MEETING NO. 2009-03: 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, Sara Chambers Bob Doll, Johan Dybdahl, Merrill Sanford, and Randy Wanamaker.

Assembly Absent: David Stone.

Staff Present: Rod Swope, City Manager; Barbara Ritchie, Deputy City Attorney; Laurie Sica, Municipal Clerk; Craig Duncan, Finance Director; Marc Matsil, Parks and Recreation Director; Rorie Watt, Engineering Director; Merle Jensen, Jensen-Olson Arboretum Manager; Gary Gillette, Port Engineer; Eric Mohrmann, Fire Chief.

III. SPECIAL ORDER OF BUSINESS

A. AEL&P Consultant Presentation

Power transmission consultant for AEL&P, Del LaRue, provided a power point presentation and discussed possible efforts to mitigate damage to the Snettisham line. He said the options included relocating towers, creating barriers and deflectors, designing a failure sequence to reduce the damage from connected towers damaging other towers down the line, and avalanche control measures.

He discussed Bill Glude’s efforts to identify the nine avalanche paths along the line and to prioritize them by significance, #1 being the path that recently took out tower 3-5. He spoke about Aerometric’s LIDAR photography work and showed some of their information, which provided detailed topographical information for him to assess. With the data, they can do modeling to determine the best plan for further mitigation. The power line was reconnected this past weekend and the solution used was to remove tower 3-5, and to span the line between the two adjacent towers, resulting in a 2400’ span. They are not finished with their review and plan to take additional mitigation measures. The line will never be completely risk free given its location and the conditions of the area.

Mayor Botelho asked Mr. LaRue to comment on burying the cable or submersing the cable in the channel. Mr. LaRue said that it was against code to lay open cable on the ground, it had to be buried or covered, and the terrain does not allow for burying due to the hard rock and the topography of the area on the side of the hill. The distance the cable had to travel prevented a submarine solution as it was 45 miles long and it was not possible to make an AC cable at 138 KB work for that distance. 30 miles would be the maximum. Some portions could be submersed; however, it would still have to get back to the main line at some point.
Mr. Anderson asked about the possibility of taking the line over the ridge. Mr. LaRue said that had been tried in the Salisbury Point area and the weather conditions did not allow the situation to last more than 9 months. The weather conditions on the ice cap were not conducive to the functioning of the line.

Mayor Botelho thanked Mr. LaRue for his presentation and the employees of AEL&P present, including Tim McLeod, Scott Willis, Gayle Wood, and Erik Erickson, for their efforts to restore hydropower to Juneau.

IV. APPROVAL OF MINUTES

A. January 12, 2009 – Regular Meeting 2009-01

MOTION, by Chambers, to approve the minute of January 12, 2009, Regular Meeting 2009-01, with a change to her comments on page 11. Her reference was to Mr. Sanford, not to Mr. Anderson. Hearing no further corrections or objections, the minutes were approved as corrected.

V. MANAGER’S REQUEST FOR AGENDA CHANGES – None.

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

Ruth Danner, 1028 Arctic Circle, said CBJ needs to amend the Comprehensive Plan to establish standards for communications towers. There were several towers being proposed and each application made its request in absence of standards. She said that Conditional Use Permit 2008-00026 had been approved by the Planning Commission for a cell tower to be located on the property of the Glacier Valley Church and she and others planned to submit an appeal of this permit to the Assembly the next day. She said the staff report contained errors, and to preserve the quality of life in Juneau the Assembly should suspend action on towers and reconsider them after a plan is in place. Mat-Su Borough is currently working on such a plan. She said she likes the technology to be available, but wanted to see the installation of towers be driven not by individual requests for cell towers, but by a logical plan. She asked the Assembly to waive the $250 appeal fee in the interest of the citizens of Juneau.

Jackie Stewart, 1024 Arctic Circle, said there are health concerns with radio waves from towers. Section 704 of the Telecommunications Act has been misinterpreted, and municipalities are allowed to deny permits for cell towers. CDD staff is under the impression that this action is not allowed. She is concerned about falling property values as well.

Luann Powers, 1026 Arctic Circle, said she is worried about health effects of towers and is concerned there is not enough information. She referred to a study by George Carlo regarding this type of exposure to radiation. He states this is a greater health risk than cigarette smoke or asbestos. She is a nurse. She provided statistics from studies conducted worldwide, that show the health effects are significant. She referred to www.bioinitiative.org. Towers are important but are not safe. She supports a comprehensive plan, which provides the greatest benefit with the least risks. Wimax towers are stronger than wifi. She is also concerned about property values – if given a choice she would not buy a home near a tower. She is concerned about the proximity of the towers to schools and in some areas of the country, they are not allowed near schools.
Mayor Botelho, given the pending appeal, gave a reminder to the Assembly and the public about contacting Assemblymembers on this matter – in their quasi-judicial role; they cannot take evidence from anyone outside of the hearing setting. He asked the public to not be offended; the Assembly will take careful consideration of the matter in the appropriate forum.

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 Bush, to adopt the consent agenda. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

   a. Ordinance 2008-15(AU)
      An Ordinance Appropriating To The Manager The Sum Of $149,582 As Partial Funding For Firefighter Training And Fire Station Vehicle Exhaust System Upgrades For The Capital City Fire/Rescue Department, Grant Funding Provided By The U.S. Department Of Homeland Security And Federal Emergency Management Agency.

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

   b. Ordinance 2008-15(AV)
      An Ordinance Appropriating To The Manager The Sum Of $135,000 As Partial Funding For The Amalga Harbor Ramp Rehabilitation Capital Improvement Project, Grant Funding Provided By The Alaska Department Of Fish And Game.

      Administrative Report: Attached. The manager recommended Ordinance 2008-15(AV) be introduced, referred to the ADA Committee for comment, and set for public hearing at the next regular meeting.

   c. Ordinance 2008-15(AW)
      An Ordinance Appropriating To The Manager The Sum Of $1,400,000 As Partial Funding For Six Wastewater Utility And One Water Utility Capital Improvement Projects, Funding Provided By Temporary 1% Sales Tax.

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

2. Transfers

   a. Transfer T-891
      Transferring $120,000 From The Hospital Drive Lift Station Capital Improvement Project (CIP) To Three CIPS: Valley Boulevard Reconstruction ($20,000); Capital Transit Shop Site Improvements ($50,000); And Capital Transit Operations Facility Renovations ($50,000).
Administrative Report: Attached. The manager recommended Transfer T-891 be approved.

3. Bid Award

a. Bid E09-107

**Consolidated Public Works Facility, Phase II**

Administrative Report: Attached. The manager recommended award of this project, in the amount of the Base Bid and Additive Alternates 1 through 3, to North Pacific Erectors, Inc., for a total award amount of $5,401,258.49

**VIII. PUBLIC HEARING**

A. Ordinance 2009-02

**An Ordinance Amending Ordinance 2008-35 To Increase The Amount Authorized For A Loan From The Central Treasury To The Airport Fund By $1,000,000, For A Total Loan Amount Not To Exceed $9,183,000, For The Purpose Of Providing Interim Financing For The Airport Terminal Expansion And Renovation Project.**

Administrative Report: Attached. Upon further review with the Finance Department and Airport staff, the manager recommended that Ordinance 2009-02 be pulled and tabled indefinitely

Public Comment: None.

Assembly Action:

*MOTION, by Anderson, to table Ordinance 2009-02 indefinitely. He asked for unanimous consent. Hearing no objection, Ordinance 2009-02) was tabled indefinitely.*

B. Ordinance 2008-15(AT)

**An Ordinance Appropriating To The Manager The Sum Of $2,000,000 As Funding For The Sustainability Fund, Funding Provided By The Temporary 1% Capital Improvement Sales Tax Levies.**


Public Comment:

*Sally Schlicting:* 419 Kennedy, represented the Juneau Commission on Sustainability, and appreciated the support for the sustainability fund, to provide a mechanism to showcase energy conservation efforts. The funds are designed to be economically sustainable to fund future projects and the JCOS offered to develop criteria to manage the fund.

Assembly Action:

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

Mr. Anderson asked about the original sustainability ordinance regarding the fund. Do we have to appropriate money out of the fund, is it at the manager’s discretion, and is there a cut
off point? Mr. Swope said the Assembly had to appropriate into the fund and out of the fund, it was not up to the manager’s discretion.

Hearing no objection, Ordinance 2008-15(AT) was adopted.

C. Ordinance 2009-03

An Ordinance Authorizing A Loan In An Amount Not To Exceed $2,000,000 From The Sustainability Fund To The Dimond Park Swimming Pool Capital Improvement Project For The Purpose Of Funding The Design And Construction Of A Ground Source Heat Pump System.

Administrative Report: Attached. The manager recommended that Ordinance 2009-03 be adopted.

Public Comment:

Sally Schlicting: Commended the Assembly and staff on the installation of this project, which sets an outstanding example of sustainability by using a renewable energy source. Pools are significant energy users for heating, but this will insulate the pool from fluctuating fuel costs. This will save about $200,000 a year, commensurate with the price of fuel. This helps reduce greenhouse gas emissions. This helps contribute to achieving the governor’s interest in seeing 50% of Alaska’s energy portfolio derived from renewable resources by 2025. This project puts Juneau in the spotlight as the first of its kind in the state. CBJ sets example for other facilities, public and private, in the community to follow.

Assembly Action:

MOTION, by Anderson, to adopt Ordinance 2009-03. He asked for unanimous consent.

Ms. Chambers asked more about estimated savings and what reassurance do we have the savings will be realized and will it come directly out of the revenues that the pool will make, that will be paid back.

Mr. Swope said he was directed to find a way to fund this program. Mr. Rehfeld is the local expert on this type of program, reviewed the plan for the airport and pool, have drilled test wells at both locations and got good results. I do not think there is a guarantee, but I think it can be said with confidence that the savings will be realized. Pools do not make money and it will not run at a profit. Including the resistance channel and the heat pump will not make the pool money. The $2 million going back into the sustainability fund will be general fund money. For ten years, we have made a commitment to put $200,000 in the budget each year from the general fund.

Ms. Chambers asked if other cost overruns at the pool occur, are there provisions in this ordinance to make sure we are not shifting money around to keep funding a pool that costs more than we expect. She asked for more information about the loan.

Mr. Swope said this is a 10-year loan without interest. It is a city facility, and if it operates at a loss, the city will have to incur the costs.
Mr. Sanford said the swimming pool will have a line item in their budget to pay the sustainability fund in the amount of $200,000 each year. Mayor Botelho said ten years is the maximum term.

Mr. Anderson asked if this did not equal $4 million, by spending $2 million on the heat pump and putting $200,000 a year into the sustainability fund, all from the general fund account.

Mr. Bush said the $2 million was put into the sustainability fund, the $200,000 will be put back into the fund, to be used for other projects, and at the same time, we will be saving energy each year. If there is no heat pump installed, we will be spending the $200,000 to the electric company each year.

Mr. Doll said this was a budgeting decision, not a fund utilization decision; the Assembly was not bound to fund the sustainability fund in the future.

Mr. Sanford said a few years ago, these types of installations would not have saved money, but when the oil prices went up, they are cost savings. It will be again in the future, he wanted to see this type of energy saving project built into projects at the beginning of the projects. He was willing to move forward on this specific issue, but had reservations for the future.

Ms. Chambers said the fund is good and appreciates the forward thinking. Her core issue is that she felt it is not the right time to build a pool in Juneau, but she will separate that concern from her vote and support this project.

Hearing no objection, Ordinance 2009-03 was adopted.

D. Ordinance 2008-15(AN)
An Ordinance Appropriating To The Manager The Sum Of $12,591 As Funding For The City And Borough Lands Fund, Funding Provided By The Lands Fund Returned From The Juneau Police Department (JPD) Impound Lot Capital Improvement Project.


Public Comment: None.

Assembly Action:
MOTION, by Anderson, to adopt Ordinance 2008-15(AN). He asked for unanimous consent. Hearing no objection, Ordinance 2008-15(AN) was adopted.

E. Ordinance 2008-15(AP)
An Ordinance Appropriating To The Manager The Sum Of $225,000 As Partial Funding For The Purchase of a Tanker Unit for Capital City Fire and Rescue, Grant Funding Provided By The Federal Emergency Management Agency.


Public Comment: None.
Assembly Action:

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

Mr. Bush asked why CBJ was prohibited from donating the old tanker. Mr. Swope said the tanker we have is not safe, it was retrofitted to an old truck chassis and not stable. The reason we qualified for the grant was that it is a liability.

Hearing no objection, Ordinance 2008-15(AP) was adopted.

F. Ordinance 2008-15(AQ)

An Ordinance Appropriating To The Manager The Sum Of $443,200 As Partial Funding For The Auke Bay Loading Facility Capital Improvement Project, Funding Provided By 2003B General Obligation Bond Interest Income and Harbors Fund Balance.


Public Comment: None.

Assembly Action:

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

Mr. Bush asked why additional funds were needed to close this project out. Gary Gillette, Port Engineer, said that a change order was made to add $600,000 to the project when additional upland space along the highway was added to the project.

Hearing no objection, Ordinance 2008-15(AQ) was adopted.

G. Ordinance 2008-15(AR)

An Ordinance Appropriating To The Manager The Sum Of $300,000 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(AR) and he asked for unanimous consent. Hearing no objection, Ordinance 2008-15(AR) was adopted.

H. Ordinance 2008-15(AS)

An Ordinance Appropriating To The Manager The Sum Of $5,000 As Funding For The Jensen-Olson Arboretum, Grant Funding Provided By The Stanley Smith Horticultural Trust.

Public Comment: None.

Assembly Action:

MOTION, by Sanford, to adopt Ordinance 2008-15(AS) and he asked for unanimous consent. Hearing no objection, Ordinance 2008-15(AS) was adopted.

IX. UNFINISHED BUSINESS - None.

X. NEW BUSINESS

A. Liquor License – Renewals

Mr. Wanamaker declared a conflict of interest as a Goldbelt Board of Director regarding License 3720 the Mt. Roberts Tram.

Mayor Botelho asked to review all other licenses first. There was no public comment heard on any of the license actions.

MOTION, by Chambers, to adopt the recommendation of the Human Resources Committee that the Assembly waive the right to protest the following licenses:

1. Beverage Dispensary Licenses:
   License #76: Arctic Bar Inc. d/b/a Arctic Bar, 148 S. Franklin Street
   License #674: Lucky Lady Inc. d/b/a Lucky Lady, 192 S. Franklin Street
   License #2766: Alaska Red Dog Saloon LLC, d/b/a Red Dog Saloon, 278 S. Franklin Street

Club License:
License # 4034: Juneau Moose Lodge #700 d/b/a Loyal Order of the Moose #700, 8335 Airport Blvd.

Package Store Licenses:
License #849: Oke Hui Rodman d/b/a Percy’s Liquor Store, 214 Front Street
License #3352: Costco Wholesale Corporation d/b/a Costco Wholesale #107, 5225 Commercial Way

Restaurant/Eating Place Licenses:
License #188 Bullwinkle’s Inc. d/b/a Bullwinkle’s Pizza, 318 Willoughby Ave.
License #1690 Bullwinkle’s Inc. d/b/a Bullwinkle’s Pizza, 2687 Mendenhall Loop Mall Road

Hearing no objection, it was so ordered.

Mayor Botelho determined that Mr. Wanamaker had a conflict, and excused him from the meeting.
MOTION, by Chambers, to adopt the recommendation of the Human Resources Committee that the Assembly waive the right to protest the following license:

**Beverage Dispensary Seasonal License:**  
License #3720: Mt. Roberts Tramway Ltd Partnership d/b/a Timberline Bar & Grill, 1800 Ft. Level, Mt. Roberts

Hearing no objection, it was so ordered.

Mr. Wanamaker returned to the meeting.

MOTION, by Chambers, to adopt the recommendation of the Human Resources Committee to protest the following license:

**Restaurant/Eating Place Licenses:**  
License #2641: Fernando & Marissa Abad d/b/a F&M Oriental Express Restaurant, 210 Seward Street

Hearing no objection, it was so ordered.

B. Liquor License – Beverage Dispensary

MOTION, by Chambers, to adopt the recommendation of the Human Resources Committee to protest the following license, pending the resolution of sales tax amounts on the original license to Sea Dawgs, Inc #4370:

1. **Transfer of Beverage Dispensary License #4868**  
   **From:** BCM, Inc. d/b/a Marlintini’s (the transfer to BCM, Inc. from Sea Dawgs, Inc. is currently pending protest by CBJ)  
   **To:** Catapult Inc., d/b/a Flight Deck, Physical Location #2 Marine Way, Suite 128

Hearing no objection, it was so ordered.

Ms. Chambers stated that in addition to the recommendation to protest the liquor transfer above, the HRC passed a motion to table action on the associated Restaurant Designation Permit.

MOTION, by Chambers, to adopt the recommendation of the Human Resources Committee that the Assembly waive the right to protest the following license:

2. **Duplicate Beverage Dispensary License #4864**  
   Tailwind, Inc., d/b/a Hangar on the Wharf – Physical Location #2 Marine Way, Suite 128

Hearing no objection, it was so ordered.

MOTION, by Chambers, to adopt the recommendation of the Human Resources Committee that the Assembly waive the right to protest the associated Restaurant Designation Permit to the license above. Hearing no objection, it was so ordered.
XI.  STATFE REPORTS

XII.  ASSEMBLY REPORTS

A.  Committee Reports

Committee of the Whole: Chair Bush said the COW met last Monday, Jan. 26, and heard updates on air quality, a report from the Lessons Learned Commission, and a report and discussion on the Transit Center parking garage and made recommendations to staff.

Lands & Resources: Chair Anderson said the Lands Committee met on Jan. 26 and heard information on the Land Management Plan and the potential land for disposal. We discussed the capital improvement project list regarding Peterson Hill access planning, Auke Lake Launch ramp construction, resurface of the armory parking lot and the quarry behind Costco.

Human Resources Committee:

MOTION, by Chambers, to accept the recommendations of the Human Resources Committee and appoint the following members to the Juneau Local Emergency Planning Committee (LEPC) as follows:

- Seat 2) Capt. Jerry Nankervis for a term expiring 12/1/2011
- Seat 2a) Lt. Ed Mercer for a term expiring 12/1/2011
- Seat 4a) Dan Logan for a term expiring 12/1/2011
- Seat 8) Dan Garcia for a term expiring 12/1/2010
- Seat 10) Andrew Heuscher for a term expiring 12/1/2010
- Seat 10a) Irene Gallion for a term expiring 12/1/2011

Hearing no objection, it was so ordered.

Ms. Chambers said the HRC had a good discussion with Dan Garcia, Chair of the LEPC, regarding a concern about filling seats with specific representation. The HRC will review this matter and bring recommended changes forward by resolution if necessary.

B.  Liaison Reports

Juneau Economic Development Council: Liaison Wanamaker said JEDC met on Jan. 28 and heard a conceptual outline of a project by the Juneau Mental Health Trust for construction of state office buildings in the subport area. They will bring the proposal to the Planning Commission and Assembly in the future.

Planning Commission: Liaison Doll said the PC met on Jan. 14 and 27, they swore in new members, and chose Maria Gladziszewski as chair.

Affordable Housing Commission: Liaison Chambers said the AHC is working on plans to bring forward the idea of a housing trust, they would like to hear ideas from the Assembly as they develop this idea. Deputy Manager Kim Kiefer can forward questions the Assembly might have to the chair to help them develop their direction.
**Airport Board:** Liaison Sanford said the bid has been let for the first phase of the remodel at the airport and will be opened on February 11. The Consolidated Public Works Facility came in under bid and he hoped the same would happen for the airport. There will be a joint meeting of the Public Works and Facilities Committee and the Lands & Resources Committee on Monday, February 9, at 4:00 p.m. in the Assembly Chambers regarding the Mental Health Trust land development proposal.

**Executive Search Committee:** Mr. Bush asked the Assembly to keep their calendars clear to participate in the Assessment Center activities for the new city manager on February 23 – 25.

**XIII. ASSEMBLY COMMENTS AND QUESTIONS**

Ms. Chambers asked for information regarding snow removal strategies and cost estimates so the Assembly can consider addressing concerns before next season. She also asked for information regarding the Arboretum Board’s recent meeting and their interest in fund raising strategies.

Mr. Sanford said he is concerned and has heard many complaints since the smoking ban in bars passed, that there are resulting litter and loitering problems. We need to sit down and review the problems we have helped to create, including smoking in doorways, fear of walking down the street, and from 3:00 p.m. to about 10:00 p.m., there are crowds of people standing on the street smoking.

Mr. Swope said when this ordinance was adopted, the street superintendent installed cigarette butt containers downtown and got a resounding no from business people when asked for their help to empty them. We do not have the work force to empty these, clean sidewalks, and police the area. The focus now is keeping the streets and sidewalks clear of snow. We have more capacity in the summer, with more police presence, including retired officers, bike patrol, and Downtown Business Association’s contract with a private security company to patrol. In the winter, we have 4 officers on duty at all times for the entire city, so we are not able to assign two officers downtown to walk the streets. There is no simple solution. This was foreseeable when we discussed the smoking ban. He recognizes the problem, but does not know the answer.

Mr. Sanford understands but is still dissatisfied with what we have done in the winter months – the locals downtown feel like they have to be on patrol. We may need to get a group together to figure out the problems, solutions and costs. Mr. Bush said he would add this topic to a Committee of the Whole meeting.

Mr. Anderson referred to correspondence from a citizen regarding insufficient drivers for transporting passengers via the Care-a-Van Service. He asked to have a discussion on this and Mayor Botelho suggested adding this to the Finance Committee agenda.

Mayor Botelho has heard comments from citizens regarding the recycling center and the potential change to the recycling program regarding cardboard. Because of the success of the program and the collapse of the commodities market, it is no longer possible to make any money on cardboard. The center generates a van worth of cardboard each week, and the landfill has stored the material over the past several weeks. Hoping for the market to rebound will not work. He asked Mr. Swope to comment.
Mr. Swope said that many of the markets for recyclables have tanked. Mixed paper has no value. Cardboard is similar. We have been storing both commodities in Alaska Marine Lines containers thanks to AML. Fourteen containers are completely full. We are running out of storage space. If we continue to collect this waste stream, it will cost the city $8000 per month to ship, but this just puts the materials into another community’s landfill. Alternatively, it will go into our landfill. We will spend money from the fund balance of the waste fund if we choose to ship the materials. There is one individual in Wrangell who is interested in converting cardboard into pellets for stoves, but this is not close to being a solution at this time. Eric Vance of Waste Management suggested a monthly dollar increase to the waste management bills, however this does not make sense if it means shipping the material to another landfill.

Mayor asked about adding this to the Committee of the Whole meeting on Monday, February 9. Mr. Bush agreed to add this to the agenda, to convene the meeting at 5:00 p.m. in the Chambers and then move the meeting to the Juneau Arts and Culture Center for the tour of the facility.

Mr. Swope asked for clarification regarding the information requested on snow removal. Mr. Doll wants to know what type of equipment, labor and costs would be needed to remove snow berms.

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

XV. EXECUTIVE SESSION – None.

XVI. ADJOURNMENT - 9:05 p.m.

Signed: ________________________  Signed: ____________________________
Laurie Sica, Municipal Clerk        Bruce Botelho, Mayor