MEETING NO. 2008-15: 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, Sara Chambers, Bob Doll, Johan Dybdahl, Merrill Sanford, David Stone and Randy Wanamaker.

Assembly Absent: Jeff Bush.

Staff Present: Rod Swope, City Manager; Kim Kiefer, Deputy City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Craig Duncan, Finance Director; Beth McEwen, Deputy Clerk; Roger Healy, Engineering Director; Mike Branum, Emergency Program Manager.

III. SPECIAL ORDER OF BUSINESS

A. Proclamation – National Hospital Week

Mayor Botelho proclaimed the week of May 11 – May 17 as National Hospital Week and presented Shawn Morrow and Loren Jones with a copy of the proclamation. He urged citizens to express their appreciation for the people, facilities and technologies that make healthcare available in the community.

B. Energy Crisis Update

Scott Willis, Vice President, Power Generation, Alaska Electric Light and Power (AEL&P), spoke at the request of Mayor Botelho. Mr. Willis said he was still amazed at how much Juneau can conserve. On the past Saturday, the community set a new low for total amount of energy used for the day at 602 mega watt hours, compared to an average of 975 prior to the avalanche. Juneau was conserving in excess of 30%. AEL&P received approval from the Regulatory Commission of Alaska (RCA) to start the emergency Cost of Power Adjustment (C.O.P.A.) to be on the bills going out on May 16, rather than on May 1. This meant that no one will pay the higher cost for energy used prior to the avalanche, and this responds to the concerns of many in the community. They are in the process of preparing a filing for the RCA to open up the levelized payment program to all residential and small commercial customers. Currently the tariff only allows this for “all electric” users. This will essentially give a 12-month loan to allow consumers to levelize not the rate but the payment over 12 months, which we hope will allow some families and small businesses to cope with the rate increase. Regarding the repair, the contractor has made good progress. Foundations on two of the towers were exposed and found to be in tact and able to be used, which will save the company from excavation and pouring more concrete. There is still a lot of work to go, circumstances could change, but the job may be completed in late June instead of mid –July.

Mr. Wanamaker asked what the levelized payment meant. Mr. Willis said the numbers would vary from customer to customer, but instead of paying the high costs during the high billing times and the lower costs when the electricity was restored, a customer could balance those payments out to about the same averaged rate over a 12-month period.

Ms. Chambers said she understood the deferred payment could only be extended to 6 months. He said that was what he understood as well, but he would research that further too see if there was additional flexibility beyond that.
Mr. Swope introduced Mike Branum, the new CBJ Emergency Management Coordinator, and said he was highly qualified. Mr. Branum is a paramedic and a volunteer firefighter, and has done a lot of good work for the State of Alaska as well. Mr. Swope said Mr. Branum will be a great addition to the team.

IV. APPROVAL OF MINUTES

A. April 17, 2008 – Special Meeting 2008-10

Hearing no objection, the minutes of the April 17, 2008 Special Meeting 2008-10 were approved.

B. April 21, 2008 – Regular Meeting 2008-11

Hearing no objection, the minutes of the April 21, 2008 Regular Meeting 2008-11 were approved.

C. April 24, 2008 – Special Meeting 2008-12

Hearing no objection, the minutes of the April 24, 2008 Special Meeting 2008-12 were approved.

D. April 28, 2008 – Special Meeting 2008-13

Hearing no objection, the minutes of the April 28, 2008 Special Meeting 2008-13 were approved.

E. May 1, 2008 – Special Meeting 2008-14

Hearing no objection, the minutes of the May 1, 2008 Special Meeting 2008-14 were approved.

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

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

Cathy Munoz, Pt. Lena Loop Rd., urged an appropriation from the city’s “rainy day fund” to offset the power rate increases on an area wide basis and asked the Assembly to provide representation for the citizens of Juneau before the RCA. Many citizens were not eligible for assistance from the United Way Program. She said that during her time on the Assembly they added $700,000 to the rainy day fund to offset the bad times that could occur. Help from the rainy day fund in combination with an RCA ruling could go a long way to assist citizens and businesses.

Mr. Anderson asked an amount. Ms. Munoz said a portion of the fund. She encouraged savings, but now was the time the community was in desperate need, and an exact amount would be up to the Assembly.

Mr. Anderson said the Assembly had given $3 million of which $2 million was grant money. Ms. Munoz said that many residents would be in need and would not qualify for the funds. She said she thought that there was about $8 million in emergency reserves and $7 million in the rainy day fund.

Mike Branum, Wood Duck Ave., said that May 18 – 24 was Emergency Medical Services week and he urged the community to thank Fire and EMS workers for their service to the community.

Paula Terrel, Thane Rd., supported Ms. Munoz’s request for area wide relief for the surcharge imposed on everyone. She thanked the Assembly for the money provided to the United Way for relief, and had spoken to a number of businesses about the loan program. She was proud of the community’s conservation efforts. She encouraged the Assembly to be creative and to combine different funds available within the city to defer the charges to those not benefiting from the United Way funds. She suggested deferring sales tax projects which had not been bid to a later date. If the state assisted, then
she hoped the city funds could be reimbursed. She said there was a disconcerting divisiveness in the community and an attempt to place blame, which was based on fear, and the sooner we attempted area wide relief the better for all of us.

*Maureen Connerton*, Telephone Hill, supported Ms. Terrel and Ms. Munoz’s comments. She said Juneau was the only governmental body which had declared an emergency. It was great the Assembly had provided relief, however, there are many people that are tightly budgeted and those people need assistance, too. People area wide need help, the federal and state governments are not doing anything, and except for the very needy, people are not getting relief.

*Pat Martin*, Glacier Highway, echoed the previous speakers’ concerns about the area wide need. She was concerned about the $7 million that AEL&P wanted to charge the rate payers to repair the line. AEL&P is a private company without insurance and they should have set money aside to address this. They act as if they are a risk free business and the ratepayers will pay for their risk. The ratepayers should not have to pay for the repair of the lines and AEL&P did not take efforts to mitigate this risk. We as ratepayers are saying no, no, no – everything has been put on us, and it is a private company.

**VII. CONSENT AGENDA**

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

Mayor Botelho said a member of the public requested that Resolution 2443 be removed from the consent agenda for a public hearing.

B. Assembly Requests for Consent Agenda Changes – None.

C. Assembly Action

*MOTION*, by Stone, to adopt the consent agenda as amended by removing Resolution 2443. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

   a. Ordinance 2007-21(BC)

   **An Ordinance Appropriating To The Manager The Sum Of $17,924 As Funding To Purchase Hazardous Material Response Equipment, Grant Funding Provided By The Alaska Department Of Environmental Conservation.**

   Administrative Report: Attached. The manager recommended Ordinance 2007-21(BC) be introduced and set for public hearing at the next regular Assembly meeting.

2. Resolutions – Removed from consent agenda

3. Bid Awards

   a. Bid Award E08-190

   **Thunder Mountain High School Track And Field**

   Administrative Report: Attached. The manager recommended, pending the ten-day protest period, award of this project to Miller Construction Co., Ltd., in the Base Bid amount and Additive Alternate Nos. 1 & 2 for a total award of $3,482,680.
Removed from the consent agenda:

Resolution 2443
A Resolution Regarding The Statewide Ballot Initiatives Known As The "Alaska Clean Water Initiatives."

Administrative Report: Attached. As this was a policy issue, the manager had no recommendation.

Public Comment:

John Lyman, Fritz Cove Rd., spoke in opposition to adoption of Resolution 2443. He said the Clean Water Initiative does not target Greens Creek or existing mines in Alaska, but only one particular area of the state. There is huge mineralization shown in the area above Bristol Bay and the Pebble Creek prospect is the first of these proposed for development. Pebble Creek is owned by two international firms and it has been said that once they are done mining they are washing there hands and walking away. They will leave the State of Alaska with a tailings pond behind a dam that is taller than the Hoover Dam and longer than the Three Gorges Dam in China above an earthquake zone that was responsible for the same quakes as the Good Friday quakes in Anchorage. This was a guaranteed disaster. This can be avoided and we have to look at this in terms of responsibility to future generations of this state. The clean water initiative was likely to be placed on the primary ballot in August. He said the fisherman who would be the most concerned to stop this issue would be busy at that time of the year with their livelihood and would probably not cast their ballots. This resolution gave ammunition to the side that was not forward thinking, that did not take a clear view of where Alaska was headed and what resources had sustained the citizens. He spoke of the boom/bust cycle and said that the fishing industry had saved Alaska every time. He encouraged the Assembly to not adopt this by consent but to take a close look at the language in the initiative.

Mr. Sanford asked Mr. Lyman if he thought that the State of Alaska and federal regulatory systems set up were not sufficient to regulate the mining industry. Mr. Lyman said he had worked for the State Department of Fish and Game for 20 years and had retired. The Habitat Division was going back to the Department of Fish and Game, completely autonomously, and they will still be answering to the permitting requirements of the Department of Natural Resources. DNR has not received an application for this mine. All of the political posturing going on was not in the realm of science and permits, it was an effort to do an end around and to get people in support of this mine before anything was actually proposed. He urged the Assembly to go on-line and look up Anglo-American and Northern Dynasty and read about their reputation around the world. He said Anglo-American had an incredibly bad mining record all over the world. Juneau is the most forward looking group in the state and it would be irresponsible for passing this resolution without taking more time to review this.

Mayor Botelho said he was sympathetic about the risk that Pebble Mine presents but was troubled by the method of using the initiative process to take a complex issue and reduce it down. He saw this was an inappropriate use of the initiative process and this could set precedence in the future for managing by initiative rather than strengthening the regulatory framework in state and federal government. He asked Mr. Lyman for his response to this.

Mr. Lyman said he would have agreed to this if the legislature had completed its action on the question of the mine and had looked at it and moved forward, but the initiative was all that was left to those who were really concerned.

Assembly Action:

MOTION, by Doll, to refer the Resolution 2443 to the Committee of the Whole.

Mr. Stone objected. He said he respected Mr. Lyman very much. As the Past President of the Alaska Miners Association for two years, every single producing hard rock mine would be affected by this
Clean Water initiative. He has heard it from every mining CEO. The initiative process is the wrong way to proceed. He had full faith and confidence in the state agencies and if there needs to be a strengthening of the regulations the legislature will make that happen.

Mr. Doll said there has been very little information presented so it was difficult to judge the merits of the resolution. Paragraph three suggests that existing projects will be affected, but he had no testimony that this was the case and he has no background or expert testimony, and he would like this before voting. He asked that the Assembly hear more information before making a decision.

Mr. Anderson said he had not seen the resolution before Friday and this issue had not been discussed previously by the Assembly. He asked to hear the scientific evidence and to hear from Kensington, Coeur, and Greens Creek representatives. He did not necessarily agree or disagree with the Clean Water initiative, but deliberation was necessary before a decision. He supported the motion to refer Resolution 2443 to the COW and to allow public testimony.

Mayor Botelho declared an “at-ease” from 7:42 – 7:44 p.m.

Mr. Sanford said that resolutions were passed not on a whim but were passed quickly on a regular basis and all of the Assemblymembers were informed on the big issues like this and most likely have beliefs set in stone on these issues. He saw no reason to hold this matter further.

Ms. Chambers asked about the time sensitivity of the resolution. Mayor Botelho said that this matter was on the August primary ballot.

Mr. Doll said in Section 5.a. of the resolution, the figure of 640 acres was used, and he asked what the effect of this was on Greens Creek and Kensington.

Mr. Stone said he had heard from all the mines and they would all be affected. They would have to renew their NDPES permits which covered all the land they disturbed, and all have disturbed more than 640 acres. Usibelli Coal, for example, supplies the coal for electricity in the Fairbanks area and has made it clear that they will be affected. They would come to Juneau to say that, but if the Assembly trusted him, he said it was true.

Mr. Doll said he trusted Mr. Stone implicitly, however, the impact on Juneau mines had not been presented to the Assembly and only assertions were before the Assembly. This is a legal issue, not a mining issue, and we should hear more information.

Mr. Anderson said resolutions were a vehicle for the public to participate in the process and to the extent that we short-circuit the participatory process it does not serve the government well.

Roll call:
Aye: Doll, Anderson, Botelho
Nay: Dybdahl, Sanford, Stone, Wanamaker, Chambers
Motion failed: 3 ayes, 5 nays.

MOTION, by Wanamaker, to amend Resolution 2433, to change the wording in the Resolved clause, to read in Section 2, to expand the list of people receiving the resolution, to include Emil Notti, Commissioner of the Alaska Department of Commerce, Community and Economic Development, Tom Irwin, Commissioner of the Department of Natural Resources, and instead of just the Juneau delegation, to all members of the Alaska legislature. Hearing no objection, it was so ordered.

Mr. Anderson said the resolution did not take a position on the Clean Water Initiative, but said that the issue of the initiative should not be passed by initiative but through the legislative forum. The Alaska constitution says the citizens may act by initiatives. This is before the Supreme Court, and if it is legal,
it will be on the ballot. He supported the citizen’s initiative process and saw no use in passing a resolution in opposing the process.

Mr. Doll said he had scrambled to do research on this and said he had heard that the initiative might not do more than what currently existed in legislation and regulation. He had some sympathy with the idea that the initiative may not be the best way to go about this, but to adopt a strong position from the capital city is a mistake without hearing more testimony. He did not think the assembly should act without more evidence.

Mr. Sanford said there were plenty of people in the Southeast Region, in Juneau and in the State of Alaska that think that it is time for this Assembly to support issues like this.

Roll call on main motion:
Aye: Chambers, Dybdahl, Sanford, Stone, Wanamaker, Botelho
Nay: Anderson, Doll
Motion passed, six ayes, 2 nayes.

VIII. PUBLIC HEARING

A. Ordinance 2007-16(b)

An Ordinance Providing For The Issuance And Sale Of Two Series Of General Obligation School Bonds In The Aggregate Principal Amount Of $39,500,000; Providing The Form And Terms Of The Bonds And For Unlimited Tax Levies To Pay The Bonds; Providing For The Appointment Of A Bond Registrar; And Authorizing A Preliminary Official Statement.

Administrative Report: Attached. The manager recommended Ordinance 2007-16(b) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to adopt Ordinance 2007-16(b), and he asked for unanimous consent. Hearing no objection, Ordinance 2007-16(b) was adopted.

B. Ordinance 2007-21(AX)

An Ordinance Appropriating To The Manager The Sum Of $52,000 As Partial Funding For The North Lemon Creek Material Source Capital Improvement Project, Funding Provided By Fill Charges Accumulated In The Nancy Street Pond Restoration Capital Improvement Project.


Public Comment: None.

Assembly Action:

MOTION, by Sanford, to adopt Ordinance 2007-21(AX), and he asked for unanimous consent. Hearing no objection, Ordinance 2007-21(AX) was adopted.

C. Ordinance 2007-21(AZ)

An Ordinance Appropriating To The Manager The Sum Of $625 As Funding For The Acquisition Of Maple And Birch Trees For The Jensen-Olson Arboretum, Grant Funding Provided By The Alaska Department Of Natural Resources.

PUBLIC COMMENT: None.

ASSEMBLY ACTION:

**MOTION, by Anderson, to adopt Ordinance 2007-21(AZ), and he asked for unanimous consent.** Hearing no objection, Ordinance 2007-21(AZ) was adopted.

D. Ordinance 2007-21(BA)

**An Ordinance Appropriating To The Manager The Sum Of $1,147 As Partial Funding For Work On Historic Buildings At The Alaska Juneau Gold Mining Company In Last Chance Basin, Grant Funding Provided By The Alaska Department Of Natural Resources.**


PUBLIC COMMENT: None.

ASSEMBLY ACTION:

**MOTION, by Stone, to adopt Ordinance 2007-21(BA), and he asked for unanimous consent.** Hearing no objection, Ordinance 2007-21(BA) was adopted.

E. Ordinance 2007-21(BB)

**An Ordinance Appropriating To The Manager The Sum Of $13,358 As Funding For The Law Enforcement Liaison Program, Grant Funding Provided By The Alaska Department Of Transportation And Public Facilities.**


PUBLIC COMMENT: None.

ASSEMBLY ACTION:

**MOTION, by Doll, to adopt Ordinance 2007-21(BB), and he asked for unanimous consent.** Hearing no objection, Ordinance 2007-21(BB) was adopted.

RECESS – 8:00 p.m. – 8:10 p.m.

IX. UNFINISHED BUSINESS – None.

X. NEW BUSINESS

A. Liquor License Renewals

Administrative Report: Attached. The manager recommended the Assembly adopt the Human Resources Committee's recommendations for action from tonight’s meeting.

PUBLIC COMMENT: None.

ASSEMBLY ACTION:

**MOTION, by Chambers to protest renewal of License #673, Peterson Pacific Holdings d/b/a Louie’s Douglas Inn, based on their need to still file a 2008 business personal property declaration and on the two unpaid sales tax returns which have been filed and on two outstanding returns and the amounts due on those returns which have not yet been filed.**
No representative of the license holder was present. Hearing no objection, it was so ordered.

**MOTION, by Chambers to protest renewal of License #4370 Sea Dawgs d/b/a DocWaters based on unpaid balance on their account and two missing sales tax returns which have not yet been filed or paid.**

No representative of the license holder was present. Mr. Anderson asked if the business owners were present at the HRC meeting. Ms. Chambers said all businesses had been noticed, and none had been present. Mr. Sanford said that none had communicated with staff. Hearing no objection, it was so ordered.

**MOTION, by Chambers to protest renewal of License #2812 Patricia McGivny d/b/a Pizza Verona based on unpaid sales tax balance on their account.**

No representative of the license holder was present. Hearing no objection, it was so ordered.

**MOTION, by Chambers, to waive the right to protest the remaining licenses on list.** Hearing no objection, it was so ordered.

**Beverage Dispensary Licenses**

1. Lic. # 550; Imperial Bar Inc.; d/b/a: Imperial Bar, 241 Front Street
2. Lic. # 728; JD Entertainment Inc.; d/b/a: The Island Pub, 1102 2nd St., Douglas
3. Lic. # 772; NYT Inc.; d/b/a Rendezvous, 184 S. Franklin Street
4. Lic. # 3695; Henry’s Food & Spirits LLC; d/b/a Henry’s Food & Spirits, 9109 Mendenhall Mall Road #4B
5. Lic. # 3755; Tailwind Inc.; d/b/a Hangar on the Wharf; #2 Marine Way
6. Lic. # 4349; Senate Partnership Inc.; d/b/a The Penthouse, 434 3rd Ave., Juneau

**Beverage Dispensary Tourism Licenses**

7. Lic. # 175; Breakwater Inn Inc.; d/b/a Breakwater Inn Restaurant & Lounge, 1711 Glacier Ave.
8. Lic. # 586; Goldbelt Enterprises Inc.; d/b/a Goldbelt Juneau Hotel, 51 Egan Drive
9. Lic. # 1378; Alaskan Hotel & Bar Inc.; d/b/a Alaskan Hotel, 167 S. Franklin Street
10. Lic. # 2541; MGO Inc.; d/b/a Juneau Airport Travel Lodge, 9200 Glacier Hwy.

**Brewery License**

11. Lic. #2534; Alaskan Brewing LLC; d/b/a Alaskan Brewing Co., 5429 Shaune Drive

**Package Store Licenses**

12. Lic. #2066; Fred Meyer Stores Inc.; d/b/a Fred Meyer #158, 8181 Glacier Hwy.
13. Lic. #2976; No Creek Jack Inc.; d/b/a Duck Creek Market, 9951 Stephen Richards Dr.

**Recreational Site License**

14. Lic. #4539; Juneau Bowling Center LLC, d/b/a Juneau Bowling Center, 608 W. Willoughby

**Restaurant Eating Place Licenses**

15. Lic. #848; Olivia Castaneda; d/b/a Olivia’s De Mexico, 222 Seward Street
16. Lic. #851; Rodfather’s LLC; d/b/a The Broiler, Nugget Mall
17. Lic. #1416; Taku Glacier Lodge Inc.; d/b/a Taku Glacier Flightseeing/Salmon Bake, Taku River
18. Lic. #3049; Valley Restaurant LLC; d/b/a The Valley Restaurant, 9320 Glacier Hwy.
19. Lic. #3673; Alejandro Orozco; d/b/a Fernando’s, 116 N. Franklin Street
20. Lic. #3733; Up The Creek Inc.; d/b/a The Twisted Fish Company, 550 S. Franklin St.
21. Lic. #4192; Seong S. Kim; d/b/a Seong’s Sushi Bar & Chinese Takeout, 740 W. 9th St.
22. Lic. #4405; Tides Complex Inc.; d/b/a Dragon Inn, 5000 Glacier Hwy.

Restaurant Eating Place/Public Convenience License

23. Lic. # 3643; Clay Kent & Cisco Ramos; d/b/a Douglas Café, 916 3rd Street, Douglas

Wholesale/General License

24. Lic. # 3166; Odom Corp.; d/b/a The Odom Corporation, 5452 Shaune Drive

MOTION, to approve restaurant designations for Lic. # 4797; Tailwind Inc.; d/b/a Hangar on the Wharf Ballroom; #2 Marine Way. Hearing no objection, it was so ordered.

XI. STAFF REPORTS

A. Thunder Mountain High School

Roger Healy, Engineering Director, distributed a memo outlining the history and choices being made regarding the Thunder Mountain High School (TMHS) Auditorium. On May 4, 2006, CBJ received two bids for Thunder Mountain High School. The completion of the auditorium was identified in five alternates, which were not awarded at the time due to insufficient funds. At the June 12, 2007 special election, an additional $3 million was approved by the voters for this project. The 12-month period for the contractor to hold their price elapsed and CBJ faced proceeding with the current contractor or going out for new bids on that portion of the project. The price received from Coogan Construction exceeded the available funds for the award of all five alternates. He recommended awarding additive alternates 1, 2 and 3, for an approximate cost of $2.6 million to Coogan Construction, and the remainder to be used for construction contingency and administration. The alternative was to go out to bid, which he did not recommend, as there was a lot of uncertainty in the construction market and the largest risk was that CBJ could receive a higher bid 6 – 8 months out the road and would need to go back to redesign and re-bid. Additive alternates 4 & 5 are the final rigging and stage lighting of the auditorium. With alternates 1, 2, and 3, the auditorium will be functional, able to be occupied, and will include all seating. He encouraged an alternate source of funds be sought for the rest of the project. There may be some funds remaining from field, and various charitable foundations have contributed to these types of efforts statewide. He suggested an application to the Rasmussen Foundation for funding.

Mayor Botelho recapped that Mr. Healy was seeking Assembly approval to move forward with Additive Alternates 1, 2, & 3, and to seek alternative funding for Additive Alternates 4&5. Hearing no objection, it was so ordered.

B. Harborview School Renovation Project Update

Mr. Hartle distributed a transcript of Judge Pallenburg’s remarks on the denial of a temporary restraining order that was requested regarding the city’s application of Project Labor Agreements (PLA’s) on the Harborview project, and noted the court’s ruling in favor of CBJ on all points.

Mr. Wanamaker asked if the city could recover its legal costs. Mr. Hartle said the case was not technically over, however, further proceedings were unlikely. Eventually the city could move for recovery of attorney fees and could get a percentage of those costs. CBJ had not been billed from outside counsel yet, but was reviewing this issue.

Mr. Doll asked if this issue had been raised due to an effort to give the manager some direction on how to apply PLA’s in contracting, and asked if the Assembly had still not provided that direction.
Mr. Swope said that the Assembly had directed that a PLA was desirable to be attached to a project as long as it was legally defensible. With that direction, Mr. Healy and Mr. Hartle reviewed the application of a PLA to the Harborview Project and determined it was legally defensible.

Mayor Botelho said the actual term adopted by the Assembly was “to the extent permitted by law.” Mr. Hartle agreed and said the Assembly directed staff to review the application of a PLA to a project to determine if it was allowed by law. We made our best efforts. The lawsuit was compressed in time. It was considered on expedited consideration. The plaintiff delivered a 100-page motion on Monday, we responded to this on Wednesday, oral argument took place Thursday and the judge ruled on Friday. A year long lawsuit was done in a week and it was a team effort. Outside counsel was provided by Jon Tillinghast who did a fabulous job. Engineering, Law, Manager’s offices, the school district and two unions, the IBEW and Laborer’s Local 942 lent their labor attorneys, Helene Entell and Heidi Dreygus.

Mr. Doll asked what policy the Assembly would adopt. Over the past 5-8 years we have applied PLA’s to some portion of our projects. What will be the practice in the future? Mr. Swope said that staff needed to review those on a project by project basis. Given a number of large projects coming on line, we will review PLA’s on their merits, with the exception of federally funded projects, such as the airport and parking garage.

Mayor Botelho asked if the law required that a determination needed to be made on a project specific case by case basis. Mr. Hartle said that was true.

Mr. Sanford said that he would like to look at the criteria which are applied to the determination of whether a PLA is appropriate. One criterion was the price, and there was consideration of setting a dollar amount of a project to which a PLA would be applied.

Mr. Hartle said that such a blanket approach was not allowed. There were criteria in an opinion of the State attorney general and the complexity of a project is one of the criteria, and price was a fairly good stand-in for complexity, however, it was only one of nine criteria, and the list of nine was not exclusive. The best that can be said is that each project will be analyzed.

Mayor Botelho asked if, notwithstanding the CBJ’s ability to do a PLA, the Assembly could make a policy decision that it would do no PLA for any project for less than a certain amount of money. Mr. Hartle said that was correct. If a project qualified, there was no requirement that a project had a PLA. It was pursuant to the Assembly’s policy that we have adopted them.

Mr. Wanamaker said he recalled that the Assembly had affirmatively told staff to use PLA’s to the extent allowed by law when it was determined it was in the best interest of the city to do so, and I thought that staff had determined this was sufficient direction.

Mayor Botelho said that reflected the motion that was made and he said that some members were asking to set parameters of when CBJ would not use PLA’s, even when permissible.

Hearing no objection, this discussion item was referred to a future Committee of the Whole agenda.

Mr. Sanford thanked staff for the hours spent on the projects, including the high school, and staff has done an excellent job and he thanked Roger Healy specifically. Mayor Botelho said it was clear from the transcript that the court relied on Mr. Healy’s decisional document.
XII. ASSEMBLY REPORTS

A. Committee Reports

Finance Committee: Chair Stone thanked everyone for their patience with the lengthy Saturday meeting on May 10. He asked Vice Chair Anderson to report on the small business loans through Juneau Economic Development Council (JEDC).

Mr. Anderson said he, Mr. Doll and Brian Holst, JEDC Director, met with Mr. Swope, and revised the business electricity loan program. The revised format was in the red folder for review. There were several small changes, but we changed the requirement for application to a business “legally registered to conduct business in Juneau.” We changed the interest rate to 3% rather than 8%, and also noted that “in event of extreme hardship a business which is deemed viable and otherwise eligible may be offered a lower interest rate, that would be at the discretion of JEDC.”

Mr. Anderson said the committee had some concern about how JEDC and United Way (UW) were to be compensated for their administrative work on the assistance programs. The resolution said the manager was allowed to negotiate with the entities, and it also said the administrative fee was limited to 1%. He recommended an amendment to the resolution striking the clause providing the limitation to 1%, and keep the wording allowing the manager to negotiate and report back to the Assembly.

Mr. Hartle suggested it would be appropriate to present such an amendment to the resolution at the next meeting.

Mr. Anderson said the resolution was not clear regarding how the funds provided by the city were to be divided between the UW and JEDC. Mayor Botelho said it was not specific, it was left to the manager to allocate the funds based on demand. Mr. Swope said that the funding to pay for the administrative costs would be part of the funds already allocated by the Assembly.

Mr. Stone reviewed the Finance Committee schedule with members. He cancelled the meeting of May 21, and added a Finance Committee meeting on Friday, May 16, at 3 p.m. in the Assembly Chambers.

Human Resources Committee: Chair Chambers said the HRC met to review committee appointments and made the following motion:

**MOTION**, by Chambers, to appoint Paul Voelkers, Barbara Craver, Jane Lindsey, Donald Gregory, Ken Alper and Nancy Waterman to the Parking Garage and Transit Center 1% for Art Selection Committee, for terms to be completed when the panel’s work was finished. Hearing no objection, it was so ordered.

Public Works and Facilities Committee: Chair Doll said the committee met on May 6 and reviewed stormwater standards and the Capital Improvement Projects list, and will meet next on May 19.

B. Liaison Reports

Commission on Sustainability: Liaison Doll said that the “Re-energizing Juneau” event was very successful, with a number of people attending.

Planning Commission: Liaison Anderson said the Planning Commission was meeting the next day and on the agenda was a CBJ permit application to extend the Stabler’s Point rock quarry use.

Mr. Sanford said he had a draft form for the personnel review of the city manager and would like to receive a short paragraph from each Assemblymember regarding their evaluation of the city manager.

Mayor Botelho said that both the evaluation of the city manager and city attorney would be scheduled for the June 2 regular meeting.
XIII. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Wanamaker presented a draft resolution to the Assembly which would urge the governor to re-evaluate the denial of the disaster declaration for the community; would ask the legislature to take up energy issues locally, regional and statewide; and would thank the governor for requesting an economic injury declaration for Juneau. The speaker of the house had asked to put the issue of an energy crisis for all Alaskans on the special session agenda and this resolution was timely.

MOTION, by Wanamaker, to approve this draft resolution and to ask the city attorney to provide a resolution and put it into legal form.

Mr. Stone requested to be excused from discussion on this matter based on conflicts of interest discussed at previous meetings. Without objection, Mayor Botelho ruled that Mr. Stone was excused from discussion and voting on this matter. Mr. Stone stepped away from the dias.

MOTION, by Anderson, to amend by adding “Whereas, Juneau has been determined to not be eligible for Power Cost Equalization payments.”

Mayor Botelho said most urban communities did not qualify for Power Cost Equalization payments from the state. Juneau’s rate was part of the calculation that the RCA used on a weighted basis with Mat-Su, Anchorage, Kenai and Fairbanks, as part of the base formula by which other communities which do not have access to low cost power receive relief from the state legislature.

After a brief recess, without objection, Mr. Wanamaker accepted this motion to amend the resolution language to include the following statement “Whereas, Juneau is not eligible for Power Cost Equalization, and” to go above the whereas clause which stated that CBJ considers the avalanches to be an act of God.

Hearing no objection, the main motion was adopted as amended and there was no objection to numbering the resolution as the next in sequence.

Mr. Stone rejoined the meeting at 9 p.m.

Mr. Anderson said in regard to comments that additional money be made available to the loans and grants, he asked the manager to keep the Assembly informed about how the assistance program was going and the demand, in order to better assess the needs.

Mr. Dybdahl said that regarding the number of people who spoke on energy relief and the rainy day fund, it seemed to him that the only way to help on an area wide basis would be to buy a week or two of diesel fuel, otherwise, he was not sure how to help the entire community.

Ms. Chambers expressed her concern about the violence which had happened in the community and especially toward the employees of AEL&P. We all know several employees of this company and this type of reaction, even though we are faced with hardship, was inappropriate. It was frustrating and saddening to see employees be the recipients of threats and violence.

Mr. Doll said that many people do not understand the term public utility and the implications of the regulatory nature of the business. He was not sure how this concept could be relayed to the public but it needed to get out. A “for-profit” description was not inclusive of the nature of AEL&P’s business.

Mr. Sanford encouraged the Assembly to attend the Police Memorial on May 16 at 12:15 p.m. at the Alaska State Museum grounds.
Mr. Sanford said that Mike Conway would be facilitating a working meeting of the land owners, affected properties and concerned groups regarding the cruise ship dock proposals on May 15 at 8:30 a.m. at Centennial Hall. He said this was not a public meeting, it was a gathering of the groups to hear their ideas and to review the various proposals. After this there will be public meetings to gather input for the various proposals.

Mr. Sanford asked to have information about the status of city bonding and information on the mill rate at the next finance committee meeting.

Mr. Sanford referred to emails from Southeast Conference requesting support for an appeal they are putting forward regarding the Tongass Land Management Plan, and he named other supporters, including the Alaska Forest Association, Ketchikan Gateway Borough, the City of Ketchikan, Wrangell, Craig, Coffman Cove, and Thorne Bay. They would like to see us do a resolution of support for Southeast Conference’s appeal.

**MOTION, by Sanford, to support Southeast Conference’s appeal of the Tongass Land Management Plan, and to sign on with Southeast Conference.**

Mr. Doll said he knows the general circumstances, but was not familiar with the precise appeal opinions. He asked for the timing for comments to be submitted. Mr. Sanford said the submittal would by made on May 15, so action was necessary at this Assembly meeting.

The Assembly recessed to review some materials from Southeast Conference.

Mr. Doll said the issues of timber supply and demand had been argued for decades without conclusion and were a vital topic for Southeast and Juneau. We have not devoted any time to thinking about this or hearing any evidence. His only resource was that other Southeast communities had signed on, but the Assembly has not discussed the merits of the issues.

Mr. Dybdahl spoke in support of the motion, and although it was not always visible in Juneau and Juneau was not known as a timber town, the mills in Hoonah market in Juneau. Those mills have been arguing about how much timber they need and have come out on the short end. We are not talking about big companies but small mom and pop industries. Here is another time we can step up and help our neighbors, who we ask for help when capital move issues come up. Any time CBJ can support our Southeast neighbors he would do so.

Mr. Doll objected to consideration of fundamental topics with inadequate discussion or committee referral and said that despite the merits of the issue, this was not the way to do the Assembly’s business.

Mr. Sanford said this information had been emailed to all Assemblymembers and we discuss these issues at the Southeast Conference meetings. The lack of support from CBJ on these issues is obvious. They are asking for help keeping 200 – 300 jobs when Southeast had 10 times this many years ago in the timber industry. Three or four small sawmills need logs to keep their businesses running. This is a sad situation in Southeast Alaska, it was the downfall of Southeast Alaska and he appreciated votes in the affirmative on this issue.

Mr. Doll maintained his objection, not on the merits of the appeal, but regarding the process.

**Roll call:**

Aye: Sanford, Stone, Wanamaker, Chambers, Dybdahl, Botelho

Nay: Anderson, Doll

Motion passed, 6 ayes, 2 nays.
Mayor Botelho said he would like the Assembly to review the resolution process and asked Mr. Wanamaker to add this topic to a future Committee of the Whole meeting. The issues discussed tonight could have used more time for consideration. He asked to discuss future ground rules.

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

XV. EXECUTIVE SESSION

XVI. ADJOURNMENT - 9:23 p.m.

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