MEETING NO. 2012-22: 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 (telephonic), Carlton Smith, David Stone, and Randy Wanamaker.

Assembly Absent: Jesse Kiehl.

Staff Present: Kim Kiefer, City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Jeannie Johnson, Airport Manager; Bob Bartholomew, Finance Director; Heather Marlow, Lands and Resources Manager; Carl Uchytil, Port Director; Gary Gillette, Port Engineer; Rich Etheridge, Fire Chief; Brent Fischer, Parks and Recreation Director; Matt Lillard, Eaglecrest Ski Area Manager; John Bohan, Chief CIP Engineer; Barbara Berg, Library Director; George Schaaf, Parks and Landscape Superintendent.

II. SPECIAL ORDER OF BUSINESS

A. Law Department Intern – Paul Peterson

Mr. Hartle introduced Mr. Peterson, who had worked diligently for the law department over the summer on an internship and had several successful court trials. The Assembly thanked Mr. Peterson for his work on behalf of CBJ.

III. APPROVAL OF MINUTES

A. July 16, 2012 – Regular Assembly Meeting 2012-20

Hearing no objection, the minutes of the July 16, 2012 Regular Assembly Meeting 2012-20 were approved.

B. August 1, 2012 – Special Assembly Meeting 2012-21

Hearing no objection, the minutes of the August 1, 2012 Special Assembly Meeting 2012-21 were approved.

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

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

Sioux Douglas was present along with several neighbors from Nowell and Foster Avenues, to ask the Assembly for help to resolve a long-term problem at 3101 Nowell Avenue. The house
was condemned but had been a problem for over 20 years, still without resolution and the
problem continued, with not only junk and debris but building safety and fire concerns. The
neighbors appreciated the help of CBJ staff and understood the difficulty of the situation. They
were looking for a compassionate solution due to the property owner’s situation, but it was
necessary to act more assertively and in a timelier manner. She distributed written comments
to the Assembly.

Windy Spargo said she had lived next to the problem house since 1993 and the neighborhood
complaints were well documented in the city files. The owner had been forced to do some
cleanup but there was still significant junk in the creek and the back and sides of the property.
The Spargos were forced to install a fence but bears and rodents had been observed on the
property. Foul odors emanated from the property and they were not able to keep their windows
open. She said her family deserved to live in a healthy and safe environment and they had
been patient, but were frustrated. She offered to allow people on to her property to observe the
situation. Ms. Spargo distributed a letter to the Assembly.

Valerie Mertz said she had lived across the street from the property since 1994. The house at
3101 Nowell Avenue was a constant problem that had a severe impact on the neighbors in the
area. She was sad her daughters never knew a time when they did not see rotting junk outside
of their dining room windows, when there was no smell coming from the property, and there
had not been a time when they had not needed to worry about their personal safety from the
people coming and going from the house. She said it was ironic that the city had spent
significant amounts of time and money cleaning up public dumpsites in the community but
allowed the problems on this property to continue. The methods CBJ had employed reinforced
poor behavior on the owner’s part. The neighbors had been too patient and it should not
require such a big effort on their part to live in a clean and safe neighborhood.

Lin Davis said she and Dr. Maureen Longworth owned the property next door from the
problem property on the other side of the Spargos. She listed many disgusting things she had
seen on the property and said her kitchen faced the side of the property and she could not avoid
observing the problems on the site. She spoke about issues with human feces, decay of the
building causing major structural issues and abandoned fuel tanks all threatening the safety of
her property. She was concerned that she could not sell her house if she needed to move. She
was willing to show people the property, and distributed a letter to the Assembly.

Ms. Danner asked to obtain a copy of a June 6 letter from Ms. Mertz on the subject, referenced
in the material submitted.

Diane Antaya said she was a board member of the Juneau String Ensemble and that 23 music
students from Juneau were hoping to travel to China for a musical exchange. They needed to
raise $75,000 to make the trip and had raised $15,000 by playing over 700 hours of music
downtown for Juneau’s visitors. She said the students were great ambassadors for the
community, answered many tourists’ questions and had the visitors dancing and singing along
with them. She thanked the city for the supportive atmosphere that was provided by the Port
and Police staff, she thanked many businesses for their hospitality, especially the taxi cab
drivers. Everyone was generous and kind and the children contributed to the artistic livelihood
of the city.
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. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

a. Ordinance 2012-28
An Ordinance Providing For The Issuance And Sale Of A Port Revenue Bond In The Aggregate Principal Amount Of Not To Exceed $29,000,000; Providing For The Form And Terms Of The Bond; Providing A Method Of Payment Therefor; And Reserving The Right To Issue Revenue Bonds On A Parity With The Bond Upon Compliance With Certain Conditions.

Administrative Report: Attached. The manager recommended Ordinance 2012-28 be introduced and set for public hearing at the next regular meeting.

b. Ordinance 2012-31(b)
An Ordinance Amending The Land Use Code Relating To Restrictions On Rezonings.

Administrative Report: Attached. The manager recommended Ordinance 2012-31(b) be introduced, sent to the Committee of the Whole on August 20, 2012, and then set for public hearing at the next regular meeting.

c. Ordinance 2012-34
An Ordinance Amending The Building Regulations Code Relating To The Board Of Appeals.

Administrative Report: Attached. The manager recommended Ordinance 2012-34 be introduced and set for public hearing at the next regular meeting.

d. Ordinance 2012-35
An Ordinance Amending Ordinance Serial No. 2012-10 Regarding the Second Series of Bonds Authorized Thereunder.

Administrative Report: Attached. The manager recommended Ordinance 2012-35 be introduced and set for public hearing at the next regular meeting.

e. Ordinance 2011-11(AQ)
An Ordinance Appropriating To The Manager The Sum Of $4,057,161 To Fund The City And Borough Of Juneau’s Fiscal Year 2012 Public Employee Retirement System Contribution, Funding Provided By The Alaska Department Of Administration.
Administrative Report: Attached. The manager recommended Ordinance 2011-11(AQ) be introduced and set for public hearing at the next regular meeting.

f. Ordinance 2012-20(I)
An Ordinance Appropriating To The Manager The Sum Of $4,408 As Partial Funding For Two City Employees To Attend An Historic Preservation Conference, Grant Funding Provided By The Alaska Department Of Natural Resources.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(I) be introduced and set for public hearing at the next regular meeting.

g. Ordinance 2012-20(J)
An Ordinance Appropriating To The Manager The Sum Of $6,720 As Funding For Commercial Motor Vehicle Inspections, Grant Funding Provided By The Alaska Department Of Transportation And Public Facilities.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(J) be introduced and set for public hearing at the next regular meeting.

h. Ordinance 2012-20(K)
An Ordinance Appropriating To The Manager The Sum Of $7,550 As Partial Funding For Historic Preservation Planning, Grant Funding Provided By The Alaska Department Of Natural Resources.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(K) be introduced and set for public hearing at the next regular meeting.

i. Ordinance 2012-20(L)
An Ordinance Appropriating To The Manager The Sum Of $1,150,000 To Purchase The Leasehold Interest In The Juneau Medical Center Building, Funding Provided By The Bartlett Regional Hospital Enterprise Fund Balance.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(L) be introduced and set for public hearing at the next regular meeting.

j. Ordinance 2012-20(M)
An Ordinance Appropriating To The Manager The Sum Of $47,808 As Funding For A Mobility Manager, Grant Funding Provided By The Alaska Department of Transportation and Public Facilities.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(M) be introduced and set for public hearing at the next regular meeting.

k. Ordinance 2012-20(N)
An Ordinance Appropriating To The Manager The Sum Of $14,343 As Funding For The Local Emergency Planning Committee, Grant Funding Provided By The State Of Alaska, Department Of Military And Veterans Affairs.
Administrative Report: Attached. The manager recommended Ordinance 2012-20(N) be introduced and set for public hearing at the next regular meeting.

2. Resolutions

a. Resolution 2617  
   A Resolution Ratifying The Labor Agreement Between The City And Borough Of Juneau And The Marine Engineers Beneficial Association, AFL-CIO.

Administrative Report: Attached. The manager recommended Resolution 2617 be adopted.

b. Resolution 2622  
   A Resolution Adopting Revisions To The Personnel Rules.

Administrative Report: Attached. The manager recommended Resolution 2622 be adopted.

3. Liquor License

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

1. Liquor License Transfer of Ownership and DBA Name Change  
   Beverage Dispensary License #1081, location 11806 Glacier Highway, Juneau  
   Transfer From: Squires Rest, LLC, d/b/a Squires Rest  
   Transfer To: Auke Bay Inn, Inc., d/b/a Auke Bay Inn

2. Liquor License Transfer of Ownership, Location, DBA Name Change and application for Restaurant Designation Permit  
   Beverage Dispensary License #4349  
   Transfer From: Senate Partnership, Inc. (no dba and no premises)  
   Transfer To: Fishbone, LLC d/b/a Rockwell, location 117 Franklin Street, Juneau

VII. PUBLIC HEARING

A. Ordinance 2012-27  


Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to adopt Ordinance 2012-27. Hearing no objection, it was so ordered.

B. Ordinance 2012-29  
   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 DCS Tower Sub, LLC, For The Operation, Maintenance, And Leasing Of An Existing Communications Tower/Facility.

Public Comment: None.

Assembly Action:

**MOTION,** by Danner, to adopt Ordinance 2012-29.

Ms. Danner referred to the two recommended conditions the Planning Commission had asked to place on the lease conditions, regarding the color of the tower and the electromagnetic frequency testing. She said that those conditions were discussed and considered a part of a pending ordinance and she asked the status of the ordinance.

Mr. Hartle said the ordinance was under review with a consultant that had been engaged by CBJ, and that it would be before the Assembly in the near future.

Ms. Becker said that the Lands Committee reviewed the pending lease and the recommendations of the Planning Commission and felt that as the ordinance was under review, and the lease was pending and action was imminent, it was recommended by staff not to place those conditions on the lease.

Ms. Danner said her concern was not the color as this was an existing tower, but a number of citizens were concerned about electromagnetic frequency and she wanted to ensure the neighbors that the tower complied with federal requirements. Mayor Botelho said that if there were federal law requirements to be met, any lease would require that the tenant comply. Mr. Hartle said that was correct. Mr. Hartle said the municipality had a limited ability to determine where and how towers were cited based on those issues. Congress ruled on electromagnetic frequency issues and the towers had to follow the federal law.

Mr. Smith asked Ms. Marlow to comment on the matter. Ms. Marlow said her staff recommendation was not to include the conditions from the Planning Commission as the tower was existing, and placing conditions on an existing structure was “after the fact” and out of order. Conditions were generally placed on land use permits during initial permitting stages. The lands staff did not feel it was appropriate to enforce such conditions in a lease document. Ms. Danner said she would normally agree, but because it had taken so many years to arrive at a tower ordinance, periodic testing as a condition of the permit was something of a high level of concern. With a five-year renewable term, it seemed a small matter to provide some evidence of recent testing. When radio electric equipment is first installed, the ranges are not significant, but it was not known if those levels changed as equipment aged. Once a year testing as a requirement of the lease seemed a minimal expense.

Mayor Botelho asked Ms. Danner if she was seeking a delay or amending the ordinance.

Mr. Hartle said the manager could include other lease terms that the manager believed to be in the public interest. Ms. Marlow said another reason she recommended against the condition was that it seemed to be a piecemeal approach to a public safety concern. Staff was working on an ordinance to address tower sites that would apply to all existing and future towers, and doing it on a lease was not a way to address a widespread health concern on an issue like this.
Towers were regulated at the federal level and staff wanted to act uniformly and in a borough wide/urban service area wide manner.

**MOTION,** by Danner, to amend Ordinance 2012-29, to add a “Condition H, stating that at least 30 days prior to any renewal, the lessee must certify that electromagnetic levels have been tested and comply with federal law.”

Mr. Dybdahl asked if this amendment was specific to this tower and this ordinance and not to other future towers or ordinances. Mayor Botelho said it was specific to this particular lease.

Mr. Smith asked the rough timing on finalization of the drafting of the cell tower ordinance. Mr. Hartle believed it would be before the Assembly in the fall.

Mr. Wanamaker said he appreciated the concern in the amendment and based on the staff’s analysis and reasoning this was not a necessary amendment as it is too site specific and an overall policy should be adopted.

Ms. Danner expressed her frustration in the delay in production of a cell tower ordinance and a noise ordinance.

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

Motion failed, 2 ayes, 6 nays.

Hearing no further objection, Ordinance 2012-29 was adopted.

C. Ordinance 2012-30

**An Ordinance Authorizing The Port Director To Negotiate And Execute A Lease To**

Nowell Avenue Development, Of Alaska Tidelands Survey No. 123, Lot 2, Located At Gastineau Channel, Juneau, Alaska, ADL 1799 At Approximately "0 Douglas Highway."

**Administrative Report:** Attached. The manager recommended Ordinance 2012-30 be adopted.

**Public Comment:** None.

**Assembly Action:**

**MOTION,** by Becker, to adopt Ordinance 2012-30.

Ms. Danner asked about subleasing. Ms. Kiefer said that there is no intention of subleasing the property per the lessee.

Hearing no objection, it was so ordered.

D. Ordinance 2012-32

**An Ordinance Placing On The Next Regular Municipal Election Ballot The Question Of**

Whether To Extend The Existing Levy And Collection Of A Temporary 1% Areawide Sales Tax On The Sale Price Of Retail Sales, Rentals, And Services Performed Within
The City And Borough, Such Tax Extension To Be Effective On October 1, 2013, For A Period Of Five Years, The Proceeds Of Which Are Intended To Be Appropriated By The Assembly For Certain Purposes As Set Forth Herein; And Calling For An Election On Whether Such Sales Tax Shall Be So Levied.


Public Comment:

Paul Beran said he was on the Board of the Friends of the Library. The Assembly had discussed, deliberated, and spent significant time on both the sales tax question and the bond issue. He supported both ordinances and said constructing a new library would save a considerable amount of money spent by CBJ on monthly rental of the valley library space.

Tom Williams said he supported the sales tax initiative, but did not want it adopted at this meeting and thought the ordinance should be amended. He was concerned that money was intended to go to the Sealaska Heritage Institute for the proposed arts facility, which was a private non-profit and not a public project. He preferred a ballot listing all the projects and allowing the voters to select their preferences. He was concerned about a lack of public input on the matter and he referred to the Chamber of Commerce Survey. He said the Assembly, through this ordinance, was recommending particular projects to the community and he thought it was poor public process. He asked the Assembly to postpone this ordinance to the next regular meeting for further discussion.

Sharon Lobaugh supported the ordinance and the support for the Juneau Arts and Humanities Council. She commended their efforts of taking on the Armory building and making a good use of the building. As an artist, it had been a great benefit.

Jeff Bush, spoke in favor of the proposed ordinance and supported the funding for the Juneau Arts and Humanities council for the study of the Performing Arts Center. They requested $5 million, but the $1 million was seed money to demonstrate matching funds and a commitment from the community to other funders. He said he served on the Fiscal Policy Task Force and $5 million for reserve funds was an important item, but was surprised that this funding source would be used. The 1% tax was traditionally viewed as a source for funding CIP projects. He would have preferred to see the reserves taken from another source.

Nancy DeCherney, thanked the Assembly for its work on a difficult task. She asked for a showing of hands in the audience for those present supporting the arts and a majority of the people in the room raised their hands. JAHC also supported the Sealaska Heritage Institute project and said Juneau was becoming a destination for arts and cultural heritage.

Ms. Danner asked about the economic impact of the arts in the community. Ms. DeCherney said the arts created hundreds of jobs in the community and she would send further information to the Assembly.

Lee Kadinger, COO of Sealaska Corporation’s Sealaska Heritage Institute, thanked the Assembly for the support of their project in the 1% tax initiative and urged the Assembly for positive action. They believe this is a worthy project that will enhance the quality of life in the community and they approved of the Assembly’s selection of a balanced set of projects. He
said he respectfully questioned whether the Chamber of Commerce’s survey reflected the majority of its membership. The Walter Soboleff Center will be self-sustaining and they were happy to provide an opportunity to present more information on the project to any group in the community that wished to learn more.

Sue Ann Randall thanked the Assembly for its service to the community. She thanked the Assembly for the support of arts in Juneau. One of the best decisions was to allow JAHC to manage the armory and the activities there transcended socioeconomic boundaries and the arts was a core need of the community. The Juneau Arts and Culture Center was booked 80% of the time. The arts enriched brain activity, nurtured souls, and engaged imaginations. There are world-class artists here locally, and a performing arts venue for arts activities was needed and it was time. The JAHC proposal was a cost-effective project.

Assembly Action:

MOTION, by Crane, to adopt Ordinance 2012-32.

Mr. Wanamaker objected. He said substantive issues had been raised about inadequate public participation, inadequate description of the projects, and that some projects were more appropriate for bonding and the Assembly should be mindful of these concerns.

MOTION, by Wanamaker, to refer to Ordinance 2012-32 to the Finance Committee.

Roll call vote to refer Ordinance 2012-32 to Finance:
   Aye: Becker, Wanamaker
   Nay: Crane, Danner, Dybdahl, Smith, Stone, Botelho
Motion failed, 2 ayes, 6 nays.

Roll call vote on the main motion to adopt Ordinance 2012-32:
   Aye: Becker, Crane, Danner, Dybdahl, Smith, Stone, Botelho
   Nay: Wanamaker
Motion passed, 7 ayes, 1 nay.

E. Ordinance 2012-33(b)
An Ordinance Authorizing The Issuance Of General Obligation Bonds In The Principal Amount Of Not To Exceed $25,000,000 To Finance Capital Improvements To The Facilities Of The City And Borough, And Submitting A Proposition To The Voters At The Election To Be Held Therein On October 2, 2012.

Administrative Report: Attached. The manager recommended Ordinance 2012-33(b) be adopted.

Public Comment:

Tom Williams urged the Assembly to defeat this ordinance and to not put this proposition on the ballot. He was concerned about the possibility of having an adverse impact on property owners if the 1% sales tax measure did not pass. The community constantly says more affordable housing was needed but the property taxes kept rising and this did not help affordable housing.
Assembly Action:

MOTION, by Crane, to adopt Ordinance 2012-33(b).

Mr. Wanamaker said he objected for the same reasons he stated on the previous ordinance and the city was facing financial uncertainty and adding to the public debt.

MOTION, by Wanamaker, to refer to Ordinance 2012-33(b) to the Finance Committee.

Roll call vote to refer Ordinance 2012-33(b) to Finance:

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

Motion failed, 3 ayes, 5 nays.

Ms. Becker said she agreed with Mr. William’s comments on many of his points. She supported most of the projects in the bond and thought they should have been in the 1% tax but she did not like to put this on the backs of the property owners – that was wrong, but this was where it is.

Ms. Danner said she was not a fan of bond issue, but would support the ordinance. She heard Mr. William’s question about offering a list of options to voters, from a number of people and asked if an explanation could be offered to explain why the various options are not chosen.

Mayor Botelho said that approach had been tried in the past. Mr. Hartle said that one time several projects were listed, along with the number of months it would be required to extend the tax to pay for the particular projects. The Finance Director added up how many months the tax was extended for, based on the vote. Mr. Hartle said he had no comments on the merit of the approach.

Mayor Botelho said one of the concerns regarding that approach is if projects would be funded at the level of support needed if divided out, and some of the tension is balancing capital projects that need all the money before they are started. Another concern is that the Assembly may find some project meritorious but it does not garner support independently because it doesn’t rise to the level of importance in the voters mind, such as deferred maintenance.

Mr. Smith supported the ordinance with a caveat regarding deferred maintenance. With Public Works, Engineering, Parks and Recreation and the schools, all maintenance projects need to be funded. He would like to see a plan for asset management that would include all the deferred maintenance issues in CBJ.

Roll call vote on the main motion to adopt Ordinance 2012-32:

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

Motion passed, 7 ayes, 1 nay.

F. Ordinance 2012-20(B)

An Ordinance Appropriating To The Manager The Sum Of $71,040 As Funding For The Parks And Recreation Department To Design, Manufacture, And Install Kiosks And Interpretive Signs In The Auke Bay Area, Funding Provided By The Alaska Department Of Transportation And Public Facilities National Scenic Byways Grant Program.
Administrative Report: Attached. The manager recommended Ordinance 2012-20(B) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Smith, to adopt Ordinance 2012-0(B). Hearing no objection, it was so ordered.

G. Ordinance 2012-20(C)
An Ordinance Appropriating To The Manager The Sum Of $16,500 As Funding For Planning, Development, And Installation Of Historical Interpretive Signs And Planning And Design Of An Interpretive Shelter For The 5-Stamp Mill At The Treadwell Mine Historic Park, Grant Funding Provided By The Alaska Department Of Natural Resources, Office Of History And Archaeology.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(C) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Stone, to adopt Ordinance 2012-20(C). Hearing no objection, it was so ordered.

H. Ordinance 2012-20(D)
An Ordinance Appropriating To The Manager The Sum Of $5,000 As Additional Funding For Review Of The Safe Routes To Schools Plan, Grant Funding Provided By The Alaska Department Of Transportation And Public Facilities.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(D) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to adopt Ordinance 2012-20(D). Hearing no objection, it was so ordered.

I. Ordinance 2012-20(E)
An Ordinance Appropriating To The Manager The Sum Of $3,500,000 As Funding For Construction Of The Aurora Small Boat Harbor Re-Build Project, Grant Funding Provided By The Alaska Department Of Transportation and Public Facilities, Municipal Harbor Facility Grant Program, And From The Harbors Enterprise Fund Balance.


Public Comment:
Dennis Watson urged approval, and said that the harbors are beyond desperate need of repair. The legislature is finally recognizing the importance of repairing the harbors as they are a major asset and we are on the edge of them becoming a major liability.

Assembly Action:

**MOTION, by Becker, to adopt Ordinance 2012-20(E).** Hearing no objection, it was so ordered.

J. Ordinance 2012-20(F)
**An Ordinance Appropriating To The Manager The Sum Of $1,855,000 As Funding For The State Of Alaska’s Designated Legislative Grant Projects, Grant Funding Provided By Alaska Department Of Commerce, Community And Economic Development.**

Administrative Report: Attached. The manager recommended Ordinance 2012-20(F) be adopted.

Public Comment: None.

Assembly Action:

**MOTION, by Wanamaker, to adopt Ordinance 2012-20(F).** Hearing no objection, it was so ordered.

K. Ordinance 2012-20(G)
**An Ordinance Appropriating To The Manager The Sum Of $400,000 As Funding For The Replacement Of A Bus Lift And Wash Equipment At The Capital Transit Facility, Grant Funding Provided By Alaska Department Of Transportation And Public Facilities.**

Administrative Report: Attached. The manager recommended Ordinance 2012-20(G) be adopted.

Public Comment: None.

Assembly Action:

**MOTION, by Crane, to adopt Ordinance 2012-20(G).** Hearing no objection, it was so ordered.

L. Ordinance 2012-20(H)
**An Ordinance Appropriating To The Manager The Sum Of $2,972,785.02 As Funding To Develop The West Douglas Highway Extension, Grant Funding Provided By Alaska Department Of Commerce, Community And Economic Development.**

Administrative Report: Attached. The manager recommended Ordinance 2012-20(H) be adopted.

Public Comment: None.

Assembly Action:

**MOTION, by Stone, to adopt Ordinance 2012-20(H).** Hearing no objection, it was so ordered.
VIII. UNFINISHED BUSINESS - None.

IX. NEW BUSINESS

A. Supplemental Agreement

2nd Street Douglas Reconstruction Phase II – Water System Replacement.

Administrative Report: Attached. The manager recommended a supplemental agreement be approved.

Public Comment: None.

Assembly Action:

MOTION, by Danner, to find there is a public interest and to approve a Supplemental Agreement for approximately $375,000, to allow the current contractor, Admiralty Construction, to replace the water system within the Phase II portion of the 2nd St. Douglas Reconstruction Project (H Street to Capital View Court).

Ms. Danner said she was supportive, but asked if CBJ knew how much of the water infrastructure was in this state and why the problem was not identified earlier.

Mr. John Bohan said that much of the water system was installed in the early to mid 1980s and may or may not be in this condition. CBJ reacts as problems are identified. The majority of the system from the 1980s should have a design life of 50 years – into 2030. The information on the “as-built” maps of 2nd Street showed a system of the early to mid-80s construction quality. Based on conversations and research with the water department, this system did not have any problems. The road was not torn up beforehand to determine this. Most of the likely problem water systems have had a significant number of breaks and are usually what drives the road reconstruction projects. This was a pavement surfacing to spruce up the neighborhood and allow us to come back in 20 years when the water system would have been close to the end of its design life, and rebuild the infrastructure then. The remaining funds would have been spent on other needy streets, of which there were plenty. They react to problems as they occur.

Ms. Danner asked about the materials being not what was expected from as-built notes. Mr. Bohan said the as-built records showed there were ductile iron pipes in the road, which is the newer technology, used since the late 70s. One of the pipes found in 2nd Street, Douglas was cast iron, the original old style pipe, and the as-builts did not show it. Both types of pipe were found in the street and the ductile iron pipe had electrolysis corrosion, which is a bigger problem than incorrect materials on the as-builts, so we need to react.

Ms. Danner asked if this reflected on the infrastructure of CBJ and if CBJ was in trouble. Mr. Bohan said it was not in trouble, but CBJ would have to move quickly when problems were identified. Douglas is unique in that some of the water lines have corrosion issues, which are not found all over the borough. CBJ must consider the infrastructure needs as it reached the useful lifespan.

Mr. Dybdahl asked if the trouble areas were found in areas where salt water was infiltrating, such as downtown. Mr. Bohan said the problems were not related to salt. They don’t have a
good handle on what is causing the corrosion. Some of the old cast iron water mains in the
downtown areas were susceptible to salt corrosion being in the inter-tidal zone. Some of the
old mains dug up during the Casey Shattuck Subdivision improvements were not that bad. Salt
was not a leader in potential corrosion.

Mr. Dybdahl asked if using two different types of pipe could cause more rapid deterioration.
Mr. Bohan said he did not believe so. In the case on 2nd Street, the two different pipes were
separated by almost 20 feet. The cast iron showed no corrosion, though it is old and past
useful life, the ductile iron pipe, which was the newer pipe, was the one showing the signs of
corrosion.

Mayor Botelho said there were 375 miles of pipes in CBJ and was there any cost effective way
to test for where the weak spots could be short of waiting for failures to occur. Mr. Bohan said
the tried and true method they used was excavating and inspecting, which is intrusive, and
which is why they tried to keep the replacement schedule up to speed and look at the failures
quicker than the non-failed areas.

Hearing no objection to the motion, it was so ordered.

B. Property Tax Exemption Requests

Senior Hardship Exemption Requests

Administrative Report: Attached. The manager recommended approval of the senior hardship
exemption requests as follows:

<table>
<thead>
<tr>
<th></th>
<th>Land</th>
<th>Building</th>
<th>Total Assessed Value</th>
<th>Net Tax</th>
<th>Allowable Hardship</th>
<th>Tax Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mary Pusich</td>
<td>$125,000</td>
<td>$292,600</td>
<td>$417,600</td>
<td>$2,823.18</td>
<td>$2,442.42</td>
<td>$380.76</td>
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<tr>
<td>Catherine Allen</td>
<td>$103,500</td>
<td>$140,700</td>
<td>$244,200</td>
<td>$993.81</td>
<td>$431.07</td>
<td>$562.74</td>
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</tbody>
</table>

Public Comment: None.

Assembly Action:

Mayor Botelho asked if there was any objection to approving the two senior hardship exemption
requests. Hearing no objection, the requests were approved.

C. Appeal to the Assembly of a Decision by the Planning Commission

Osborne Appeal Of Planning Commission Decision Regarding Conditional Use Permit
USE2011-0030 For Construction Of Two Offshore Berths And Moorage Float Located At
The Existing Downtown Cruise Ship Docks.

Administrative Report: Attached. The manager made no recommendation.

Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to accept the appeal. Hearing no objection, it was so ordered.
MOTION, by Wanamaker, that the Assembly hear the appeal itself.

Ms. Danner said that the Assembly had a number of appeals recently and since the Assembly was about to lose a great deal of expertise, recommended appointing a hearing officer.

Mr. Wanamaker asked Mr. Hartle if it was necessary to determine the appointment of a presiding officer at this meeting. Mr. Hartle explained the work of the presiding officer, the postponement of such appointment was not recommended or usual, and the pre-hearing would set the timetable of the appeal and the parties in general want to keep the matter moving.

Roll Call:
Aye: Becker, Dybdahl, Smith, Stone, Wanamaker, Botelho.
Nay: Crane, Danner.
Motion passed, 6 ayes, 2 nays.

Mr. Dybdahl said he was willing to serve as Presiding Officer and the Assembly members expressed their gratitude to him.

Mr. Hartle reminded the Assembly of the code requirement for impartiality of the Assembly members in this matter and members may not receive any evidence on the appeal from a party directly or indirectly. If people contacted the Assembly members about the matter, the Assembly should decline to discuss the matter. He was available for further guidance.

X. STAFF REPORTS

A. Fire Department – Chief Rich Etheridge

He reported about the Skagway ambulance rollover in which the ambulance was totaled and two of the members were injured. Haines offered an ambulance, which was not sufficient for their use, so Skagway contacted CBJ. CBJ was able to provide a backup ambulance and has not lost any responsiveness locally. He wanted the Assembly to know this, as he believed the action went towards meeting the Assembly’s goals of outreach to Southeast Alaska communities. Skagway was working on replacing its ambulance as soon as possible. Mayor Botelho thanked Chief Etheridge on behalf of the Assembly, for stepping up and providing this valuable service. Chief Etheridge said the quick approval of the city manager and the law department streamlined the process and they both had bent over backwards to make this happen.

XI. ASSEMBLY REPORTS

A. Mayor’s Report

Mayor Botelho acknowledged the loss of Eric McDowell, a Juneau resident, neighbor, and major contributor to the community through his company, the McDowell Group. Mayor Botelho also acknowledged the loss of Senator Al Adams, who was a great friend to Juneau as a legislator.
B. Committee Reports

Committee of the Whole: Chair Stone said the COW met on July 23 and reviewed Ordinance 2012-27 amending the Marine Passenger Fee Code. The next meeting was Monday, August 20.

Human Resources Committee: Chair Danner presented the following HRC recommendations for board appointments and hearing no objection, the following appointments were made:

ADA Committee - Cheryl Putnam to a term ending August 31, 2015.

Building Code Board of Appeals - Michael Story, Jeff Wilson, and Darrell Wetherall to terms ending January 31, 2015.


Lands and Resources Committee: Chair Becker said the committee met to review issues, which were on this Assembly agenda.

Finance Committee: Chair Crane said the committee met on August 1 and heard about marine passenger fees and specifically the allocation of those fees to Franklin Dock. She had information and motions to propose.

Mr. Stone said he had a conflict of interest regarding the Franklin Dock. Mayor Botelho agreed and hearing no objection, Mr. Stone stepped away from the meeting.

Mr. Bartholomew distributed information regarding proposed motions that reflected the discussion and consensus of the Finance Committee. He said that following his review of the ordinance and administration of the marine passenger fees, the committee discussed three motions that would adjust previous appropriations by the Assembly to reallocate funding for FY12, reallocate a portion of the funding for the FY13 appropriation, and to allocate a portion of the FY13 appropriation to cover a security gate project that was completed in FY12.

MOTION, by Crane, to reallocate the monies associated with the FY12 Franklin Dock grant of $500,000 as outlined in Attachment A (distributed by Mr. Bartholomew at the meeting). Hearing no objection, it was so ordered.

MOTION, by Crane, to reallocate the monies associated with the FY13 Franklin Dock grant of $187,000 as outlined in Attachment B. Hearing no objection, it was so ordered.

MOTION, by Crane, to reimburse Franklin Dock Enterprises $69,913.34 of FY13 Marine Passenger Fee funds for the security gate project completed in FY12. Hearing no objection, it was so ordered.

Public Works and Facilities: Chair Wanamaker said the next meeting was set for Monday, August 20, and he may be away from town, in which case, Ms. Becker would chair and he would call into the meeting.

C. Liaison Reports
**Chamber of Commerce:** Liaison Wanamaker said the Chamber’s concerns about the 1% sales tax issues were addressed to the Assembly in writing.

**Planning Commission:** Mr. Smith said the Planning Commission continued its work on Title 49 changes and was doing a thorough job. The work will be before the Assembly for review by the end of the year.

**Eaglecrest Board:** Liaison Crane said the Board met and heard a presentation on its budget. Winter sales were 12% higher than in FY11, expenses were about 3% higher, but this included 94 operational days as opposed to 84 the previous year. The fund contribution to pay back the loan to CBJ is expected to be over $200,000, which should bring the balance down to approximately $280,000. The cost recovery for last year was 72%. There was an excellent board training session by Deputy Clerk Beth McEwen and new members were in attendance.

**Alaska Committee:** Liaison Becker said the next meeting was postponed until August 22.

**Docks and Harbors:** Liaison Becker said the board discussed 1% for art in general, the Assembly accepted an appeal of Dock Project 16b, and the artwork is installed at the new Visitor Center, which is now open. The Douglas Harbor environmental assessment is underway and they are hoping to complete the project in mid-October. The U.S. Coast Guard has agreed to pay moorage at Statter Harbor. $1.5 million of harbor funds is proposed to match state municipal grants for Aurora Harbor. The Mount Roberts Tramway tidelands lease was currently under review. CBJ was still waiting for a response from the U.S. Attorney General regarding the longshoremen’s issue.

**Local Emergency Planning Committee:** Liaison Danner said the LEPC met and heard from the Chair of the ADA Committee and was raising its awareness of the need for emergency plans to be inclusive of those with disabilities.

**Airport Board:** Liaison Danner said the Airport Board continued to work on remodeling, runway safety extension, and other CIPs. She said that Steve Turner, Tower Manager for the FAA, spoke to the Airport Board at the most recent meeting about federal mandates and FAA’s efforts to comply.

D. Presiding Officer Reports

**Ceder Appeal:** Mr. Dybdahl said that thanks to Mr. Hartle and Greg Chaney, they came up with a better solution than to go on with the hearing. He had issued an order to suspend the appeal for 90 days, during which time an ordinance would be advanced to update the land use code regarding subdivisions to allow the law to apply borough wide to all property owners equally, and which would allow Mr. Ceder’s application to subdivide to be able to move forward for Planning Commission review. Mr. Hartle said an ordinance to that effect would be introduced at the August 27 meeting.
XII. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Wanamaker reminded the community that school would begin for teachers this week and for students the next week and reminded people to be aware of this while driving. He noted an unexpected increase in Kindergarten and First Grade students at Riverbend Elementary.

Mr. Smith thanked the city clerk for taking the initiative to provide for an Assembly orientation for new members and urged Assemblymembers to respond to her with the feedback requested.

Mr. Dybdahl commented on the significance of the passing of Al Adams and Eric McDowell.

Ms. Crane asked for an opportunity to get a report back from staff and discuss the issue of fireworks that was raised through public testimony at a recent Assembly meeting. Mayor Botelho suggested scheduling it for a future COW meeting.

Ms. Becker also expressed sadness about the passing of Al Adams and Eric McDowell – both were friends to Juneau. Mr. McDowell had done much to support fisheries in Alaska. She also asked people to slow down in school zones and to watch for children walking to and from school.

Ms. Danner asked for an update regarding the public testimony provided regarding the problem property on Nowell Avenue. Ms. Kiefer said this site had been an issue for a number of years and now that she had “inherited” it, she was working with several staff on how to move forward on a variety of issues that must be addressed. She suggested that any further discussion may be appropriate for an executive session.

Mr. Hartle said CBJ had spent significant resources attempting to achieve compliance on the property and the coordination of several departments was needed due to the variety of issues on the subject property.

Ms. Danner noted receipt of a letter to the Assembly from Mr. Glen Johns expressing his concern over the CBJ water system and water study. She asked that a response to his concerns be incorporated in the next discussion about the water study, specifically about the rate of extraction of water from Gold Creek Basin and how flow, speed, and demand all affect the ability to sell water to cruise ships. She would also like follow up on information he provided about Nugget, Salmon, and McGuiness Creeks.

Ms. Danner noted receipt of a letter to the Assembly from Walter Gregg about the impact of closure of A&P. She said he provided a good outline of what she hoped the Assembly would add to its top ten goals – sustaining Juneau as a wonderful capital city. He had a number of ideas that deserved the light of day.

Mr. Stone offered his condolences regarding the passing of Al Adams and Eric McDowell.

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

XIV. EXECUTIVE SESSION

A. Waterfront Land Acquisition, and added at the meeting:
B. Nowell Avenue Update - legal issues
C. Insurance Billing Update

MOTION, by Stone, to enter into executive session to discuss matters (listed above) the immediate knowledge of which could have a detrimental impact on the finances of the borough, and to consult with the City Attorney.

Public Comment: None.

Hearing no objection, the Assembly entered executive session at 9:35 p.m. and returned to regular session at 10:39 p.m.

Mr. Smith, without objection from the Assembly, recused himself from discussion of the waterfront land acquisition based on a conflict of interest during the executive session, and did not return to the meeting.

Upon returning to regular session, Mayor Botelho said the Assembly discussed the three topics and gave instruction to staff on each of the three topics.

XV. ADJOURNMENT – 10:40 p.m.

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