MEETING NO. 2012-03: 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 7:00 p.m. by Mayor Bruce Botelho.

I. ROLL CALL

Assembly Present: Mary Becker, Bruce Botelho, Karen Crane, Ruth Danner, Johan Dybdahl, Jesse Kiehl, Carlton Smith, David Stone, and Randy Wanamaker.

Assembly Absent: None.

Staff Present: Rod Swope, City Manager; John Hartle, City Attorney; Kim Kiefer, Deputy City Manager; Laurie Sica, Municipal Clerk; Beth McEwen, Deputy City Clerk; Craig Duncan, Finance Director; Rorie Watt, Engineering Director; Dale Pernula, Community Development Director; Heather Marlow, Lands and Resources Manager; Carl Uchytil, Port Director; Greg Browning, Police Chief; Kris Sell, Lieutenant – Special Operations; Bob Dilley, JPD Lead CSO; Jennifer Adams, JPD CPV Administrator.

II. SPECIAL ORDER OF BUSINESS –None.

III. APPROVAL OF MINUTES

A. January 30, 2012 – Regular Assembly Meeting 2012-02

Hearing no objection, the minutes of the January 30, 2012, Regular Assembly Meeting 2012-02 were approved.

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

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

Mike Peterson said he is a member of the Teamsters and supports unions but not a member of MEBA, IAFF, or PSEA. He spoke about CBJ’s current labor union negotiations and asked the Assembly when reviewing budget cuts regarding employees to do so in a fair manner across the board and not pick out one union or another.

Mr. Peterson also commented on the liquor license reviews listed under new business. He said that he was in business and always paid his sales tax. The sales tax does not belong to the business; it belongs to the public.

VI. 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 Stone, to adopt the consent agenda as presented. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

a. Ordinance 2012-04
*An Ordinance Authorizing The Manager To Execute A Lease Of A Fraction Of Lot 1, U.S. Survey 3853, Located At The West Juneau Reservoir Site On Douglas Island, To ACS Wireless, Inc., For The Operation, Maintenance, And Leasing Of An Existing Communications Tower/Facility.*

Administrative Report: Attached. The manager recommended Ordinance 2012-04 be introduced and set for public hearing at the next regular meeting.

b. Ordinance 2012-08
*An Ordinance Creating Local Improvement District No. 93 To Construct A Sanitary Sewer System To Serve Four Parcels Located Within The 2600 Block Near Roger Street On Douglas Highway, And Appropriating To The Manager The Sum Of $300,000 For The Cost Of The Project.*

Administrative Report: Attached. The manager recommended Ordinance 2012-08 be introduced and set for public hearing at the next regular meeting.

c. Ordinance 2012-09
*An Ordinance Authorizing The Manager To Lease Approximately .22 Acres Of Municipal Property At Twin Lakes To The Alaska Department Of Fish And Game For The Purpose Of Using And Maintaining An Existing Structure For A Fish Pathology Laboratory.*

Administrative Report: Attached. The manager recommended Ordinance 2012-09 be introduced and set for public hearing at the next regular meeting.

d. Ordinance 2012-10
*An Ordinance Providing For The Issuance And Sale Of General Obligation Refunding Bonds In The Aggregate Principal Amount Of Not To Exceed $19,000,000; And Providing The Form And Terms Of The Bonds And For Unlimited Tax Levies To Pay The Bonds.*

Administrative Report: Attached. The manager recommended Ordinance 2012-10 be introduced and set for public hearing at the next regular meeting.

e. Ordinance 2011-11(AB)
*An Ordinance Appropriating To The Manager $600,000 As Partial Funding For The Aurora Harbor Replacement Capital Improvement Project. Funding Provided From Harbors Enterprise Fund.*
Administrative Report: Attached. The manager recommended Ordinance 2011-11(AB) be introduced and set for public hearing at the next regular meeting.

f. Ordinance 2011-11(AC)
An Ordinance Appropriating To The Manager The Sum Of $225,142.51 As Grant Funding For The State Homeland Security Program; Grant Funding Provided By The State Of Alaska Department Of Military And Veterans Affairs.

Administrative Report: Attached. The manager recommended Ordinance 2011-11(AC) be introduced and set for public hearing at the next regular meeting.

g. Ordinance 2011-11(AD)
An Ordinance Appropriating To The Manager The Sum Of $36,680 As Funding For The Construction Of Trailhead Information Kiosks; Grant Funding Provided By The Alaska Department Of Natural Resources.

Administrative Report: Attached. The manager recommended Ordinance 2011-11(AD) be introduced and set for public hearing at the next regular meeting.

2. Resolutions

a. Resolution 2601
A Resolution Expressing Assembly Support For The Juneau Coordinated Transportation Coalition's 2012 Addendum To The 2008 Transit Development Plan, Coordinated Human Services Element, To Be Submitted To The State Of Alaska Department Of Transportation.

Administrative Report: Attached. The manager recommended adoption of Resolution 2601.

b. Resolution 2602
A Resolution Authorizing The Manager To Enter Into An Amendment To The City And Borough PERS Participation Agreement To Include The City Manager Position.

Administrative Report: Attached. The manager recommended adoption of Resolution 2602.

c. Resolution 2603
A Resolution Expressing Assembly Support For Seatrails (The Southeast Alaska Trail System) And Its Mission For An Interconnected Trails System.

Administrative Report: Attached. The manager recommended adoption of Resolution 2603.

3. Transfers

a. Transfer T-933
Transferring $50,000 From Areawide Drainage Improvements Capital Improvement Project To Flood Plain Mapping Technical Assistance.

Administrative Report: Attached. The manager recommended approval of Transfer T-933.

4. Liquor Licenses
a. Liquor License Renewals

Administrative Report: Attached. The manager recommended the Assembly waive its right to protest the following liquor license renewal actions:

1. Beverage Dispensary License #3755: Tailwind Inc. d/b/a Hangar on the Wharf  
   location: #2 Marine Way (Merchant’s Wharf)

2. Beverage Dispensary - Duplicate License #4797: Tailwind Inc. d/b/a Hangar on the Wharf/Ballroom  
   location: #2 Marine Way, Suite #105 (Merchant’s Wharf)

3. Restaurant/Eating Place License #3733: Catapult, Inc. d/b/a Flight Deck, location: #2 Marine Way, Suite #128 (Merchant’s Wharf)

4. Restaurant/Eating Place License #851: Rodfather’s LLC d/b/a The Broiler, location: 8745 Glacier Highway, (Nugget Mall)

5. Restaurant/Eating Place License #1416: Taku Glacier Lodge Inc. d/b/a Taku Glacier Flightseeing/Salmon Bake, location: Taku River

6. Restaurant/Eating Place License #2812: Genuine Ventures LLC d/b/a Tracy’s King Crab Shack, location: 356 S Franklin St.

7. Restaurant/Eating Place – Public Convenience License #5006: Universe Cyber Lounge LLC d/b/a Latinos Restaurant  
   location: 109 S. Franklin Street

8. Wholesale - General License #3166: Odom Corporation d/b/a The Odom Corporation  
   location: 5452 Shaune Drive, Bay 1

9. Wholesale – Malt Beverage & Wine License #3166: Odom Corporation d/b/a The Odom Corporation  
   location: 2266 Industrial Blvd.

10. Wholesale - General License #4943: Specialty Imports Inc. d/b/a Specialty Imports  
    location: 540 W. 8th Street

VII. PUBLIC HEARING

A. Ordinance 2012-03(b)

An Ordinance Amending The Commercial Passenger Vehicle Code, And Providing For A Penalty.

Administrative Report: Attached. The manager recommended Ordinance 2012-03(b) be adopted.

Public Comment: None.

Assembly Action:  

MOTION, by Danner, to adopt Ordinance 2012-03(b), for purpose of discussion.
Ms. Danner said the regulations were discussed in the Assembly Human Resources Committee, but said this ordinance seems to cover other territory. Mr. Hartle said the ordinance includes the items that JPD requested. Ms. Danner asked why there was a change in the commercial vehicle fine in the code, rather than in the regulation. Mr. Hartle said that the CBJ Charter provides that penalties must be adopted by ordinance. Ms. Danner asked why the mandatory court appearance was removed. Mr. Hartle said the proposed ordinance changed the penalty from a misdemeanor to an infraction, and outlines that each infraction is a $300 fine. Mr. Hartle said JPD could testify as to why they think this would be a more effective method of enforcement than a misdemeanor.

Ms. Danner said she thought there is a conflict within the different market segments providing public transportation including the taxis, the shuttles, and the tour operators. She said she was expecting to see some changes in the code regarding these definitions. Mayor Botelho asked if this was addressed in part on Page 2, Section 3, lines 5 – 13. Ms. Danner said that the language identified that charters are only a part of the limousine service and now we see in shuttles, tours, shuttles and charters. It was discussed that charters are not an appropriate service for the shuttle fleet. She referred to Ordinance 2000-09, and read from 4.30.b.1, “the purpose is the authorize service which are limited to time and place for the purpose of providing services to an identified market segment.” In this ordinance, there is only a limit to place, not to time. We limit where shuttles can stop, but not that they have to follow a schedule. Taxis feel that since we impose a requirement to be available 24/7/365 and because of their fee schedule, those limits should guarantee a certain market segment.

Mayor Botelho said that much of Ms. Danner’s discussion was directed to the regulations. Ms. Danner said that a definition of shuttle was not in the code and she had asked for this in the HRC meeting.

Jennifer Adams, JPD CPV Administrator said that charter and limousine were defined in the ordinance because the ordinance had a line allowing for those types of services but did not define them. In the regulations, there is a definition of tour that has been changed. The shuttles are defined in the regulations regarding the restrictions on service. There is not a specific definition, but there is a definition of those services provided.

Ms. Danner asked if there was currently a requirement for time and place in terms of the shuttle schedule. Ms. Adams said there is a requirement for approval of a shuttle route map. They also submit the shuttle hours of operation, but we do not enforce the hours of operation, we enforce the route.

Ms. Danner said if she was the only one who had questions at the table she would let it go.

Ms. Crane said she wondered why charters were limited solely to limousines, and why there was no definition in the code for charters, tours, or shuttles. She had significant issues with the regulations and the two seem to be tied together. She was prepared to vote no.

Mayor Botelho suggested this matter be referred to the Committee of the Whole if there is confusion and there should be an opportunity to work it through. Mayor Botelho asked the timing needs of the issue. Mr. Swope said it would be good to have this adopted before the summer season, but it was not urgent.
Mr. Stone had no objection to adding this matter to the February 27 Committee of the Whole meeting.

Mayor Botelho said the understanding would be to have the Ordinance available for public hearing at the March 5 Assembly meeting.

Hearing no objection, Ordinance 2011-03(b) and the CPV Regulations were rescheduled for a worksession at the Assembly Committee of the Whole meeting on Monday, February 27, at 6:30 p.m., with the intention to add both items to the Regular Assembly Meeting Agenda of March 5.

B. Ordinance 2012-05
   An Ordinance Amending The Building Code Relating To Temporary Structures And Uses.


   Public Comment:

   Assembly Action:

   MOTION, by Kiehl, to adopt Ordinance 2012-05. Hearing no objection, it was so ordered.

C. Ordinance 2012-06
   An Ordinance Of The City And Borough Of Juneau, Alaska, Repealing Ordinance Serial No. 2011-31, Authorizing The Issuance Of A Nonrecourse Revenue And Refunding Bond (Wildflower Court, Inc. Project), Of The City And Borough In An Aggregate Principal Amount Not To Exceed $14,200,000; Authorizing The Execution And Delivery Of The Necessary Financing Documents In Connection Therewith; And Providing The Form And Terms Of The Bond.

   Administrative Report: Attached. The manager recommended against adoption of Ordinance 2012-06. Mr. Swope referred the Assembly to his independent review of the matter in the Red Folder.

   Public Comment:

   Melanie Millhorn, President of the Board of Directors of Wildflower Court, introduced fellow board members present and discussed their qualifications: Devon Mitchell, Alaska Bond Bank; Charlene Morrison, CPA; Freeda Miller with significant public finance experience; Barbara Ritchie, retired city attorney; and Brian Benjamin, Physician for SEARHC. She asked the Assembly to vote against Ordinance 2012-06 and 07 to allow Ordinance 2011-31 to remain in place, in order to take advantage of the current low interest rates. The present economic recovery is good but it also comes with higher interest rates. The board is concerned that delay will risk getting the best possible financing. She spoke about the quality nursing care and patient rehabilitation provided by Wildflower Court, the history of the facility and its creation, and the relationship with Bartlett Regional Hospital. She said that Wildflower Court is a non-profit corporation performing a quasi-governmental function, and that it is a unique situation not to be a part of the hospital. She spoke about the good service satisfaction rates and management of the facility. Wildflower Court has solid underpinnings and the Assembly’s support will strengthen the long-term financial stability of the facility.
Assembly Meeting No. 2012-03 7 February 13, 2012

Assembly Action:

MOTION, by Danner, to adopt Ordinance 2012-03(b) for the purpose of discussion.

Ms. Danner said she would support this ordinance for a number of reasons. She believes that Wildflower is a fine organization, however it is a non-profit, and it will be the first non-profit to have municipal funding through the Bond Bank. She believed CBJ was refinancing the existing bonds, but that is not the case. The bonds from 1999 are specific in stating they do not constitute a debt, indebtedness, or a loan of CBJ. The new bonds are different and represent indebtedness. This may not be a problem, but it is the community’s credit and the Assembly needs to be well informed before taking action. She was told it costs $2,000 a day for every day this refinancing is delayed and she was sympathetic to this. She likened the issue to her wanting to use Warren Buffet’s credit rating to get a loan. This will be CBJ’s indebtedness and affect CBJ’s credit rating.

Mr. Dybdahl said the matter was explained clearly by management and this was an acceptable amount of risk. He intended to vote no.

Mr. Kiehl said he disagreed that this was CBJ’s indebtedness. There is a potential impact to CBJ’s credit rating, but he felt comfortable that the discussion before adopting Ordinance 2011-31 discussed the potential risk, including the intercept provision and the terms of non-recourse bonding. He agreed with Mr. Dybdahl that there is very little risk. He did some research when the ordinances were introduced and there are two offsetting factors that were not part of original discussion. The refunding bonds restructure the debt somewhat and bring more of the principal to be repaid into the near and mid-term. In looking at projections that Wildflower staff provided at his request from their bond counsel, he said it looked like Wildflower should not have any difficulty in meeting the payments. In reading the independent review provided by the manager, it has an almost negligible impact on the debt service payment. When combined with the discount rate, the actual value of this to Wildflower seems to be greater than $4.2 million. He said this refunding is in the best interest of the community and a very reasonable risk. He would vote no on the repeal.

Mr. Smith said he believed that any appearance of conflict was clarified, the third-party analysis was complete, and the efficiencies were apparent. He would vote no.

Mr. Wanamaker asked what the amount of this refunding and indebtedness was for the city. Mr. Swope said it was $14 million. The bonds that currently exist are $13 million in bonds and they are asking for an additional $1 million for facility improvements.

Mr. Wanamaker asked what would be the effect on the city’s credit rating for its own projects. Mr. Swope said as these are revenue bonds they should not have an effect as they are guaranteed by the revenue stream of the facility.

Ms. Danner asked about the call provisions on the bonds. Mr. Swope said it was a 25-year bond and there was no early payment penalty or premium. Ms. Danner said she had not had time to study the memo in the red folder. In addition to the marital relationship between the CBJ Finance Director and the Wildflower Court Director, she asked if there is also an overlap with the financial advisor. Mr. Swope said Chip Pierce is a CBJ Financial Advisor for Western Financial in Oregon and is also the Financial Advisor for the Bond Bank. Ms. Danner asked if
this was a conflict of interest. Mr. Hartle said it was his responsibility to enforce the city’s conflict of interest code. Following adoption of Ordinance 2011-31, it was brought to his attention that there was an appearance of a conflict of interest. Mr. Hartle said this ordinance was an opportunity to repeal and start over with full disclosure. He does not know what conflict of interest responsibilities exist for our financial advisor or the state bond bank. The Assembly can review that in any way it feels inappropriate.

Mayor Botelho asked Mr. Hartle if he believed in executing his fiduciary duty to CBJ, that Mr. Pierce would be in conflict with his corresponding fiduciary duty to the Bond Bank, on this matter. Mr. Hartle said none that he was aware. Mr. Hartle said he spoke with Bond Counsel Cynthia Week of K&L Gates this week and her staff had explained the issue thoroughly. There is a memo in the packet to that regard and they had no concerns. They recommended we move forward on the present schedule and not repeal/reenact.

Ms. Danner asked how will the Assembly draw the line for the next non-profit that wants this kind of support. Mr. Swope said no line needed to be drawn and the Assembly could be open to hear other proposals. This is a unique and specific situation. Their facility is located on property leased from CBJ. There is a close connection with Bartlett Regional Hospital, which has made it clear that the co-location is critical to their operations.

Roll call:
Aye: Danner
Nay: Becker, Crane, Dybdahl, Kiehl, Smith, Stone, Wanamaker, Botelho

Motion failed, 1 aye, 8 nay.

D. Ordinance 2012-07
An Ordinance Of The City And Borough Of Juneau, Alaska, Reenacting And Authorizing The Issuance Of A Nonrecourse Revenue And Refunding Bond (Wildflower Court, Inc. Project), Of The City And Borough In An Aggregate Principal Amount Not To Exceed $14,200,000; Authorizing The Execution And Delivery Of The Necessary Financing Documents In Connection Therewith; And Providing The Form And Terms Of The Bond.


Public Comment: None.

Assembly Action:
MOTION, by Wanamaker, to adopt Ordinance 2012-07, and asked for a no vote.

Ms. Danner said the ordinance is the same as that in the ordinance before the Assembly in January. She referenced the requirement for the public (TEFRA) hearing. She said she was not made aware of that meeting and when she looked into it, found it was scheduled at the same time as an Assembly meeting. She asked how it was expected to get public input when the Assembly was not informed. Mr. Swope said the meeting had the normal public notice provided for such meetings.
Mayor Botelho asked Mr. Hartle if, notwithstanding the TEFRA hearing, public input could have been equally accomplished at the adoption of the Ordinance 2011-31. Mr. Hartle said Bond Counsel was certain the TEFRA requirements were met, the fact that the meeting was conducted by the Finance Director was irrelevant, and if CBJ proceeded with repealing and reenacting, there would not need to be a second TEFRA hearing.

Ms. Crane said as chair of the Finance Committee, when she saw the notice for the TEFRA hearing, she contacted Mr. Duncan to see if this was an issue requiring comment by the Finance Committee and found it was publicly noticed. She felt comfortable with the process at the Assembly level.

Roll call:
Aye: Danner
Nay: Becker, Crane, Dybdahl, Kiehl, Smith, Stone, Wanamaker, Botelho
Motion failed, 1 aye, 8 nay.

E. Ordinance 2011-11(AA)
An Ordinance Appropriating To The Manager The Sum Of $41,156.26 As Additional Grant Funding To The Juneau Police Department For Upgrades To The Radio Dispatch Consoles. Grant Funding Provided By The Alaska Department Of Military Affairs, Division Of Homeland Security.


Public Comment: None.

Assembly Action:

MOTION, by Becker, to adopt Ordinance 2011-11(AA). Hearing no objection, it was so ordered.

VIII. UNFINISHED BUSINESS – None.

IX. NEW BUSINESS

A. Regulations - Amending Commercial Passenger Vehicle Regulations. – referred to the February 27, 2012 Committee of the Whole Meeting.

B. Liquor License Protest Recommendation

1. Beverage Dispensary License #648: YC Baranof LLC d/b/a Bubble Room – Westmark Baranof location: 127 N. Franklin St.

MOTION, by Danner, to accept the HRC recommendation and waive the right to protest license #648. Hearing no objection, it was so ordered.

2. Beverage Dispensary License #673: Peterson Pacific Holding Inc. d/b/a Louie’s Douglas Inn location: 915 3rd Street, Douglas

MOTION, by Danner, to accept the HRC recommendation and protest license #673.
Public Comment: None.

Hearing no objection, it was so ordered.

3. Restaurant/Eating Place License #4192: Seong S. Kim d/b/a Seong’s Sushi Bar & Chinese Takeout location: 740 W. 9th Street

Chair Danner said the HRC forwarded license #4192 to the Assembly without recommendation.

Public Comment:

Seong Kim said he is the owner and operator of the business. Mr. Kim said that Mike Peterson was correct in stating previously in the meeting that the sales tax does not belong to him. He has been in business for over 20 years and this is the first time he has failed to make a sales tax return payment. He had a heart attack in 2006, followed by five surgeries and he was absent from work and his help had difficulties with illness, so everything has accumulated and he found himself behind. He has made an agreement voluntarily with CBJ and has a confession of judgment on file with the city and has made monthly payments routinely since early 2011 and is filing his returns timely. He is trying to get his life back, work hard, and provide for his family. He said he is not trying to get away with anything and intends to pay everything he owes to the CBJ by the end of this year. He works 16 – 18 hours a day with a health problem and he supports community works and helps people who are less fortunate. Sometimes life does not go the way you plan and he was not asking for a handout. He is paying it as he can through hard work.

Mayor Botelho asked to clarify if there was a repayment plan with consistent payments. Mr. Kim said yes. The original amount owed was $20,000 but with penalty and interest, it became about $25,000, which is down to approximately $21,000.

Mr. Wanamaker asked staff to confirm the payment plan, the amounts, and the timeliness. Mr. Duncan said $21,900 is owed and he is paying a minimum of $460 per month. Mr. Wanamaker asked if the payment is for the arrears and if he is staying current with ongoing sales tax collections. Mr. Duncan said to his knowledge that is correct. The Confession of Judgment states that there is still a delinquent balance and the city’s policy is to protest because of this.

Mr. Smith asked if this was a secured or unsecured note with collateral. Mr. Duncan said the agreement is secured by the individual with personal assets used as collateral.

Ms. Danner asked about the interest rates. Mr. Duncan said that once there is a legal agreement to pay the interest rate is lowered. The sales tax administrator said the target is to pay the balance off by the end of the year. Mr. Hartle said the maximum interest rate on a judgment is set by the court each year in January and he was not aware of the rate. Mr. Hartle said a Confession of Judgment is more than an agreement, it is a judgment against the business, entered into voluntarily, and the city will not execute on it as long as payment is made on schedule. If payment is not made the court can execute the judgment.

Ms. Danner asked why we would want to protest the license if we are getting payments. Mr. Hartle said he had strong views that businesses that sell alcohol should pay their taxes. There
is only one time we have not protested a business that is not paying taxes, but the argument made tonight is one of the best he has heard for waiver.

Mr. Dybdahl said the ABC Board meeting would uphold any protest by the CBJ, which would put Mr. Kim in a position likely to default on the payment of his taxes through this agreement, which he did not see as a benefit to the CBJ.

**MOTION, by Dybdahl, to waive the right to protest license #4192.**

Ms. Danner asked if the Assembly waived its right to protest, what would happen next. Mr. Hartle said that presumably the license would be renewed. Protest is one of the tools CBJ has to collect sales taxes. Since we have had a budget shortfall we have made a good effort of collections. When there is a judgment in place we can levy on it at any time. There are two documents - one is the judgment and the other the stipulation that sets the terms of payment and the schedule. If necessary the CBJ can close the business and sweep the bank account.

Mayor Botelho said if there was an outstanding debt at this time next year the Assembly would be in the same position to protest. Mr. Hartle said that was true. Licenses are renewed on a biennial basis and can be commented upon mid-cycle (annually). There can also be a lien on the property as another enforcement tool.

Mr. Wanamaker objected. He said this was difficult and we do not want to put someone out of business that is making a good faith effort to pay the arrears but in the other case there was a substantial payment made – he has not heard that in this case.

Roll call:
- Aye: Becker, Crane, Danner, Dybdahl, Kiehl, Smith, Stone, Botelho
- Nay: Wanamaker

Motion passed, 8 ayes, 1 nay.

**X. STAFF REPORTS** – None.

**XI. ASSEMBLY REPORTS**

A. Committee Reports

  **Committee of the Whole:** Chair Stone said the next meeting is set for Monday, February 27, and includes the AJ Mine and Commercial Passenger Vehicle Ordinance and Regulations, Avalanche Study, and CBJ Website on the agenda.

  **Human Resources Committee:**

  **MOTION, by Danner, to accept the HRC committee recommendation and re-appoint Glenn Gray to the Sister City Committee for a term expiring January 1, 2015.** Hearing no objection, it was so ordered.

  **Lands and Resources Committee:** Chair Becker said the committee discussed the ACS tower lease,
MOTION by Becker to authorize the manager to negotiate with JD Entertainment, aka The Island Pub, for CBJ property currently used for parking and a dumpster, the terms of a lease.

Mr. Swope said he would delegate the responsibility as he was a personal friend of the owner.

Hearing no objection, it was so ordered.

Finance Committee: Chair Crane said the next meeting was Wednesday, February 15, at 5:30 p.m. and the agenda was distributed to the members prior to this meeting.

Public Works and Facilities Committee: Chair Wanamaker said the committee met last week and heard requests for consideration for funding from the 1% sales tax, including proposals from the Walter Soboleff Center, the library at Dimond Park, the Juneau Arts and Humanities Council mini theatre next to the current building and maintenance and improvement requests from the Airport and Docks and Harbors. All items were forwarded to the Finance Committee without recommendation.

B. Liaison Reports

School Board: Liaison Wanamaker attended the school board meeting and heard about the proposed contract changes for teachers. The meeting was well attended and there was a lot of discussion about academic freedom.

Chamber of Commerce: Liaison Wanamaker said the meeting was rescheduled due to the passing of Romer Derr.

Docks and Harbors: Liaison Becker said the navigational study at Taku Smokeries was done and will be done again. The design for Statter Harbor Phase I is proceeding to 95%. The design for Aurora Harbor Phase I is proceeding. There was a discussion on the appraisal of the Mt. Roberts Tram property and there will be another appraisal provided soon. Docks and Harbors discussed the 1% sales tax and asked for $7 million for Phase II of Aurora Harbor and $2.3 million for the Auke Bay Haul-Out improvements. The city manager recommended some funding for Docks and Harbors, including areawide port operations $254,100, Port/Customs Building Maintenance and Support $105,000, Visitor Center Maintenance Support $28,500, and the Cruise Dock Maintenance and cathodic protection $500,000. The waterfront tour permits closed on February 9 and the city outcry auction will be held February 23. The Port Director and Port Engineer attended the Seattle Boat Show and that visit was successful. The Port Director has been discussing the raw fish tax and money for local harbors with the local delegation.

Alaska Committee: Liaison Becker said the Alaska Committee met February 8 and it would like CBJ to write a letter to the local delegation expressing concern about Eielson Air Force Base closing. There will be research done on possible reduction in force in the U.S. Coast Guard in Juneau.

Juneau Commission on Sustainability: Liaison Becker said the Commission met on February 1 and established three working groups – outreach, climate action plan, and implementation and initiatives.
Local Emergency Preparedness Committee: Liaison Danner said the LEPC met on February 8 and announced that American Red Cross is offering Shelter Operations and Shelter Simulation classes on Saturday, February 25, from 9 a.m. to 4:30 p.m. in the Valliant Center of Bartlett Regional Hospital.

Airport Board: Liaison Danner said the Airport Board met on January 8 and discussed the construction on the main entrance. The gift shop and coffee shop are being reconfigured. The construction will run through May and the restaurant, gift shop, and coffee shop are open for business and the side doors are open for use.

C. Presiding Officer Reports

Mayor Botelho said in his role as a Presiding Officer, that a party to an appeal of a Planning Commission decision pending before the Assembly contacted him with concerns about an apparent violation of a member of the Assembly making an ex-parte contact on the merits of the appeal pending before the Assembly. He has noted the concern and admonished all Assemblymembers that the prohibition on ex-parte contact is for the Assemblymembers not to talk with any one party about the substance of the appeal in the absence of all other parties. Most members are lay people, but this is a matter to be taken seriously when acting in a quasi-judicial role.

XII. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Smith congratulated City Manager-elect Kim Kiefer and said he would like to hear about progress on the transition.

Mr. Kiehl complimented the Lands Staff and the Lands and Resources Committee for the diligent and thorough work on the cell tower issue.

Ms. Crane said that the Alaska Municipal League met in Juneau last week and held successful meetings with members and legislators from around the state attending.

Ms. Danner shared that CBJ is seeking applications from citizens interested in serving as members of the Board of Equalization and the application period is open until February 29. Mayor Botelho said there was a time when the Assembly had the role as the BOE and the citizen’s board has been a great success. The Assembly should help seek out qualified applicants.

Mr. Stone commended CBJ staff with the quick response to citizen’s complaints that are solved quickly or at least addressed in a timely manner.

Mayor Botelho forwarded a request from the Sealaska Heritage for $20,000 for Celebration 2012. He forwarded the matter to the Finance Committee.

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

XIV. EXECUTIVE SESSION
MOTION, by Stone, to enter into Executive Session, to discuss and provide direction to the manager regarding negotiation of a potential property transaction of waterfront property.

Mr. Hartle said this was an appropriate topic for executive session per AS 44.62.310(c)(1), “…matters the immediate knowledge of which would have an adverse effect on the finances of the public entity,” specifically, giving direction to the manager regarding property negotiations.

Public Comment: None.

Hearing no objection, the Assembly entered into Executive Session at 8:40 p.m. and returned to open session at 10:55 p.m.

Mayor Botelho reported that in Executive Session, the Assembly gave instruction to staff regarding certain land actions, no further description was provided due to the confidentiality of the bargaining position. He thanked the staff for their thorough work.

XV. ADJOURNMENT: 10:55 p.m.

Signed:_________________________     Signed:_____________________________
Laurie Sica, Municipal Clerk     Bruce Botelho, Mayor