MEETING NO. 2009-24: 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 6:00 p.m. by Mayor Bruce Botelho.

I. ROLL CALL

Assembly Present: Jonathan Anderson, Bruce Botelho, Jeff Bush, Ruth Danner, Bob Doll (telephonic), Johan Dybdahl, Merrill Sanford, David Stone, and Randy Wanamaker.

Assembly Absent: None.

Staff Present: Rod Swope, City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Heather Marlow, Lands & Resources Manager.

Goldbelt Board of Directors Present: Randy Wanamaker, Vice Chair; Karen Taug, Treasurer; Trudy Skan, Corporate Secretary; Edith McHenry, Director; Del Cesar, Director; Ben Coronell, Director; and Andrea Cadiente-Laiti, Director.

Goldbelt Staff Present: Gary Droubay, President; Bob Martin, Vice President, Operations.

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

III. NEW BUSINESS

A. Discussion with Goldbelt Board re: West Douglas Development

Mr. Wanamaker said he spoke with the City Attorney and determined that he has a conflict of interest on this issue as he also serves as a member of the Goldbelt Board of Directors. The Mayor agreed and hearing no objection, Mr. Wanamaker sat in the audience.

Ms. Marlow distributed several documents as background from the 1995 – 1997 CBJ / Goldbelt joint planning effort regarding the West Douglas Conceptual Plan, including the executive summary, a map from the plan and a map showing the West Douglas Island Master Plan with the Totem Creek Gold Course plan. The land in the study area is comprised of approximately 5000 acres of parcels owned by Goldbelt, CBJ, and the Tongass Forest. The plan looked at potential for development in that area and any critical concerns associated with development, including environmental qualities, features, lack of existing infrastructure and traffic impacts. There was quite a bit of common interest between the parties regarding access and land development. The plan identified four “nodes” of development: the golf course, Middle Point, Inner Point, and Point Hilda, with concentrated development within those nodes, and areas of undeveloped land that would separate the nodes and protect the environmentally sensitive areas, leaving areas open for subsistence and recreation. Both parties signed the plan, it was adopted by CBJ, and the planning effort was concluded in 1997. In 1999, the CBJ Assembly passed a resolution authorizing a Memorandum of Agreement (MOA) with Goldbelt.
to establish terms for extending North Douglas Highway. The thought was eventually it would be extended through the eight-mile stretch to Point Hilda, in different phases as it moved through the planning area. The MOA would extend the highway first to Middle Point, and authorize the manager to exchange properties, of equal value, as identified in the packet, to help each of the parties achieve their goals. CBJ was looking for recreational access and coastal access, and Goldbelt was looking for more land to develop. In 2004, the MOA expired, and there were no activities toward development taken during that term. In the last legislative session, project funding was included referencing the extension of the North Douglas Highway. This project is $3 million and is identified for three different activities: Continued Study of EIS for North Douglas Crossing, Gastineau Channel Dredging, and Extending North Douglas Highway. Most recently, CBJ received a donation of property for recreation use, currently designated as open space, in the Hilda Creek area.

Gary Droubay said there had not been a lot of activity in the area, but work has been done by Totem Creek Properties to try to develop a golf course. We have interacted with the Totem Creek consultant, John Halterman, who is trying to find a developer for the course. He approached Goldbelt, saying it would be attractive to offer a developer access to some kind of a lodge on the water with multi-uses including fishing.

Mayor Botelho asked if the Conceptual Plan was still viable as a goal to continue to work toward.

Mr. Droubay said he thought so; that the Board had not heard or given any direction that it did not want to develop its property. There comes a time to update the plan to today’s market and compare to the board’s overall goals, but it is still one of Goldbelt’s strategic goals.

Mr. Anderson said the $3.2 million legislative funding originally came from an earmark from Rep. Don Young for this road extension. During the Murkowski administration, the funding was shifted to dredging work in the Gastineau Channel. During the Palen administration, the Juneau delegation helped CBJ to insert the idea of accessing the funds for the North Douglas Crossing EIS, and requested an additional $4 million for the EIS, which was vetoed by Governor Palin. At that point, many felt the next thing to do was to look at the extension of the road, as further development in that area would bolster the incentive for the North Douglas crossing. DOT has said that the funds are accessible to CBJ with submission of a plan. The North Douglas crossing and West Douglas development has been a priority of the Assembly for years and as the chair of the Lands Committee, he encouraged this meeting to explore how to move forward. Ms. Marlow suggested re-exploration of the MOA between Goldbelt and CBJ as a first step, to ascertain Goldbelt’s interest.

Ms. Laiti-Cadiente asked how CBJ defined recreational development at Hilda Point. Ms. Marlow said the ideas were shoreline fishing, camping, skiff access, recreational cabins, and other open-space, low-impact activities.

Mr. Anderson asked about the status of Southeast Alaska Land (SEAL) Trust regarding the Hilda Point land. Ms. Marlow said 30 acres were purchased with “in-lieu fees” from the impacts from the expansion of the Juneau International Airport runway and donated to CBJ,
which has title now, and it is designated it for open space and recreational access of the shoreline.

Mr. Droubay asked if CBJ was still interested in acquiring a piece of land adjacent to the CBJ property at Hilda Creek that is referenced in Exhibit A of Resolution 1988. Ms. Marlow referred to the exhibit and said that the CBJ SEAL Trust donation was the parcel identified on the map as “Private Property” and yes, CBJ was still interested in acquiring the shaded parcels which would allow an assemblage of land in that area.

Mr. Sanford asked about Goldbelt’s concerns about the alignment of the road.

Mr. Droubay said the golf course developer has been opposed to having the road go through the golf course. Due to streams and ravines, the cost of going over the area of the golf course would be substantially higher. We discussed moving the road alignment lower, below the golf course and through Goldbelt property. We were amenable to that if an agreement could be reached on a value exchange from what would be given up for the land. A 150-foot right-of-way for ten miles is a lot of acreage. This could be 10 percent of our total land, so an exchange of equal CBJ land was discussed.

Bob Martin said the original road alignment goes through CBJ lands and the road proposed on the Totem Creek Properties proposal shows the road going mostly through Goldbelt land. When DOT builds a road, they acquire the rights-of-way with cash based on appraisal value. The Board has been very clear that lands it owns are precious. Our shareholders identify closely with the land and it is ANCSA land, which has special conditions for taxation, etc. DOT has done land exchanges. The problem is exchanging land with the state because the state does not own land in this area. One of the possibilities that arose was exchanging land with CBJ and in the future, when the road was built, the state would acquire those rights-of-ways from the CBJ.

Mr. Anderson said there has been a lot of reference to the golf course. It has been a desired idea but has not attracted developers and it may be unlikely to happen in the near future. The current permit to access that land expires in the next year, and then it reverts to CBJ. He would like to view the whole issue in its entirety. If there were not a golf course, the road issue would be completely different.

Mayor Botelho said this road would have some mix of federal funds, and what were the constraints placed upon the decision for choosing the alignment. Ms. Marlow said it would be similar to the North Douglas crossing and there are several factors, including cost, but using federal funds would require a review of alternative routes to evaluate environmental impact.

Mr. Sanford asked about the goal of the meeting. He thought the next step was road alignment and production of a new MOA with Goldbelt / CBJ. We need some agreement under an MOA to determine the best alignment for the road.

Mayor Botelho said the outcome of this meeting could be to direct staff to engage with Goldbelt to review, modify, and renew the MOA with Goldbelt, if Goldbelt is amenable. We are here to be re-acquainted with each other and the issue and get a sense of Goldbelt’s interest. This is the first time in my memory that we have sat down with the Goldbelt Board of
Directors to have an exchange and to get a sense of common purpose, and it should not be the last time.

Edith McHenry said not all of the board members were present. Goldbelt’s land is sacrosanct and we want the Goldbelt’s Lands Committee and the full board to be involved with Mr. Droubay and the decisions.

Mayor Botelho asked if the Assembly directed staff to make an approach, would it be fair to say it would be given serious consideration. There were nods around the room.

Ms. Laiti-Cadiente said that we all want the best access and best possible outcome for our corporation and shareholders and for the CBJ. In terms of the expired plan, that should go to our board and Lands Committee to research. It would not need to start all over, but we have new Directors seated and have changed quite a bit since the MOA was signed. It seemed to be a healthy move to have an icebreaker and get a feel for which direction we would like to take. We cannot make any decisions tonight, but we would need to direct our staff to do more research.

Mayor Botelho understood and said the Assembly was not in the position to take any action tonight and understood that Goldbelt had its own process and respected that.

Ben Coronell thanked the Assembly for the invitation, for opening the lines of communication, and this was a good start.

Mr. Dybdahl asked if we move in this direction and we push for an extension, however incremental, that it would also require a policy decision of the Assembly to redirect where we would like the legislative funding to go, to this project or the EIS for the North Douglas crossing.

Mr. Anderson said a request would need to be made to the state with a plan as to what would be the proposed action. Ms. Marlow said that design funding and permitting for an environmental assessment would be part of project funding.

Mayor Botelho said that pursuing an MOA did not commit the Assembly to any expenditure at this stage and reaching an agreement on an MOA did not commit us to a specific amount. We may decide we want to continue to pursue the “4F” issue in part with those funds. The primary point is that any expenditure of the monies appropriated requires a plan that is approved by DOT/PF.

Mr. Anderson suggested there was no limit to the number of MOA’s possible and a renewed MOA could just state joint interest in road extension. The previous MOA did not outline an alignment. He saw a first step as the CBJ and Goldbelt making a statement as to their mutual interests and intention to move forward, sharing areas of agreement. Both parties could look at the previous document and see what parts are still viable, and in the near future we can make some declaration that this is in both of our interests or not.

Mr. Dybdahl said this is a good approach because one problem we will face in funding any North Douglas crossing is the idea of the actual need. We say yes we need it for better
transportation, as a second emergency access between Douglas and mainland Juneau. However, I can see that going down this road would create this need and make funding of the actual bridge structure a lot easier. Our southern neighbors had difficulties explaining the need for a bridge.

Mayor Botelho asked the Assembly if it was supportive of directing the manager to pursue review of an MOA with Goldbelt, beginning with the framework of the previous MOA as a starting point. Hearing no objection, Mr. Swope said he understood the intent of the Assembly.

Mr. Droubay said the Goldbelt Board would need to review the matter to provide the same type of direction to staff before moving forward.

IV. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Dybdahl thanked the Goldbelt Board for attending the meeting.

Ms. Danner said she was honored to sit at the table with the Goldbelt Board.

Mr. Anderson said this meeting is a good start – this is where we need to be to keep things going and hoped we can find mutual agreement to move forward as partners.

Mr. Stone agreed and said this effort was very worthwhile.

Mr. Sanford said CBJ citizens are Goldbelt citizens and visa versa. There are many other issues that effect both groups and he would like to see this as an open invitation for more meetings like this. Ms. Laiti-Cadiente thanked the Assembly for the invitation and said we all have unique challenges.

V. ADJOURNMENT – 6:38 p.m.

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