MEETING NO. 2008-20: 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 (telephonic), Bruce Botelho, Jeff Bush, Sara Chambers, Bob Doll, Johan Dybdahl (telephonic), Merrill Sanford, David Stone and Randy Wanamaker.

Assembly Absent: None.

Staff Present: Rod Swope, City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Craig Duncan, Finance Director; Dale Pernula, Community Development Director; John Stone, Port Director; Peggy Cowan, Juneau School District Superintendent; Deb Morse, JSD Facilities Manager; Garth Hamblin, CFO, Bartlett Regional Hospital.

III. SPECIAL ORDER OF BUSINESS – None.

IV. APPROVAL OF MINUTES

A. June 2, 2008 – Regular Meeting 2008-18

Hearing no objection, the minutes of the June 2, 2008 Regular Meeting 2008-18 were approved.

B. June 18, 2008 – Special Meeting 2008-19

Hearing no objection, the minutes of the June 18, 2008 Special Meeting 2008-19 were approved.

V. MANAGER’S REQUEST FOR AGENDA CHANGES

City Manager Rod Swope requested that the Assembly substitute two items in the agenda packet with two items in the red folder presented at the meeting: Ordinance 2008-21 version (b) with a minor wording change, and Resolution 2447, which included the latest bond information that was not available at the time of packet preparation.

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

Joyce Levine, 6th St., thanked CBJ for the half hour bus service, which many are using due to the high gas prices. She asked CBJ to consider the possibility of putting on additional service in the morning for people who need to get to work before 8 am.

Peter Froehlich, referred to a letter he distributed to the Assembly from Friends of Dzantik’I Heeni in favor of the DZ covered play area. He thanked Chair Doll and Public Works and Facilities Committee for the work on the project to date.

VII. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction – None.
B. Assembly Requests for Consent Agenda Changes

C. Assembly Action

*MOTION*, by Wanamaker, to adopt the consent agenda as amended with substitute Ordinance 2008-21(b) and Resolution 2447. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

a. Ordinance 2008-21(b)
   **An Ordinance Establishing The Sustainability Fund.**
   
   Administrative Report: Attached. The manager recommended Ordinance 2008-21 be introduced and set for public hearing at the next regular Assembly meeting.

b. Ordinance 2008-15(A)
   **An Ordinance Appropriating To The Manager The Sum Of $90,000 As Partial Funding For Development And Implementation Of Stormwater Management Standards And Guidelines, Grant Funding Provided By The Alaska Department Of Environmental Conservation.**
   
   Administrative Report: Attached. The manager recommended Ordinance 2008-15(A) be introduced and set for public hearing at the next regular Assembly meeting.

2. Resolutions

a. Resolution 2447
   
   Administrative Report: Attached. The manager said the bids were accepted on June 23, 2008. He distributed the actual resolution as a red-folder item for action and recommended Resolution 2447 be adopted.

3. Transfers

a. T-881
   **Transferring 2,733 in Temporary Sales Tax funds from the Glacier Valley Sports Field Improvements Project to two Capital Improvement Projects (CIPs).**
   
   1) $93 to the Auke Lake Wayside Master Plan to close out the project; and
   2) $2,640 to the Auke Lake Trail ADA Upgrade for expenditures through June 30, 2008.
   
   Administrative Report: Attached. The manager recommended Transfer T-872 be approved.

4. Bid Awards

a. Bid E08-163
   **North Douglas Sewer – Phase II, Area D, LID 95**
   
   Administrative Report: Attached. The manager recommended award of this project to Admiralty Construction, Inc., in the amount bid, for a total award of $1,547,356.
VIII. PUBLIC HEARING

A. Ordinance 2008-19


Public Comment: None.

Assembly Action:

MOTION, by Doll, to adopt Ordinance 2008-19, and he asked for unanimous consent. Hearing no objection, it was so ordered.

B. Ordinance 2007-21(BE)(b)
An Ordinance Appropriating To The Manager The Sum Of $1,896,540 As Partial Funding For Fiscal Year 2008 Unanticipated Electricity And Fuel Cost Increases, Funding Provided By The Department Fund Balances, General Fund Balance, User Fees, The Fire Service Area Fund Balance And The Roaded Service Area Fund Balance.


Public Comment: None.

Assembly Action:

MOTION, by Stone, to adopt Ordinance 2007-21(BE)(b), and he asked for unanimous consent. Hearing no objection, it was so ordered.

C. Ordinance 2007-21(BF)
An Ordinance Appropriating to the Manager the Sum of $2,732,300 as Partial Funding for Various Departments’ Fiscal Year 2008 Operating Budget, Funding Provided by the Department Fund Balances, User Fees, and the Roaded Service Area Fund Balance.


Public Comment: None.

Assembly Action:

MOTION, by Stone, to adopt Ordinance 2007-21(BF), and he asked for unanimous consent. Hearing no objection, it was so ordered.

D. Ordinance 2007-21(BG)
An Ordinance Transferring $542,918 To The Marine Passenger Fee And Downtown Parking Funds, The Source Being Unexpended Marine Passenger Fees And Downtown Parking Funds Budgeted To 11 Completed Capital Improvement Projects.


Public Comment: None.

Assembly Action:
MOTION, by Sanford, to adopt Ordinance 2007-21(BG), and he asked for unanimous consent. Hearing no objection, it was so ordered.

E. Ordinance 2007-21(BI)
An Ordinance Appropriating To The Manager The Sum Of $1,020,280 As Partial Funding For The Renovation Of Harborview Elementary School, Funding Provided By General Obligation School Bond Interest Income.


Public Comment: None.

Assembly Action:

MOTION, by Sanford, to adopt Ordinance 2007-21(BI), and he asked for unanimous consent. Hearing no objection, it was so ordered.

F. Ordinance 2007-21(BJ)
An Ordinance Appropriating To The Manager The Sum Of $1,300,000 As Partial Funding For The Douglas Island FAA Monitoring Station Electrical Service Extension Capital Improvement Project, Grant Funding Provided By The Alaska Department Of Commerce, Community And Economic Development.


Public Comment: None.

Assembly Action:

MOTION, by Chambers, to adopt Ordinance 2007-21(BJ), and he asked for unanimous consent. Hearing no objection, it was so ordered.

G. Ordinance 2007-22(A)
An Ordinance Appropriating To The School District The Sum Of $758,500 As Partial Funding For The District’s General Operations And $139,900 As Partial Funding For The District’s Special Revenue Operations And De-Appropriating State Foundation Funding And CBJ Support For School District General Operations, Funding Provided By The School District General Operations, Special Revenue Funds User Fees, State And Federal Grants, And Other Sources.


Public Comment: None.

Assembly Action:

MOTION, by Bush, to adopt Ordinance 2007-22(A), and he asked for unanimous consent. Hearing no objection, it was so ordered.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. 1% Art Selection – Airport
Administrative Report: Attached. The manager said the Art Panel recommended that the hanging sculpture concept presented by Criswell & Henrickson be accepted. CBJ 62.65.040 stipulates that all art selected by the Panel is subject to final approval by the Assembly.

Public Comment: None.

Assembly Action:

MOTION, by Sanford, to accept the Art Panel’s recommendation for the hanging sculpture concept presented by Criswell & Henrickson. Hearing no objection, it was so ordered.

B. Regulation – Docks and Harbors - Change to Speed Limit Boundary

Administrative Report: Attached. The manager had no recommendation.

Public Comment: None.

Assembly Action:

MOTION, by Dybdahl, for orders of the day. Hearing no objection, the regulation was deemed approved.

C. Export Manufacturing

Administrative Report: Attached. The Assessor Office determined that the property being requested for exemption met the code requirements. The Assessor’s Office recommended approval of this exemption request.

Public Comment: None.

Assembly Action:

MOTION, by Chambers, to approve the following exemption requests:

2. Taku Smokeries filed a manufacturing exemption for machinery and equipment, furniture and fixtures, and a vehicle totaling $47,950.00 ($497.24 in property tax).
3. Alaskan Brewing Company (AKBEV, LLC) filed a manufacturing exemption for machinery and equipment and vehicles totaling $407,666.00 ($4,227.50 in property tax).

Hearing no objection, it was so ordered.

XI. STAFF REPORTS

A. Energy Loans/Grants Update

Mr. Swope said that United Way has received four applications from qualified non-profit groups, which include Helping Hands, REACH, AWARE, and the Glory Hole, for a total of $6,700 paid to AEL&P on their behalf. The grant program being administered by Catholic Community Services has processed and approved 1,200 applications for a total of $196,000 paid directly to AEL&P. JEDC has not issued any business loans to date.

Mr. Wanamaker said there were organizations in the community such as SAIL that could use this program and he asked the manager if he knew why they had not requested assistance. Mr. Swope said that Brenda Hewitt of United Way said she did expect others to apply. The program was well
advertised but specific groups had not been directly contacted. Mr. Wanamaker asked that United Way reach out to the non-profits to let them know about the program through additional public notice.

Ms. Chambers asked when the application period would close – she thought it was September. Mr. Swope said we will hold it open for another month, as all have gotten their large bills, and we want to capture those who may not have applied but intend to. It is a judgment call.

Mr. Doll said he encountered one person who paid her own bill and was not aware of the program. There may be people who have similar administrative challenges that can be assisted.

B. DZ Covered Play Area

Mr. Swope said all were familiar with the project and the Assembly needed to direct the manager to file an application with the State DEED to determine if the project qualifies for state reimbursement at some level, perhaps 60 – 70%. We need this information to know the cost of the project, to make decisions and to assist bond counsel in drafting the ordinance. The State said this would take 10 days to get a response. Assuming you wish to move forward, bond counsel will be directed to draft the bond ordinance language, introduce the ordinance at the August 11 Assembly meeting, with a public hearing and action at the August 25 Assembly meeting, in order to place the issue on the October 7 ballot for voter consideration. The application is ready for submission to DEED.

MOTION, by Wanamaker, to direct the city manager to prepare and submit an application with DEED to determine if the project qualifies for state reimbursement.

Mr. Sanford asked for the response from the school district. Mr. Swope said the School Facilities committee and the School Board reviewed this project. It is included with a number of other similar projects and was number four on their priority list. They were not inclined to single it out and elevate this project, however, the Assembly has the latitude to act on this as a stand-alone project.

Ms. Chambers said that her understanding was that the school board would not oppose the Assembly pulling this project out.

Peggy Cowan, School Superintendent, distributed a memorandum from the School Board. Mayor Botelho read the following:

“On June 17, 2008, at the Regular Board meeting, the Juneau Board of Education approved the Facilities Committee’s recommendation to forward the Juneau School District’s priority list for funding Capital Improvement Projects for FY10 with the same projects and order as the FY09 list, and with no objections for the Assembly to keep funding for the DZ covered playground as is, or to fund this separately. The motion was made by Phyllis Carlson, seconded by Mark Choate, and had unanimous approval by Board members present.”

Hearing no objection, the motion passed.

C. Notice of Proposed Decision from State Office of Administrative Hearings

Mr. Hartle said CBJ was in receipt of a decision by an administrative law judge on a case regarding the PERS status of Community Service Officers (CSOs). PERS challenged the placement of CSOs in the “peace officer” position, eligible for a 20-year retirement. CBJ won the case on all points and Barbara Ritchie’s work was outstanding in achieving this positive result for CBJ. The decision is not final yet, the state can still challenge, but it is a good sign.

Mr. Sanford asked if it was still a policy of the department to not allow CSOs to carry guns. Mr. Swope said the CSO would need to be a certified police officer through training at the Academy to carry weapons – this decision is completely separate from that aspect of the job.
D. Solid Waste Program Update

Mr. Hartle said he, Joe Buck, and Maria Gladziszewski comprise the CBJ staff task force on solid waste. They have met with Arrow Refuse and Waste Management several times to flesh out the concepts. Both teams have been very helpful and knowledgeable. There are many tasks and “chicken and egg problems.” Many things need to be done simultaneously. The solid waste code has to be developed, and he has reviewed several similar codes from communities around the state that include universal service and contracting with a hauler and a party to receive the waste. We will hire a consultant for a rate study, as the goal is to keep the rates down – it will only work this way. This study would be an update and refinement of the existing study. The process currently is transparent through the Regulatory Commission of Alaska (RCA). We need to determine the best process for returning, sorting and marketing the recyclables. A materials recovery facility will need to be built. We will work with the RCA requirements for the city to take over the hauling certificate from Arrow. This is part of the chicken and egg – we need to have code in place before we can get RCA approval and the rate fixed as well. There will be a second ordinance for the rates. All things require lead time, particularly the RCA process, materials recovery facility, the rate study, new trucks and carts and figuring out the billing process. A new pickup program will have to be initially implemented in the summer and one of the ways to save money will be new trucks with arms that pick up the containers. There will also be additional increase in pickups for picking up the recyclables, which increases the costs. We hope for implementation for next summer, or perhaps the fall or spring.

Ms. Chambers asked about the discussion of the solid waste coordinator position, when that person might start work, and had there been any discussion about the plasma process presented.

Mr. Hartle said the staff had not considered the plasma idea and Mr. Swope had more information on the staff position.

Mr. Swope said the new position would do a lot of what the team was doing now. He settled on letting the current team continue, and he plans to bring on additional staff to look at the rates and review the proposal. We will hold off until October, and the funds saved will be used by legal staff to review the rates and contracts we are considering entering into an agreement with Waste Management and Arrow Refuse.

Mr. Sanford said the rates will drive this enterprise, so if the rates can be settled sooner than later, this will help. He will need this information to help him make his decision. He was concerned about the cost of constructing a recyclable material facility and if this increased the rates a great deal, it would be hard for him to support.

Mr. Hartle said the committee completely agreed and their discussions were focused on the effect on the rates. Arrow Refuse has reviewed the consultant’s study that included a tentative rate schedule and they say it is in the ballpark. We are putting out an RFP now for a rate study.

Mr. Doll said that a solid waste handling facility would be a recycling facility. Mr. Hartle said yes. Mr. Doll said the landfill will still be there in its current operational state. Mr. Hartle said yes, the goal will be to divert 40% of the waste tonnage into a recycle facility. Mr. Doll said he would not imagine this will be a sophisticated structure – just a larger version of the current facility.

Mr. Hartle said that was correct, there would be a baler and the bales would need to be protected from the weather. This would be an unheated steel building.

Mr. Wanamaker asked if there was an estimate for a per ton handling cost of the recyclables, a cost per ton to ship, a cost per ton for receipt of the materials and who would receive those funds.
Mr. Hartle said he did not have a firm per ton figure. He said that customers are paying $120 per ton for the landfill, so we are projecting there would be a lower cost than that. He said that the price of recyclables are high now and it is a good time to go into that market.

XII. ASSEMBLY REPORTS

A. Committee Reports

Committee of the Whole: Chair Wanamaker said the committee heard an informational presentation on Plasma technology in converting waste to energy. He will speak with the manager about a possible agenda for the next meeting and so schedule if needed.

Finance Committee: Chair Stone said the committee heard from the Chairman of the Board and CEO of Coeur d'Alene Mines on the status of the Kensington Mine and discussed a request for marine passenger fees.

Lands Committee: Chair Bush said the committee heard a presentation on the possible whale sculpture and how to assist the project to move forward. He expected to see a proposal in the near future before the Assembly. The committee discussed Auke Lake use and the location of the buoys. There is some dispute about how the buoys are located. The committee will take up this issue again at the July 7 meeting and he has asked the neighbors from all sides to seek compromise.

Human Resources Committee: Chair Chambers said the committee reviewed several board appointments for recommendation to the Assembly. Chair Chambers made motions, and without objection, the following appointments were made:

- Gerald Gotschall, and Ke Mell to the Historic Resources Advisory Committee, for terms expiring June 30, 2011.
- Kate Walters to the Parks and Recreation Advisory Committee, for a public seat with a term expiring February 28, 2010.
- Laurie Berg to the Airport Board, for a term expiring June 30, 2011

Public Works and Facilities Committee: Chair Doll said the committee took action on transfers, heard a report on the progress of the North Douglas Sewer project and the DZ Covered Play area, which led to the action at this meeting.

B. Liaison Reports

Bartlett Regional Hospital Board: Liaison Sanford said the BRH Board would meet Tuesday, June 24, 2008.

Docks and Harbors Board: Liaison Dybdahl said the D&H Board would meet Thursday, June 26, 2008.

School Board: Liaison Bush said he had been appointed by the School District to a School Activities Advisory Committee, to look into how to utilize and allocate funding between the two high schools, both this year and into the future.

C. Presiding Officer Reports

1. Corrigan-Pusich vs. CBJ Board of Adjustment - Adoption of Draft Decision
Mayor Botelho asked staff if any objections had been filed as to form, and Mr. Hartle said no.

MOTION, by Wanamaker, to approve the appeal decision. Hearing no objection, it was so ordered.

XIII. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Sanford asked if the Business Personal Property tax issue had been sequenced in over three years, where was this issue at in the sequence, and was there a need to review this ordinance. He asked for a report at the next meeting.

Mr. Doll said he was concerned that the impact of fuel costs fell on individual taxi drivers. We need to be aware that fuel costs have eaten deeply into the earnings of those individuals; we may need to give this some corrective action. Mr. Swope said the city received a letter from all four cab companies to look at this situation. We will have a staff person meet with them and discuss their recommendations.

Ms. Chambers said she was intrigued by the plasma waste to energy solution; her view was that there were no clear cost estimates of this facility. Mr. Swope said that was his recollection, and that Mr. West said it was comparable or less than incineration. She said she was interested in learning more about this and asked if it would be appropriate for the staff solid waste task force to review this, without it becoming a huge project for staff. This would be in an introductory way. Mayor Botelho asked if there was any Assembly objection, and none was expressed.

Mr. Dybdahl said that thanks to the efforts of AEL&P, the money required to be spent from CBJ funds to cover the energy costs will be less than anticipated.

Mr. Wanamaker, as chair of the Compensation Committee, scheduled a meeting for Friday, June 27, at Noon with Mr. Doll and Mr. Stone, at City Hall.

XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Albert Judson distributed documents to the Assembly and provided several reasons why he thought the Assembly should consider placing the question of the Juneau Access Project as proposed by the State Department of Transportation on the fall ballot. He cited past Assembly votes stating that there was and still is a conflict of interest on the Assembly, the true purpose of the road was to serve the Kensington Mine, and his objections to the road included cost, safety concerns and the past objections of the citizens in Juneau, Haines and Skagway to the project. He said he was willing to work with the attorney on the language for the ballot.

XV. EXECUTIVE SESSION

XVI. ADJOURNMENT - 8:08 p.m.

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