon the concerns expressed in the letter from the Juneau Human Rights Commission dated October 27, 2008. Hearing no objection, it was so ordered.

B. Liaison Reports

Airport Board: Liaison Sanford said the Airport Board met on November 12, and is moving forward to bring $80 – 100 million dollars in projects to the community.
C. Presiding Officer Reports

Mayor Botelho asked Mila Cosgrove, HR Director, to prepare information on how to proceed with city manager selection, and asked Ms. Cosgrove for a report.

Ms. Cosgrove distributed a packet of information to the Assemblymembers and explained the documents, including a proposed job announcement for the city manager, possible avenues for recruitment, and on information on a selection process with proposed activities and a calendar of events including major milestones. The effort will be phased to include the public announcements, screening down to 10 – 15 applicants for the Assembly to review, a telephonic interview, an assessment center with exercises to see the top-rated candidates in action, a meeting with department heads, a second interview with the Assembly, a public reception, a selection meeting, a reference check, and a final job offer.

Mr. Anderson asked if the assessment center could include an exercise with the candidates addressing an open public forum.

Mayor Botelho said this could be a topic for the selection committee, and asked the Assemblymembers to forward any comments on the process to this committee.

Ms. Cosgrove explained the timeline, which will include some overlap time with Mr. Swope if all items stay on schedule. Mr. Bush said he appreciated the aggressive timeline. He will be on leave during the first week of March.

Mr. Swope said that the Assessment Center was intensive and a full day commitment; however, he encouraged the whole assembly to participate, rather than just the screening committee. Mayor Botelho agreed and said this was the chance to see the candidates in action.

Mayor Botelho thanked Mila for her work. He appointed Mr. Bush, Mr. Stone and Mr. Sanford to the screening committee.

Mr. Wanamaker said he had not had an opportunity to review the documents and he would reserve judgment until he had the opportunity to do so. He served on the last selection committee and may wish to participate on this committee, as well.

Mayor Botelho said Ms. Cosgrove could proceed with distributing the job announcement. Mr. Wanamaker said he may have some suggestions for the job announcement when he returns.

XIII. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Sanford said the Casey Shattuck Phase IV job came in under budget and the engineers were hitting the nail on the head with “dirt work” projects.

Mr. Bush referred to a November 4, 2008 memo from Greg Fisk regarding berthing for a NOAA ship and requesting quick action. Mr. Bush asked how the Assembly could support this effort.

Mr. Swope said the Assembly had discussed this in the past. The Cobb was decommissioned, and CBJ had tried to attract other vessels. A new vessel was slated to home port in Seward.
CBJ needed to be careful when addressing an issue of another community’s benefit. It is worthwhile to pull together the group that worked on this project. It became a political issue, so it was difficult for the manager to participate, however, he would serve at the assembly’s direction.

Mayor Botelho said Mr. Doll had been the lead Assemblymember and we can ask him to reconvene a group. JEDC has made this a priority. Mr. Fisk served on the JEDC board. Mayor Botelho asked Mr. Swope to coordinate with Mr. Doll.

Mr. Bush said he was saddened to hear the news about the break-in at the Riverbend School, including the damage and disruption to the school days.

Mr. Sanford asked about the 50th Committee’s interest in holding a bonfire in January. Mr. Carroll was present to comment. Mr. Swope said the problem is that no open burning is allowed in the Mendenhall Valley, Lemon Creek, and out by Auke Lake in the winter. Another concern is that there could be an inversion, in which case everyone is shut down from burning. We are already possibly facing tighter EPA regulations regarding air quality, and this might exceed the air quality limits. Mr. Swope suggested that an alternative area could be Savikko Park in Douglas, which was wide open, had parking, and fire department access. It would need to be weather dependent, of course, in case of Taku winds. Another option would be the open area near the Auke Rec bypass.

Mayor Botelho asked if the EPA may extend smoke regulations throughout the borough. Mr. Swope said that they are considering the possibility and that Ms. Marlow was working closely with the EPA and they are acknowledging that even the restrictions in the valley may be too high. We hope they will acknowledge that the tighter restrictions should not be extended to other areas of the borough. Mr. Swope said he did not want to antagonize CBJ’s relationship with the EPA.

Jim Carroll said he was with the 50th Statehood Celebration Committee, and there was a possibility of using the event for fire training. The fireworks will be going off at 4 – 5 p.m., and the bonfire was scheduled for about 2 p.m. They have talked with people at Safeway, and it comes down to city permission. He said he would allow the manager to light the fire. They prefer that location.

Mr. Swope said he recommends the Douglas site for numerous reasons. The Assembly could change the existing ordinance to accommodate this event. He was not aware of any other area to do this event outside of the no-burn area other than the Auke Rec bypass location or Savikko Park in Douglas.

Mr. Anderson supported the idea of holding the event in Savikko Park.

Mayor Botelho called for orders of the day.

XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS – None.

XV. EXECUTIVE SESSION
   A. Seawalk Negotiations
   B. MEBA Negotiations
Assembly Action:

MOTION, by Bush, to enter into executive session, for the purpose of discussing both the MEBA employee contract negotiations and the Seawalk property negotiations, both subjects were the type that the immediate knowledge of such discussions could have an impact on the finances of the city.

Public comment: None.

Hearing no objection, the Assembly recessed into executive session in City Hall Conference Room 224 at 8:20 p.m., and returned to regular session at 8:40 p.m.

Mayor Botelho said the Assembly met with CBJ staff and discussed the Seawalk and property negotiations with a particular property owner. The Assembly gave direction to the manager in that regard. The Assembly also gave direction to the manager regarding MEBA negotiations and will continue discussing MEBA negotiations in an executive session during the Finance Committee meeting on Wednesday.

XVI. ADJOURNMENT – 8:45 p.m.

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