THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes – November 6, 2010

ASSEMBLY RETREAT: The Annual Retreat Meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 1:00 p.m. by Mayor Bruce Botelho.

I. ROLL CALL

Assembly Present: Jonathan Anderson, Mary Becker, Karen Crane, Ruth Danner, Bob Doll, Johan Dybdahl, Merrill Sanford, David Stone (arrived at 3:30 p.m.) and Bruce Botelho.

Assembly Absent: None.

Staff Present: Rod Swope, City Manager; Kim Kiefer, Deputy City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Craig Duncan, Finance Director; Dale Pernula, Community Development Director; Rorie Watt, Engineering Director; Jeannie Johnson, Airport Manager.

II. REVIEW OF ASSEMBLY RESOLUTION 2427(b)

Mayor Botelho noted that Mr. Hartle had prepared a draft of proposed changes to the Assembly Rules of Procedure titled Res. XXXX, and addressed each proposed change. On page 6, 2(d), the proposed change is to strike that HRC prepares the Assembly’s regular meeting calendar; in the past several years the entire Assembly has reviewed the calendar. On page 8, the proposed change is to strike Item D, which further describes the same process. On page 9, changes are to clarify attendance and voting of Assemblymembers. On page 13, there is a correction to the code about the Mayor’s telephonic participation in meetings, and on page 14, there is another correction stating that telephonic participation shall be allowed at all types of meetings.

Mr. Hartle suggested a change on Page 8, Item E, which in the last sentence, says “For committees with four or fewer members, two of the membership shall constitute a quorum for the transaction of business.” He said in every other system of rules it would take three for a quorum, and he believes this was initially drafted due to attendance issues. He asked if attendance was still an issue and recommended striking the last sentence.

Mr. Anderson said there have been several Assembly Standing Committee meetings in which only two members are able to be present. Mr. Sanford agreed and spoke about the need to move Assembly business efficiently. The Assembly takes action on the committee recommendations, so he supported the current language.

Mr. Hartle said that three members are still required to take official action of the committee.
Ms. Danner asked if committees could consist of three members rather than four. Mayor Botelho said that the main point was to not have committees of five as that would constitute a quorum of the Assembly.

Mr. Anderson said there are obviously issues with this section, but we have not had issues come up and he recommended moving on.

Ms. Becker said the section, as written, refers to three constituting a quorum for a committee of six; however that was not a majority. Mayor Botelho said there have been no six member committees in recent history so he left it alone.

Ms. Danner spoke about how the Boards and Commissions follow the Assembly’s lead on its rules of procedure, so this section may need to be changed to provide clarity.

Mayor Botelho asked if the Public Works and Facilities Committee and Lands Committee liaisons served as voting members. Mr. Sanford and Mr. Anderson said the liaisons did not vote and were advisory members only. Even if there is another Assemblymember visiting and sitting in, they do not vote.

Ms. Kiefer called attention to Item F, Voting, on page 8 and it states that “the minimum vote required to take official action shall be the same as that constituting a quorum…”

Mayor Botelho asked to table this discussion until later in the day.

Ms. Danner said another issue in this resolution was in regard to the duties of the Human Resources Committee. The HRC has brought all liquor license actions to the assembly individually as a recommendation of the HRC. Staff has pointed out that those licenses in which there is no protest from the staff or public, could become part of the Assembly’s consent agenda and she would like the Assembly to consider taking this action in the future.

III. MANAGER’S OVERVIEW OF MAJOR ISSUES FOR THE COMING YEAR

Mr. Swope distributed a memo regarding major issues for the coming year, including the budget, employee contracts, snow storage, solid waste management, waterfront development, and downtown parking. He is working with the Finance Department to gather budget information in anticipation of a Finance Committee meeting on December 1, where he will present a finance picture and the issues of shortfalls.

Mr. Doll asked if it was unusual to have all three union contract negotiations going on at the same time. Mr. Swope said it is somewhat unusual and the reason for this is there are “re-openers” this year.

Ms. Danner asked if he would be looking for a proposed impact of the senior hardship exemption on property taxes and Mr. Swope said yes.
Mr. Swope said the USFS will allow CBJ to use the Mendenhall Glacier Visitor Center parking area again this year. CBJ did quite a bit of work in the area for them in exchange for this use. We have laid down a “runway” for the local model airplane flying club. We have done continuous water sampling and have looked at drainage issues. We are working on a study for a permanent site and are considering alternative technology. We are still not required by law to store snow upland and the city and state both put the snow in the Channel in the harbor areas. In two years or less, the EPA and DEC will likely prohibit the disposal of snow in marine waters, so we will need to be in compliance. It will be an expensive solution.

Ms. Danner asked if chemical analysis has been done on the snow collected. Mr. Swope said extensive study has not been done for snow going into the harbors, but the snow includes petrochemicals from the roadway, urea from snow removal, and trash. Sampling has been done at the Glacier site and there have not been substantial chemical increases other than salinity and a slight increase in copper.

Mr. Swope said the Seawalk project continues. The Docks and Harbors Visitor Center – Customs Facility is under construction. Paving and parking and work in the Marine Park in conjunction with the dock work. The city shop under the bridge will be vacated and this project will be discussed at an upcoming Committee of the Whole. Heather Marlow has taken the lead on the Willoughby District planning project which includes the Subport property, the State Museum, Archives, Public Safety building, Centennial Hall Parking lot, and adjacent property owners for planning for the entire area.

Mr. Swope gave the Assembly an update on Downtown parking issues. The current completion date for the garage is December 1. There are a few pieces that are behind schedule, and the transit system should be operational January 1. The legislators will no longer be issued on-street parking passes and all 60 will be provided with a space in the garage. Parking meters will be installed in January and February.

Mr. Swope said all of the emergency plans are outdated, need to be brought current, and he is working with Tom Mattice on this. The state volunteered time and money to update our plan, because they think our plan is a model plan and would like to see other communities in the state design their plans after Juneau’s, and use it as a template.

Mr. Swope said the Public Works Department is going through large changes. The two divisions for streets will be combined and crew will be used as needed, rather than assigned to specific areas. While attending ICMA, Mr. Swope found that cross training staff to allow them to be able to do a variety of work is being done nationwide. A consultant will be reviewing workplace efficiency in the Public Works Department. Big changes are proposed in utilities – water and wastewater. There were three divisions, treatment, service, and maintenance. We have said that everyone is a water utility operator and all are being cross trained. This is requiring additional training. We have eliminated two supervisors through attrition and there have been cost savings. Staff doesn’t always like change when it comes, so it has been hard, but it will be changed. Waste treatment is the same – we are combining the Valley, Thane, and Auke Bay treatment plant staff to be able to deploy them when needed. There are certifications required by the state to do this work, so we need to be flexible. Again, change comes hard, but it is happening and this should have been done a long time ago. Mr. Swope said he has made himself available to staff to hear their comments on this.
The CSO vehicles are due to be replaced in a few years and he would like to purchase an electric car. There are very few models available, and at ICMA, there were only two companies represented and of them, only one may work. The basic model is about $12,000, with a 45 mph maximum speed and is able to run in snow and up hills. Battery replacement is needed in 2-3 years. I would really like to try this in an attempt to set an example. AEL&P has offered a rate reduction to anyone with an electric vehicle.

Mr. Swope distributed a summary of the proposed downtown parking program. Both garages will be open and free of charge in December and charging will start January 1. He listed the costs of parking in the garages. Passes for the new garage are more expensive but are transferrable to the Marine Park garage. The pass for the Marine Park garage is not interchangeable. The passes will match up with a specific license plate and they are not transferable. This program is a work in progress and we will likely be making adjustments as we learn. We don’t want to under or over sell the garage and we will monitor this closely. Bootlegger will be patrolling the garages, checking vehicles, license plate numbers, etc. We want to balance this to offset the costs of the facility maintenance. Some reserve will be needed to maintain the facilities. The garages will be free after 6 p.m. The North Franklin Lot will have 11 spaces for legislative staff in the Terry Miller Building due to a long-term agreement with them to maintain parking availability. On-street parking will change when the meters are installed. The first two hours are free, and meters will be $2 per hour at the third hour and thereafter. The new system will not allow people to move their cars around from one two-hour space to another, there will be a maximum of two hours free allowed per day.

Ms. Danner said it will be important to communicate that people will need to register at the beginning of the two hour period, since it is free. The meters will take coins, credit or debit cards, but no paper money. Eventually they can take tokens. The area covered by meters is Franklin to Main from the Red Dog to the Capitol. The meters are run by solar power with a battery back up.

The Assembly took a ten minute recess.

Mr. Doll said he would like to add solid waste management to the executive session.

Ms. Kiefer provided a report on solid waste management issues. This summer, CBJ drafted a contract for Alaska Pacific Environmental Services (the parent company of Arrow Refuse) to outline what CBJ proposed for monthly payments to Arrow to transfer the Certificate to CBJ, provide for collection, customer service requirements, and a long-term plan to take over the building, which we thought was a benefit to them. This was submitted to Arrow in May. In the latter part of May, a response back from them said we underestimated the value of the certificate and we were too far apart to have a discussion. They expected that mandatory service was to be included that would increase their business; however, this was not included as the Assembly did not choose to do that at this time. We looked at automated services and that would require some changes to the bear ordinance regarding latch requirements.

They were also looking for less regulatory requirements, which we thought we provided, but we were told, basically, that there was no incentive for them to contract with the city to take over their certificate and they pulled out of the discussion.
Next, CBJ staff contacted RCA with the work-to-date and was told CBJ can apply for its own certificate for refuse collection. We brought this back to Assembly and were told to move forward. We got a letter back from Arrow that they were unhappy with this and they objected to CBJ applying for a certificate. After back and forth between attorneys, we have determined, based on state statutes, that Arrow is correct, we can not apply for our own certificate, and if we did, we would have to do this for refuse, and water and sewer, and then RCA would oversee and regulate that certificate. Now we are the sole provider of water and sewer and we set the rates. Mr. Hartle said that the bottom line was that RCA was mistaken and Arrow’s legal analysis was correct. Ms. Kiefer said that RCA was only looking at their regulations but not the state statute in their analysis. Ms. Kiefer then met with Arrow and said at this point we are still too far apart. In September, the CBJ committee got together and looked at options. Now we are considering putting out an RFP for recycling and other potential waste issues. The contents of the RFP cannot be public knowledge ahead of time. No certificate is needed for recycling. Mr. Sanford has added this to the COW November 22, and we will have a draft RFP for executive session review at that time. Mr. Sanford said that staff has determined a direction but the Assembly has not. He said that this has happened in a number of areas, where staff has gotten out ahead of the Assembly. Ms. Danner said she appreciated the attorney’s review of this issue, but do we ever hire outside counsel on specific matters that require a certain expertise. Mr. Hartle said that he could provide the case law to Ms. Danner, and it seemed clear, but outside counsel is hired often and he makes mistakes. Mr. Anderson asked if RCA has reversed their position on the matter. Ms. Kiefer said that RCA had not said it was wrong, but pointed to regulations and statute and said there are ways to go about this without obtaining a certificate. Ms. Danner said the three cases that supported Arrow’s view may be countered by other cases that support RCA’s point of view. Mayor Botelho said there is not a lot of case law on RCA’s actions and his guess is that a search will not find more information. Mr. Hartle said he could continue the review but he was fairly confident with the determination.

Mayor Botelho asked if the executive session was still needed. Mr. Sanford indicated this will be discussed at the COW meeting and it was deferred to that meeting.

Ms. Kiefer updated the Assembly on the PRISM project. As it was previously stated - change is hard, and there are many factors. Two vendors are working on this and both underestimated the time the project would take. They have a fixed price contract and have absorbed the costs; however, we have additional employee time spent on this. All core financial systems; including HR, payroll, purchasing, property tax, permitting, and utility billing are being revised. Lawson is the core financial side, and Govern is doing the land based systems. Both are being installed at the same time. The project is not where we wanted to be at this point, but people are seeing the benefits of the applications coming on line. The information from the Legacy system, Cayenta, is being integrated. This old system is no longer supported, so after two years of analysis, these products were chosen and the new systems should last into the future. Staff has done a very good job juggling their work and this installation.

Mr. Dybdahl asked if there is any chance that any historical data could be lost. Ms. Kiefer said that the old information will always be available, and the old information is being integrated into the new system.
Ms. Danner asked if recreating history is the reason this is taking so long, or is it creating the business rules for how the software is used. Ms. Kiefer said there are a variety of issues. Some of the work systems have been created from scratch, other parts we are pushing the system to make sure that what works well in one area is compatible with another area or the future uses of the system.

Mr. Sanford said it is a known necessity, however, the cost had increased on the project and we want to ensure that we have full knowledge of the overall budget and is there any scare about additional costs from this point out. Ms. Kiefer said the staff heard loud and clear that $6.1 million is the budget and we have fixed fee contracts. Any work left will be incorporated by existing staff. The time may lag but the budget will not increase.

Mr. Sanford said that all departments that have been involved with this project have really done two full time jobs and he appreciated their work. They know this is a necessity and it has created a great deal of stress. Ms. Becker asked if training was needed and Ms. Kiefer said yes, it is being incorporated for each module.

IV. EXECUTIVE SESSION

a. Potential Litigation and Labor Contract Status

Mr. Hartle discussed the State Open Meetings Act which defines what can be discussed in a closed “executive session.” He said labor contract issues, such as giving direction to a negotiator, is a reason for a closed session. Alternatively, it can be considered as a matter that the immediate knowledge of would clearly have an adverse impact on municipal finances. The same is true regarding litigation. The litigation discussed is the possibility of litigation on the reapportionment plan which is now in process.

Assembly Action:

**MOTION**, by Danner, to enter executive session for the purpose of discussing potential litigation and the status of labor contracts, the immediate knowledge of which would have a negative impact on city finances.

Public Comment: None.

Mr. Anderson said that recently the Central Labor Council sent a letter to the Human Resources Committee with suggestions for changes to the CBJ Labor Relations Code. One of the issues they have is that our contract process is that the Assembly sits as the appeals body. The Assembly advises the manager and HR staff, and they advise us, and we are part of management in that process. He found it difficult to reconcile this in stating that the Assembly will be an objective appeals body should such a contract negotiation go to impasse. The Assembly should either not discuss the status of labor contracts and let the manager conduct all negotiations using his best judgment or we should acknowledge the partnership and not be the appeals body.

Mr. Doll concurred and said it seems incongruous to partner with the manager in bargaining then serve as an appeal board. The manager is capable of coming to his own conclusions.
regarding collective bargaining, but to concur with positions in advance of the appeal role does not seem like a reasonable thing for the Assembly to do.

Mr. Swope strongly disagreed. As elected officials, the Assembly has always retained the ability to manage the budget. In the current environment in which we are making difficult budget decisions, you rely on me to provide a balanced budget. My approach last year was not what the Assembly wanted and the Assembly changed course. To give up the Assembly’s ability to be the final appeal body is not a wise choice, especially when wage increases can have a significant financial impact on the city.

**MOTION.** by Anderson, to strike the status of labor contracts, as a topic for the executive session.

Mr. Anderson said he agreed with Mr. Swope, but felt that the close consultation with the labor contracts with the manager was not appropriate if the Assembly were the appeal body, as it comes close to pre-judging the merits of the appeal. The manager should take his actions, and we should not be biasing ourselves as part of a management team.

Roll call to remove the discussion of labor contracts from the executive session failed:

- **Aye:** Anderson, Becker, Crane, Doll
- **Nay:** Danner, Dybdahl, Sanford, Botelho

Roll call to enter executive session to discuss potential litigation and labor contracts passed:

- **Aye:** Becker, Crane, Danner, Dybdahl, Sanford, Botelho
- **Nay:** Anderson, Doll.

The Assembly entered into executive session at 2:40 p.m. and returned to regular session at 3:12 p.m. Upon returning to regular session, Mayor Botelho said the Assembly heard a status report on potential litigation regarding reapportionment and status of labor contracts. No action was taken in executive session.

He asked the Assembly to complete the review of the Assembly Rules of Procedure, and said the Assembly had asked Mr. Hartle to review the quorum issues on page 8, paragraphs E and F. Mr. Hartle said he had reviewed the Charter, which gives the Assembly open invitation to make decisions on how the policy should be written. The Charter section on “Other Boards” requires the prevailing vote of a majority of members of a board to take official action, but it is not required for Assembly committees. The Assembly must have a majority to take action, but not a committee. Hearing no objection, the rules of procedure were not changed in this regard, and will be brought forward for Assembly action at the next regular meeting.

V. **PRELIMINARY DISCUSSION ON 2010-11 BUDGET DELIBERATIONS**

Mayor Botelho said he would defer this section as Mr. Stone would like to participate and he had not yet arrived at the meeting 3:15 p.m.

VI. **REVIEW OF ASSEMBLY GOALS AND OBJECTIVES**

   a. Discuss and decide on “Top 10”
Mayor Botelho said he provided the Assembly with the top 20 goals, which were those that scored 4 and above in the previous ranking, and opened the floor to Assemblymembers for comments on each prior to voting for the “top ten.”

Mayor Botelho said that balancing the budget is a matter of course, it must be done so does not need to be a goal.

Mr. Dybdahl spoke in favor of the funding of the new Mental Health Trust building as it will take time and effort to complete.

Ms. Danner said the Willoughby District Planning and the state Library/Archives/Museum Project (LAM) are combined goals and not on this list but perhaps should be.

Mr. Sanford said child care will always be an issue and thought it should be in general goals. Ms. Danner aid there are plans in the community and this may be the time to elevate the topic. Mr. Dybdahl said child care is so important to parents and the work force and is a big problem. If it is not elevated it may get lost in the mix.

Mr. Sanford asked if there are funds for climate change activities. Ms. Kiefer said there is money for the climate action plan, and part of it is to look at the Sustainability Fund – to recommend changes to maintain or increase the fund. Mayor Botelho said he and Mr. Stone have looked at possibilities for private contributions to the fund.

Mr. Anderson said we are not looking at funding, we are looking at goals. Mr. Sanford disagreed and said if we set a goal but don’t have the funds to do the goal, then we can’t achieve our goal. Mr. Anderson said that he said the goal will help us determine where we have gaps and figure out how to come up with funds to achieve our goals.

Mr. Swope said the Sustainability Fund is to be a revolving fund, and we have not been able to attain this goal yet, and it has been a back burner. Mayor Botelho said the fund was capitalized with the swimming pool project. Ms. Danner said it was borrowed initially for the pool project then borrowed for the budget gap to avoid layoffs, so it is currently unfunded. Ms. Danner did not see it as a top ten priority.

Ms. Danner said she hesitates to see defined benefits as a top ten priority if it puts CBJ into a difficult political position. Mr. Doll said it was important to give this statement to the lobbyist that the city wants a return to defined benefits. Ms. Becker said she has heard that many groups have encouraged this but the cities have not and she thought it was important.

Mr. Anderson said the homelessness recommendation is encouraging non-profits to move forward, not that the city take this on.

Mr. Anderson said regarding internal management, there have been issues with enterprise boards regarding how they are managed and the Assembly’s role. He feels strongly that it is important to review the accountability of enterprise board operations.

Mayor Botelho said that regarding “Undertake AJ Mine study,” Mr. Stone asked him to pass on that what he had in mind was to review the large mine ordinance. Mr. Dybdahl said he did
not understand the timing of the issue and that he participated in many meetings on the last proposal and those meetings were the reason for the last review of the mining code. Ms. Danner asked for some background.

Mayor Botelho said in the mid-1980s, after the CBJ and AEL&P entered into a unitization agreement regarding joint management of properties, it was agreed that AEL&P would promote mining in the unit. There was a group established by the Assembly, chaired by Judge Tom Stewart, that made recommendations. Barack Resources investigated reopening the AJ Mine and put resources into the effort. Meticulous records had been kept by AJ Mine and at that point gold had reached a high of $200/oz. In turn, Echo Bay Mine spent millions of dollars actively pursuing reopening of the mine. Opposition arose from the downtown residents and the environmental community about noise. The Sheep Creek area was proposed as a disposal area, and in short, the scoping committee made recommendations which included that a modified large mine ordinance, including any company be required to do a socio-economic impact study, and to mitigate for the cost of that effort, was developed and passed. The company ultimately chose not to develop the AJ. Coeur then took interest in the Kensington Mine and the large mine ordinance was further revised in the early 1990s, and changed where the ordinance applied and did not apply. Mr. Dybdahl said the ordinance became unwieldy and put the CBJ in the position of being a like agency similar to all other reviewing agencies. After modification, the ordinance was better. Mayor Botelho said there has been renewed interest in reopening the AJ Mine due to mineral prices. Mr. Sanford said the AJ could have a smaller production rate over a longer period of time and there is interest, so looking at the mining ordinance would be a good effort.

Mr. Doll felt the wording for the North Douglas Crossing was more specific than the wording provided by the goals subcommittee and needed further discussion. Mr. Sanford said he did not see the project happening in the near term based on the recent public vote. CBJ could spend millions of dollars on permitting, and the documents needed for permitting become obsolete over time. He does not want to dump money into this without a time frame in mind. Mr. Doll suggested the goal be restated to “resolve the Assembly’s intent regarding the North Douglas Crossing.” Mr. Dybdahl said he did not have a problem with the wording of the goal and said he wanted to advance this because it is difficult to discuss growth areas in Juneau without this project. This has been on the table for a long time and if the proposal on the ballot had been shorter – for two to three year duration to get to the final decision on a location, he suspects the ballot measure would have passed.

The Assembly discussed snow storage and the manager’s action on the topic, and whether this should be an Assembly goal or not. Mr. Doll said the manager has the goal in hand and is taking action now. Mr. Sanford said a final decision, which will take budgeted funds, will be the end goal and he supported its inclusion.

Mr. Doll said the goal regarding waste management is important but we have learned that we cannot take control of the solid waste stream and this goal needs rewording.

Mr. Anderson asked about the sludge incinerator. Mr. Swope said the sludge from the Mendenhall Plant goes to the incinerator and there was a major melt down of the incinerator – the skin was incredibly thin and we got approval from the Assembly and a legislative appropriation of $1.5 million to “re-skin” or rebuild the shell of the incinerator. Then the heat...
exchanger failed, which is a $0.5 million part. We have done what we can to make it work again. We knew we were going to take this incinerator off-line for repair and we budgeted funds to ship the sludge south at the cost of $125 per ton. Waste Management approached CBJ and said they would accept the sludge in the interim at $75 per ton for a six–month period. If we purchase a new heat exchanger, it only has a life expectancy of five years and, at this time, Mr. Swope said it appears that the plan to repair the incinerator is throwing good money after bad and in the future the equipment will need to be entirely replaced. He has put out an RFP to determine the interest from firms regarding sludge disposal and we are comparing the costs to truck and incinerate with other means of disposal. Currently it costs $67 – 70 per ton to incinerate and this does not include any capital or equipment costs. At $75 a ton now we are saving money and we need to decide if we are going to repair the incinerator for $2 million or take other actions. There is a perception that we are dumping sewage in the local landfill, however, the disposal is controlled and the landfill likes this material as it is biodegradable, heavy, and compacts the trash. The sludge does not smell, but it will become anaerobic in short time if not covered. Mr. Swope would like to hold off on final decision of repair of the incinerator until further information is gathered about the cost of various options.

The Assembly agreed on a revision to the Waste Management Goal to read “Decide on CBJ’s role in managing and disposing of Juneau’s solid waste stream in both a cost effective and environmentally responsible manner.”

Mr. Anderson spoke in favor of West Douglas Development as the CBN is putting in the pioneer road and planning should begin.

Mr. Stone joined the meeting at approximately 4 p.m.

Mayor Botelho asked members to score their top ten and turn it in to the clerk, and to put their name on the ballot.

VII. REVIEW OF LEGISLATIVE PRIORITIES FOR 2011 LEGISLATIVE SESSION

Mayor Botelho asked Clark Gruening to provide a prognosis regarding the 2011 Legislative session. Mr. Gruening said he did not see many changes overall for the Governor’s office and the legislature. The Senate has organized with a 16-member majority comprised of ten Democrats and six Republicans. The minority hasn’t changed much with the exception of Con Bunde chose not to run and Cathy Geisel won, she is in the minority. Senator Egan will still be on the Finance Committee, and will be chair of Labor and Commerce. The House is still organizing. Three incumbent Democrats and one incumbent Republican lost seats. Mike Chenault will be the speaker and Beth Kerttula will be the minority leader. The real transition will take place in the Parnell administration, in changes to the Commissioner seats. He thought Larry Harden of DEC, Click Bishop of Labor, and Susan Bell of Commerce will stay in place. He hopes to see a few commissioners looking for residences in Juneau. On the transition website, the Governor is taking comments, and people may want to weigh in.

A CBJ priority is the “LAM” project, which was successful in obtaining $18.5 million from the bond proposition that passed on the November 2 election with 60% voter support. The design is underway. He said the present building has been identified as an historic site. It was built in 1967 and received federal money. There may be a way to keep a panel or some artifact for the
new building. The Office of Historic Preservation will have a hearing on Monday, November 15. He encouraged the Assembly to make this project a priority. The overall cost is estimated at $120 million, of which $99 million is still needed, and the design can be scaled back.

Mr. Doll said the urgent need is for the archives building and is there any thought of doing this portion first. Mr. Gruening said the historic library collection is in the same position, both are valuable and there is no sense to separate the two. Currently the project is conceived as one building with underground parking. The state has a bright future in terms of oil revenues now, but production is declining. The second session of the new legislature may be the time to get the funds for the project inserted in the budget. The future is more questionable.

Mayor Botelho asked Mr. Swope about his perspective on legislative priorities. Mr. Swope said CBJ will need to pursue funding for the West Douglas Road Development. There was some work to release $1.5 million for that and the funds are in DOT, we would like to have the funds moved to DCEED as a grant so the funds could be granted directly to the CBJ. We are working with DOT now and we are confined by their regulations – it was DOT’s suggestion to do this. Mr. Gruening said this would be a re-appropriation.

Mr. Anderson asked about the worth of trying to lobby for more funds on that project, as now there are funds for “half a road.” Mr. Gruening said that a re-appropriation and a funding request should be two separate issues.

Mr. Swope said he is not advocating for specific legislative requests but to raise the issue for Assembly consideration he brought up the following concerns:

- Distin Avenue road improvements are far down on the city list but it is near the Governor’s House and we may be able to obtain some state support.

- A snow storage site in the valley will have a considerable cost, and even if we own the property, to line it, berm it, and provide road access would be a cost of $1.5 - $2 million.

- The Affordable Housing Commission has requested $1.5 million as seed money to add to the Juneau Affordable Housing Trust. Mr. Gruening asked if the AHFC has been approached, as Cordova received a major housing project from AHFC recently. Ms. Danner said the funds would be to deposit in the trust fund, which is to be used as seed money/local match for housing projects.

- If “defined benefits” rises as a top priority of the Assembly, Mr. Gruening could be given direction on this topic.

Mr. Anderson asked if Mr. Gruening had information on the plans for the new state office building in Juneau. Mr. Gruening said that during the last legislative session there was a $5 million appropriation that was reduced to $2 million and direction was given to explore alternative sites. There has been no direct report made and he can investigate.

Mayor Botelho asked the Assembly for other requests of the legislature in anticipation of a meeting with the Juneau delegation.
Mr. Sanford said an emergency generator for Centennial Hall has been on the list for some time. Mr. Stone suggested that statewide Marine Passenger Fees could be a source.

Mr. Anderson said there is a significant cost to dredge and dispose of the spoils from Douglas Harbor, and this may be a request to DEC for the disposal. Ms. Danner said Docks and Harbors is moving forward with permit requests for this activity and they will be seeking additional funds. Also, another legislative priority is funds for deferred maintenance for harbors.

Mayor Botelho asked Mr. Swope to communicate with the Enterprise Boards and the School District on the needs.

Ms. Danner said whether or not the Assembly makes this a top ten priority, defined benefits should be an issue for Mr. Gruening to look into on our behalf.

Mr. Dybdahl asked Mr. Gruening if he had a sense how much time the legislature would take to review the gas line issue in the next session. Mr. Gruening said he suspected it to be a “second session issue.” The Governor has indicated he will revisit the tax issue, which could impact both oil and gas.

Mr. Sanford said regarding FERC applications there are two groups that have put out bids – will this all be public during the next session? Mr. Gruening said there will be some result in May or June – it will be a major issue. What will drive the discussion of oil taxes is that it is a new game and there will be a fight on revisiting ACES.

Mayor Botelho thanked Mr. Gruening for his outstanding work for CBJ, through AML and on federal legislation. Mayor Botelho dismissed Mr. Gruening.

Mayor Botelho referred to the current contract with Mr. Gruening and asked the wishes of the Assembly. Hearing no objection, the contract was extended.

Following scoring, Mayor Botelho read out the top ten priorities of the Assembly in no ranked order:

1. Decide on CBJ’s role in managing and disposing of Juneau’s solid waste stream in both a cost effective and environmentally responsible manner.

2. Continue seawalk/waterfront improvements including the area from the Douglas Bridge.

3. Find ways to promote greater availability and affordability of daycare for young working parents.

4. Support funding of the new Mental Health Trust building targeted for State offices.

5. Write a Climate Action Plan and achieve Assembly adoption before the end of 2011.
6. Actively promote Juneau as the best location for a World Class Climate Research Facility.

7. Continue to support fisheries development in Juneau through infrastructure development.

8. Facilitate and support a non-profit-led effort to address homelessness in Juneau.

9. Undertake the AJ mine study.

10. Decide on a method and timeframe to fund all of the work necessary to get to a final determination as to acceptable locations and designs of a North Douglas Crossing.

The Assembly members discussed the content and formatting of the Assembly goals document.

Mayor Botelho said the top ten will be at the top of any list put out and the word “priorities” should be changed to “agenda items.” The rest are guiding principles or guidelines – I see them as agenda items. Mayor Botelho said the subcommittee could go back to the drawing board to incorporate some of the top 20 items that may not be included in the list.

Mayor Botelho asked the Assembly to take seats of their choice, based on seniority and the seating arrangement was set for the next year as follows: Mayor Botelho, Deputy Mayor Sanford, David Stone, Bob Doll, Jonathan Anderson, Johan Dybdahl, Mary Becker, Ruth Danner, and Karen Crane.

VIII. OTHER MATTERS

Mayor Botelho asked Finance Chair David Stone for a report on the preliminary review of the upcoming budget sessions. Mr. Stone said the Assembly has tapped the rainy day fund. CBJ is in a good position in that the union negotiations have aligned so we can address them all at the same time. He is concerned that CBJ must be very fiscally responsible as we are headed to difficult times and we must be very supportive of the manager in asking him to make tough decisions. Please focus on this earlier rather than later to give him the guidance he needs.

Mr. Anderson distributed pages from the Comprehensive Annual Financial Report of 2009 and requested a review the CBJ debt load. The cost to pay the debt is increasing. We are planning to use sales tax to supplement the debt service mill levy to pay the debt. He asked why the Assembly does not pay the debt from the debt service mill levy.

Mayor Botelho said that the ballot explains to the voters that sales tax is one of the sources to pay the GO bond indebtedness.

Mr. Dybdahl said one issue not on any list is the total consolidation of the many CBJ offices into one building. For example, CBJ is taking up valuable housing space in the Marine View building. At some point we should begin the discussion.

Ms. Danner said she and Ms. Crane met with the Juneau Homeless Coalition and they are anxious to get more input and buy-in from other organizations for a respite facility. It is an important part of our emergency planning because of the impacts of communicable diseases spreading in the community. By reducing hospital stays by those who can not pay, we may
actually save money at the hospital and we may actually decrease the number of those returning to the hospital. Our goal is to support the non-profit community in homelessness issues – we should get people involved.

Mr. Doll said the North Douglas Crossing ballot issue gave him a more complete view of the issues and there is a concern about the extension of the 1% sales tax in 2013 from the public. We need to be alert and when the time comes the package should be well developed for the voters.

Mr. Sanford said the issue of synthetic marijuana is in Juneau. It is legal to buy in stores and on-line. The dosages are a problem and may cause illnesses. He did not know if there is anything that can be done at this level – perhaps writing the legislators about a state law. Mr. Hartle said he can review city code. Ms. Crane said that an Anchorage legislator is pre-filing a bill on this issue.

Ms. Danner said that 12th Street looks great and it appears to be complete.

Mayor Botelho encouraged everyone to participate in the AML conference, which will showcase Juneau. The Inauguration is scheduled for the first Monday of December in Juneau. It is appropriate to make ourselves and the Alaska Committee available to make sure the occasion is festive. He suggested giving an appropriate gift to the governor and there was no objection from the Assembly. He asked the Assembly to schedule this as a formal welcome to the governor.

IX. ADJOURN – 5:55 p.m.

Signed: ___________________________ Signed: ________________________________
Laurie Sica, Municipal Clerk                Bruce Botelho, Mayor