THE CITY AND BOROUGH OF JUNEAU, ALASKA

January 28, 2008

MEETING NO. 2008-02: The Regular meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 7 p.m. by Mayor Bruce Botelho.

I. FLAG SALUTE was led by Mayor Bruce Botelho.

II. ROLL CALL

Assembly Present: Jonathan Anderson, Bruce Botelho, Jeff Bush, Sara Chambers, Bob Doll, Johan Dybdahl, Merrill Sanford, David Stone, Randy Wanamaker.

Assembly Absent: None.

Staff Present: Rod Swope, City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Craig Duncan, Finance Director; Roger Healy, Engineering Director; Rorie Watt, City Engineer; Dale Pernula, Community Development Director; John Stone, Port Director; John Coleman, Airport Business Manager.

III. SPECIAL ORDER OF BUSINESS

A. Employee Recognition

Roger Healy recognized Bob Millard for his service to the engineering department, the City and Borough of Juneau and the community. Mr. Millard was first hired by CBJ on June 4, 1973. He said that Mr. Millard had seen the city grow through numerous projects, since when he was first hired the city was bonding $1.8 million for the first Local Improvement District for downtown and Douglas sewer, was designing a Switzer Creek Elementary and was working on the airport terminal. Mr. Millard worked in many capacities for the state and the city, as a right-of-way inspector, a project manager for numerous projects, and managed the city quarries and gravel pits. Mr. Millard had been a great mentor to all employees and a good steward of the community’s resources.

Rorie Watt said that Mr. Millard initially hired him, taught him and humored him into thinking he was Mr. Millard’s supervisor for a while. Mr. Millard drilled home to the staff that they were making decisions for friends and neighbors in the community through their work. The engineering staff looked to Mr. Millard for the level of effort needed to do the job. They had a familial relationship in the engineering department and he would be truly missed.

Mr. Millard said that when he first started with CBJ, he and Terry Brenner would test a subdivision road for acceptance by the city for public maintenance with the criteria that it had to be 24 feet wide and they didn’t get stuck when traveling on it. He said much had changed since his beginnings with the city and it had been a nice ride. He will miss all the employees the most, and all the exciting times.

IV. APPROVAL OF MINUTES

A. January 7, 2008 – Regular Assembly Meeting 2008-01

Hearing no objections, the minutes of the January 7, 2008, Regular Assembly Meeting 2008-01 were approved.

V. MANAGER’S REQUEST FOR AGENDA CHANGES – None.
VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

Danny Fenn, Mendenhall Valley resident, completed the reading of the Book of Micah in the Old Testament of the Bible, from Chapter 6, where she had left off from the last meeting.

Beverly Anderson, representing the Juneau Watershed Partnership, addressed the Assembly regarding the Redfern Resources proposal to access the Tulsequah Chief mine via the Taku River using an air cushioned barge system called a hover barge. The Department of Natural Resources was conducting an Alaska Coastal Management Review of this barge proposal and reviewing the required fish habitat and land use permits for the project. DNR would be holding a public hearing at Centennial Hall on Monday, February 4, and public comments were due to the DNR by February 21. The community groups, Rivers without Borders, Trout Unlimited, SEACC and local fishing and property owners groups have been working closely with DNR to inform the general public about Redfern’s proposal. DNR agreed to allow the organizations to rent a room in Centennial Hall during the night of the public hearing to provide information to interested individuals. This public meeting has been rescheduled, the venue has been changed a couple times in the last month, and unfortunately when the meeting was rescheduled for February 4, Redfern Resources reserved every room in Centennial Hall including the lobby and all the side rooms. This was done before the local community groups were aware of the new meeting date. Both DNR and Centennial Hall staff had asked Redfern Resources to relinquish a room to the community groups, but they have refused to do so, and she said this is an attempt to stifle local debate on an important issue. The Taku River provides significant fisheries habitat for the community. She asked that the CBJ publicize this public meeting in any way possible, to encourage Redfern Resources to allow the community groups to use a room at Centennial Hall, and she encouraged the Assembly to attend the meeting.

VII. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction

B. Assembly Requests for Consent Agenda Changes

C. Assembly Action

MOTION, by Dybdahl, to adopt the consent agenda.

MOTION, by Doll, to remove item 4.a.Bid Award, from the consent agenda.

Hearing no objection, the consent agenda was adopted as amended.

1. Ordinances for Introduction

a. Ordinance 2008-02

An Ordinance Amending The Real And Personal Property Tax Code To Establish Standards For Finding “Good Cause” For A Claimant’s Failure To Make Timely Application For Certain Real Property Tax Exemptions, And Establish A Time Limit For Filing A Late Application.

Administrative Report: Attached. The manager recommended Ordinance 2008-02 be introduced and set for public hearing at the next regular Assembly meeting.

b. Ordinance 2007-21(AO)

An Ordinance Appropriating To The Manager The Sum Of $8,142,712 As Funding For Airfield Construction, Terminal Construction, And Equipment Acquisition At The Juneau International Airport, Funding Provided By Passenger Facility Charges.
Administrative Report: Attached. The manager recommended Ordinance 2007-21(AO) be introduced and set for public hearing at the next regular Assembly meeting.

2. Resolutions

a. Resolution 2435
   
   **A Resolution Expressing Assembly Support For The Juneau International Airport Grant Application To The Alaska Energy Authority And Denali Commission.**

   Administrative Report: Attached. The manager recommended Resolution 2435 be adopted.

3. Transfers

a. Transfer T-870
   
   **Transferring $183,000 In FY06 Port Development Fees From The South Franklin Widening Capital Improvement Project (CIP) To The Franklin Street CIP.**

   Administrative Report: Attached. The manager recommended Transfer T-870 be approved.

b. Transfer T-871
   
   **Transferring $35,000 In FY 06 Street Sales Tax From The Lakeside Culvert Replacement Capital Improvement Project (CIP) To The Juneau Bridge Repair CIP.**

   Administrative Report: Attached. The manager recommended Transfer T-871 be approved.

Removed from the consent agenda:

4. Bid Award

a. Statter Harbor Planning and Permitting Services Contract Approval

   Administrative Report: Attached. The manager recommended award of this contract to PND, Inc., in the amount bid, not to exceed $300,000.

   Public Comment: None.

   Assembly Action:

   **MOTION**, by Doll, to award the Statter Harbor Planning and Permitting Services contract to PND, Inc., in the amount bid, not to exceed $300,000, for purposes of discussion.

   Mr. Doll said it appeared that CBJ would be spending a maximum of $300,000 for receiving $250,000 and did not understand the disparity. He said that ADF&G is providing a $250,000 grant, and in order to obtain the grant CBJ needed to guarantee that it was meeting the requirements of the NEPA, and to do that it would cost us $300,000.

   Mr. John Stone said this was the CBJ match requirement of $50,000. The benefit of proceeding with the NEPA is to obtain a Fish and Game grant for construction. We are hoping this will turn in to several million dollars of constructions funds. One of the difficulties of doing an Environmental Impact Statement is it is very difficult to determine the level of effort up front, so we have negotiated a contract that we think will get all the work done but we are not quite sure. That is likely to exceed the amount that Fish and Game provided, but we are hoping it is less than $300,000.

   Mr. Doll asked how PND was selected and who was on the review committee. Mr. Stone said this followed a standard Request For Proposals process and the requirements were defined in the RFP with
the guidance of the Fish and Game Launch Ramp Program. They advertised throughout the west coast and received three proposals, one from Tryck/Nyman/Hayes, one from Reed Middleton, Inc., and one from PND. There were five people on the selection committee, including John Stone, Harbormaster Lou McCall, and three people from Fish and Game. Based on the scoring, PND was selected. All five on the committee were unanimous in this decision. PND has a team, they are the lead, and there are several other consultants, including Jensen/Yorba/Lott, Carson/Dorn, and UKH, on the team.

Hearing no objection, it was so ordered.

VIII. PUBLIC HEARING

A. Ordinance 2008-01


Public Comment: None.

Assembly Action:

MOTION, by Doll, to adopt Ordinance 2008-01, for purposes of discussion.

Mr. Doll asked if the application of this would effect any development in the valley or out the road beyond the Loop/Egan intersection would effect that intersection. Mr. Swope said yes. Mr. Doll asked if any such development would be subject to fee in lieu of improvements at that intersection. Mr. Swope deferred to Dale Pernula and Rick Purves of the Alaska Department of Transportation.

Mr. Pernula said there was no fee in lieu of in this ordinance. There is a provision for mitigation, but it is not similar to “fee-in-lieu” like parking.

Mr. Anderson said that development in Lemon Creek brought this issue to light regarding which development would tip the scale in determining that intersection improvements were needed. Also, the level of service D is acceptable at most intersections, and in these cases only occur during a short period of time each day, during “rush” ten minutes or so.

Mr. Doll said he needed to understand that if Egan Loop intersection was already at a level E, what would be DOT’s reaction to development beyond that in the area, and beyond into the valley.

Mr. Pernula said that, when presented with a development plan, CBJ planners normally looks at the immediately impacted intersections, where traffic directly enters the state highway system, but it is true that “downstream” intersections are impacted.

Mr. Purves said that this would be similar to all other traffic impact analysis conducted in the past, but they would not have to do a traffic analysis for the entire borough, but anything impacted at a level of 5% or greater would be considered would be considered within the immediate impacted area. We would not require a developer to look at 10th and Egan that was developing a new subdivision in the middle of Lena Loop, only the intersections in the immediate vicinity of those locations. If a developer were to develop at the corner of Loop and Egan, there is a way through this ordinance for the Assembly to override the level of service D consideration with those intersections and locations that would be of such a large nature. The problem isn’t really created by someone building a convenience store at Loop and Egan, but this is a community wide problem, and the analysis should be done with community wide, DOT funds. There is a way that the Assembly can forgive those impacts, even if the development was within the area of study.
Mr. Hartle asked to make one correction to Mr. Purves’ comments, that on line 18, page 7, the ordinance provided that the Planning Commission would be the body to take action in these matters.

Hearing no objection, Ordinance 2008-01 was adopted.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Senior Citizen Application for Hardship Exemption

The Assembly agreed to take review each request separately. Mr. Swope noted that the Assembly had introduced the “good cause ordinance,” so in his recommendations, he acted as if the ordinance was in effect and made recommendations accordingly.

1. William H. Ahrensfeld, 7B0901000030

Reason for Filing Late: Mr. Ahrensfeld did not know about the Hardship Exemption.

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<tr>
<td>Total Assessed Value for 2007</td>
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<tr>
<td>Total Senior Citizen Exemption Authorized</td>
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<tr>
<td>Taxable Value After Exemption</td>
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<tr>
<td>Tax Amount for 2007 before Hardship Exemption</td>
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<tr>
<td>Hardship Tax Deduction</td>
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Administrative Report: Attached. The manager recommended denial of this request to accept a late filed application for a hardship exemption. The lack of knowledge was not a reason for qualification in the future ordinance.

Public Comment: None.

Assembly Action:

**MOTION**, by Dybdahl, to approve this hardship exemption.

Mr. Dybdahl asked if there was a way to make sure the senior citizens know about these opportunities. Was there a database sufficient to put out notice? Mr. Swope said that this has been discussed. The information is on the website, but there is no proactive way we reach out and let individuals who qualify know.

Mr. Wanamaker recommended the use of the radio, as many seniors listened regularly and were not as familiar with the internet or had vision impairments.

Roll call:

Aye: Anderson, Dybdahl, Sanford, Stone
Nay: Bush, Chambers, Doll, Wanamaker, Botelho

Motion failed, 4 aye, 5 nay.

B. Senior Citizen/Disabled Veteran Real Property Tax Exemption, Late Filed Applications

1. Judith C. Covey, 5B2501370010
Reason for Filing Late: Ms. Covey was not aware she was eligible for a property tax exemption.

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<td>Total Senior Citizen Exemption Authorized</td>
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<td>Tax Amount for 2007 after Senior Exemption</td>
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Administrative Report: Attached. The manager recommended denial of this request to accept a late filed application for a senior citizen/disabled veteran real property tax exemption.

2. Kenneth L. Wingo, 7B1001100232

Reason for Filing Late: Mr. Wingo received his 2007 PFD and therefore, was eligible to receive the senior exemption

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<tr>
<td>Total Senior Citizen Exemption Authorized</td>
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Administrative Report: Attached. The manager recommended the Assembly approve this request to accept a late filed application for a senior citizen/disabled veteran real property tax exemption.

Public Comment: None.

Assembly Action:

*MOTION, by Wanamaker, to approve the exemption request for Judith C. Covey, for purposes of discussion.*

Mr. Wanamaker asked if Ms. Covey was senior citizen or a disabled veteran, and had the same question for the applicant below.

Mr. Swope said the applications were not in the packet, and Ms. Covey was a senior, and either she or her spouse was a disabled veteran.

Mr. Wanamaker asked for the basis for the manager’s recommendations in both the Covey and Wingo requests.

Mr. Swope said Ms. Covey qualified, but did not apply in time. Mr. Wingo did receive his 2007 Permanent Fund Dividend, was eligible for this exemption and did apply on time. Mr. Anderson said the information on Mr. Wingo’s case indicated that he filed late.

Mr. Duncan said that it appeared there was insufficient information in the packet.

Hearing no objection, Ms. Covey’s and Mr. Wingo’s requests were tabled to the next meeting.
XI. STAFF REPORTS

Mr. Swope referred to his memo in the Assembly mailboxes regarding the decommissioning of on-lot sewer systems. This was brought forward to the Assembly, the matter was referred to the Utility Advisory Board, and following examination the board strongly supports the requirement to decommission systems. The Public Works department is doing the best work they can during the snow season and though there are complaints about snow removal, there are some situations we can’t address, and berms will happen. We do the best for the most people.

Mr. Hartle said he had received many calls regarding implementation of the smoking ordinance. The exemption for bars was repealed as of January 2, 2008. JPD says implementation is going well, nearly complete. A few places in town are claiming exemptions and the complaints are that this does not allow a level playing field. He recommended introducing an ordinance to clarify the assembly intent.

MOTION, by Wanamaker, to direct the city attorney to prepare an amendment to the Clean Air Ordinance to include all bars and restaurants in the city and borough and bring it forward for introduction. Hearing no objection, it was so ordered.

XII. ASSEMBLY REPORTS

A. Committee Reports

Committee of the Whole: Chair Wanamaker said the COW would next meet on February 6, with the Planning Commission to discuss the parking garage.

Public Works and Facilities Committee: Chair Doll said the PWFC met on January 7 to approve a new description of the West Valley Sewer boundary, deferred action on funding proposals on downtown sprinkler systems for buildings, and heard a presentation on pedestrian guardrails on Franklin Street. On January 14, the committee approved a transfer of funds for the Last Chance Basin trestle, heard an update on the downtown parking garage and discussed the West Valley sewer district and the level of service ordinance heard tonight. The next meeting would be February 4.

Human Resources Committee:

MOTIONS, by Chambers, to approve the following committee appointments, following the review and recommendation by the HRC:

- Diane Slater to the Affordable Housing Commission for a term to expire January 31, 2010
- Norman Kirchbaum to the Local Emergency Planning Commission for a term expiring December 31, 2008
- Bill Gissel to the Juneau Economic Development Council, for a term expiring October 31, 2008
- Melissa Goldstein to the Parks and Recreation Advisory Committee, for a term expiring February 28, 2009
- Mary Becker to the Social Services Advisory Board, for a term expiring September 30, 2009
- Michael Mauseth, Andrew Campbell and Meg Cartwright to the Wetlands Review Board, for terms expiring December 31, 2010.

Hearing no objection, the board appointments were so made.

Ms. Chambers said that JDHS student Marcus Siss was in the audience, and had applied to serve on the Social Services Advisory Board. Though not the ultimate selection, the HRC was impressed with his application and tenacity, and encouraged him to continue to apply.
The HRC reviewed two matters that she requested be added to the February 11 regular Assembly meeting agenda, Resolution 2436 which would reestablish the Juneau Human Rights Commission, and a discussion on filling a vacated Airport Board seat from the existing recently interviewed pool of applicants.

Mayor Botelho asked that without objection, he recommended the Airport Board appointment be taken up during an executive session at the conclusion of the meeting, and final action in public on February 11. There was no objection.

*Lands Committee:* Chair Bush said the committee met January 14, and the main topic was the Lena Land Sale – there are still 11 lots not sold. There was no committee action, but the recommendation of staff was to defer sale of the remaining lots, since there are several private lots for sale in the community. Staff would like to hold off until next winter to reexamine the situation and offer the lots for sale in spring 2009. There was no objection to the proposed course of action by staff, however, Mr. Wanamaker asked Mr. Hartle if the Assembly had asked the law department, after the last Lena Land sale, to prepare an ordinance to allow the remaining lots to be sold by lottery. Mr. Hartle said he did not recall that direction. Mayor Wanamaker said that waiting on the sale of the lots seemed to be a good idea, and he recalled the Assembly wanting the action.

Mayor Botelho said it made sense to review the record, but in the meantime, there was no recommendation from the Assembly on this matter until further review could be made.

*Finance Committee:* Chair Stone said the committee met today, and discussed the proposed annual budget survey done by the League of Women Voters. They have created a subcommittee with Mr. Anderson, Chair, Ms. Chambers and Mr. Doll, to work with the League to prepare the draft document, which will be reviewed by the Finance committee at the next meeting February 13.

B. Liaison Reports

*Hospital Board:* Liaison Sanford said the board was meeting regularly, addressing the issues of the remodel, and Phase 1 will soon be closed, there were three more phases to go.

*TEAM:* Liaison Bush said this task force had met every Thursday for a few months to make recommendations to the school board about funding athletics and activities in the high schools. He is not sure there is a good enough number yet, and costs for the programs range from $400,000 to one million in additional funding, so meetings will continue. According to a study done it will take $1.8 - 2 million to run two complete activity programs. The current JDHS fund is about $1.8 million. The reason we get two programs for roughly the same price is that we ask them to come up with a cost factor after eliminating all out of state travel.

*Affordable Housing Commission:* Liaison Chambers said that the AHC met with the Chamber of Commerce and had a productive joint meeting.

*Eaglecrest:* Liaison Chambers said Eaglecrest was having a great year and its Finance Committee would be meeting on February 4 at 5:30 to review the budget proposal to be forwarded to the Assembly.

*Sustainability Commission:* Liaison Doll said the sub-committee reviewing the Comprehensive Plan section on Sustainability had finished its work and was continuing work to review the section on Energy. The next meeting was February 6.

XIII. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Wanamaker said he was recently invited to testify before the Senate Energy and Natural Resources committee on reform of the Mining Law in 1872, as part of his “day job” with BBC Consulting. He
addressed a number of technical questions in his testimony relating to royalties, reclamation, regulatory processes, enforcement and compliance. He also spoke at length about the socioeconomic benefits to citizens in communities if Congress works to streamline, rationalize and simplify what is a very complex and lengthy process.

Mr. Doll said he had noted with some dismay the commentary in the media about the continued efforts to pursue the “Bong Hits for Jesus” lawsuit to some ultimate destructive ends and he encouraged the School Board to bring this issue to a settlement as soon as possible without placing Mr. Fredricks at any further disadvantage.

Mr. Bush said to clarify the record, the current status of the case is that though Mr. Fredricks owes the school district a sum of money, the reason the case remains pending is that Mr. Fredricks continues to demand money from the school district and is also continuing to pursue his appeal. The district can not get out of this case unless they are willing to pay a considerable amount of money.

Mr. Sanford said the School Board was in charge of this, it was their responsibility and they were also elected officials. He did not want to surpass their powers and authorities.

Mr. Doll reiterated that he would like to see this case brought to a successful conclusion and he would like to impose the Assembly’s expectations on the School Board.

Mr. Sanford said he was in the process of writing letter to the Department of Natural Resources about the Tulsequah Chief mine and the use of the river with the new and innovative modes of transportation. It would be a positive letter, but would ask DNR to be sure that during the testing process that they are right on top of it because we, as CBJ, can not lose or hurt our fishing resource on the Taku River. We need to express this concern to DNR that they follow all regulations. This may be innovative, which is good, but we can’t hurt fisheries while doing this. This is a positive personal letter, he will distribute the draft to the other members if they wished to sign on.

Mayor Botelho said he received a letter from Senator Stevens wanting Mayor Botelho to do what he could to notify fellow Juneau residents that starting Thursday there is a new requirement for crossing the Canada border to re-enter Alaska. That requirement for those 19 years of age or older is if one has a single US document it must be a U.S. passport, a passport card or a state issued enhanced drivers license. To those who do not have one of those, it is acceptable to provide a combination of either driver’s license or a U.S. military ID card, and in addition to that, either a U.S. birth certificate, U.S. Consular Report, Certificate of Naturalization, Certificate of U.S. Citizenship, U.S. Citizen Identification card, and there is a longer list.

Mr. Anderson said the Alaska DOT/PF had extended its comment period on the long range transportation plan, “2030 – Let’s Get Moving.”

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

XV. EXECUTIVE SESSION – None.

XVI. ADJOURNMENT – 8:10 p.m.

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