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THE CITY AND BOROUGH OF JUNEAU, ALASKA

May 14, 2007

MEETING NO. 2007-14: 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, Jeff Bush, Sara Chambers, Bob Doll, Johan Dybdahl, Merrill Sanford, David Stone, Randy Wanamaker, Bruce Botelho.

Assembly Absent: None.

Staff Present: Rod Swope, City Manger; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Debra Purves, Building Official; John Stone, Port Director; Marc Matsil, Parks and Recreation Director; Eric Mohrmann, Fire Chief; Craig Duncan, Finance Director; Roger Healy, Engineering Director; Joan Roomsburg, Sales Tax Administrator; Beth McEwen, Deputy Clerk; Kirk Duncan, Eaglecrest Manager; Rich Etheridge, Fire Marshal; Dan Jager, Deputy Fire Marshal.

III. SPECIAL ORDER OF BUSINESS –None.

IV. APPROVAL OF MINUTES

A. May 7, 2007 –Special Assembly Meeting 2007-13

Hearing no objections, the minutes of the May 7, 2007, Special Assembly Meeting 2007-13 were approved.

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

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS. – None.

VII. CONSENT AGENDA

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

B. Assembly Requests for Consent Agenda Changes – None.

B. Assembly Action

MOTION, by Stone, to adopt the consent agenda, and he asked for unanimous consent. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

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a. Ordinance 2007-33

An Ordinance Amending The Sales Tax Code Regarding Tuition Charged by Non-Profit Corporations.

Administrative Report: Attached. The manager recommended Ordinance 2007-33 be introduced and set for public hearing at the next regular Assembly meeting.

b. Ordinance 2007-34

An Ordinance Amending The Sales Tax Code Regarding Sales Of Goods Delivered Outside The City And Borough.

Administrative Report: Attached. The manager recommended Ordinance 2007-34 be introduced and set for public hearing at the next regular Assembly meeting.

c. Ordinance 2007-36

An Ordinance Establishing An Annual Fee For Commercial Business Participation In The CBJ Recycling Program.

Administrative Report: Attached. The manager recommended Ordinance 2007-36 be introduced and set for public hearing at the next regular Assembly meeting.

d. Ordinance 2006-11(AQ)

An Ordinance Appropriating To The Manager's Office The Sum Of \$24,823 As Partial Funding For The Development Of Stormwater Policies, Funding Provided By The United States Fish And Wildlife Service.

Administrative Report: Attached. The manager recommended Ordinance 2006-11(AQ) be introduced and set for public hearing at the next regular Assembly meeting.

e. Ordinance 2006-11(AV)

Appropriate \$135,000 for the Eaglecrest Mid-Mountain Chairlift CIP, funding provided by contributions raised by Eaglecrest Board of Directors.

Administrative Report: Attached. The manager recommended Ordinance 2006-11(AV) be introduced and set for public hearing at the next regular Assembly meeting.

f. Ordinance 2006-11(AW)

An Ordinance Appropriating to the Manager the Sum of \$800,000 as Partial Funding for the Streets Department's Fiscal Year 2007 Operating Budget, Funding Provided by the Roaded Service Area.

Administrative Report: Attached. The manager recommended Ordinance 2006-11(AW) be introduced and set for public hearing at the next regular Assembly meeting.

2. Resolutions

a. Resolution 2401

A Resolution Creating the Juneau Commission on Sustainability, and Repealing Resolution 2376 Relating to the Juneau Energy Advisory Committee.

Administrative Report: Attached. The manager recommended Resolution 2401 be adopted.

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3. Transfers

a. Transfer T-853

Transfer \$168,000 from Eaglecrest Deferred Maintenance CIP to Eaglecrest Mid-Mountain Chairlift CIP

Administrative Report: Attached. The manager recommended Transfer T-853 be approved.

4. Bid Awards

a. Valley Boulevard Sidewalk

CBJ Contract No. E07-123

Administrative Report: Attached. The manager recommended award of this project to Miller Construction Co. LTD in the Base Bid amount for a total award of \$1,039,475.00.

VIII. PUBLIC HEARING

A. Ordinance 2007-29

An Ordinance Amending the Building Code Provisions Regarding Sprinkler Protection.

Administrative Report: Attached. The manager recommended Ordinance 2007-29 be adopted.

Public Comment:

Dave Hanna, 11495 Mend. Loop Road, said there were quite a few people in the building trade who were concerned about the ordinance, it was inflexible, made it hard and fast on the square footages, and even though he was all in favor of sprinkler systems, there were some instances that a sprinkler system is not necessary. He spoke about a residence that he would build with a sprinkler, and a commercial building that he planned to build which he described the nature of, and that there was no valid reason to install a sprinkler system. The installation was costly, and the ongoing maintenance was also costly. In a large unheated warehouse facility storing non-flammables, it would be a burden to install a sprinkler system – even a dry sprinkler system, which required a heated facility. Sometimes the expense of this ordinance would be unnecessary. He asked the Assembly to table the ordinance and bring it before a group of builders. There were groups that were kept informed, but it was not brought to groups such as the Planning Commission as an action item. Unless there could be some crafty wording to allow exemptions to this ordinance, it would put unnecessary burdens on some buildings.

Mr. Doll asked if a building's use was changed, what would be the situation. Mr. Hanna said that would be a "change of use" which would require a permit from CDD.

Mr. Wanamaker asked if the end of July would be sufficient time to review this ordinance.

Neil MacKinnon, 5900 North Douglas Rd., owner of the Emporium Mall and said he heard about this ordinance through the Chamber of Commerce. He said mandatory sprinklers in downtown buildings had been reviewed and he asked what the intent of the ordinance was. The cost of putting a sprinkler system into an old building such as their's did not pencil out. It provided only 10% off on insurance costs. They traded off catastrophic loss with small losses such as a broken sprinkler head, which could damage renter's equipment. They installed a fire alarm system, which

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caught fires early and addressed the life safety issue, and their insurance covered the damages to property. The CBJ sand shed would need to be to have a sprinkler system installed. He asked if that made sense. Reporting alarms could meet the intention of the ordinance with less cost.

Robert Minch, 2950 North Douglas Highway, agreed with the testimony of the last two citizens. He saw a 4% increase in construction cost for new construction. He said he did not see much difference with this and the existing protections for life safety. No one liked to see buildings burn, and many times ISO and fire insurance costs were referred to, but there has been no presentation of information about what this exactly will do for us. He was sure this would increase costs to building owners and builders. This would slow down building development. This would add a big cost to low cost multi-family dwellings. He asked the Assembly to table this and to not discuss it further, or at least remove the 4000 s.f. spaces from the code. Building codes had been developed nationally, and this wiped out some of that thought process by adding local requirements. Under this ordinance, the Parkshore Condos could not be built today.

Mr. Doll asked what he thought of the current building requirements for sprinklers in building over 12000 feet. He said he had served on the building codes advisory committee at the time it was instituted and did not agree with that then or now. The building height might be a different issue, as there was a real issue with life safety then, but the model codes provided adequate fire protection.

Mr. Sanford asked if any other cities had similar strict codes. Mr. Minch referred to the Sitka and Ketchikan codes. Sitka was adopted after the cold storage burned down and it was a “non-thinking” response to a local problem. He was not sure why Ketchikan adopted their code.

Mr. Sanford asked about the downtown area and the potential loss. Mr. Minch said all three were losses due to fire from an external source – Holy Trinity, Ace Hardware, and the recent apartment fire, at which a cigarette on a couch on the porch had ignited the building. None of them were from internal source. Firewalls are reasonable. He asked the Assembly to not institute an ordinance to address downtown building issues on a borough wide level.

Assembly Action:

MOTION, by Wanamaker to refer to the PWFC, for additional consultation with the building trades.

Mr. Stone asked Chief Mohrmann to speak to the comments made.

Chief Mohrmann said this ordinance had been introduced to PWFC as a suggestion for addressing the fire concern downtown, it was reviewed at length, there were concerns that have arisen since that time, regarding types of buildings, occupancies and uses, and the code advisory committee met and discussed the 4-hour wall to separate a building into areas thus not requiring the sprinkler system. They decided they would take up discussion of this during review of the 2006 codes and would not interject into this process. A 12,000 s.f. multiple floor building, with a significant fire, would be difficult to extinguish. There was no more effective extinguishing system than sprinklers. He understood the financial concerns.

Mr. Doll asked about the change of use and would this always trigger a building review. Chief Mohrmann said not necessarily. A change of goods stored in a warehouse could change the use of the building which could change the character of a building and no one might know that.

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Chief Mohrmann said the height of a building had an effect – the higher the building the more difficult to fight the fire as it became a chimney stack. With regard to sprinklers inside when the fire was started from an outside source, the sprinkler may not put the fire out that is outside, but once the fire came through the building, the sprinkler went off and the fire was put out. He gave an example of a building under construction that caught fire and when the fire reached the floor with the sprinklers, the fire was stopped.

Debra Purves, Building Official, said she was the staff liaison to the Building Code Advisory Committee, which had reviewed the ordinance. The committee agreed to support the Fire Department. There could be more work done, especially with regard to four hour fire walls, and in looking at the ISO ratings there could be a non-combustible one hour wall. They understood the wishes of the PWFC and the Fire Department, and would look at this with the review of the 2006 building codes.

Mr. Doll said the PWFC would be willing to hear this again, but would like it to go to the Building Code Advisory Board first. Mr. Sanford said he would like a time certain, such as early July, to come back to the Assembly. Mayor Botelho said this would not preclude other organizations or groups making comments. Mr. Wanamaker suggested the last regular meeting in July.

Hearing no objection, the ordinance was referred to the Public Works and Facilities Committee.

B. Ordinance 2007-30

An Ordinance Authorizing the Manager to Negotiate and Execute a Lease of Approximately Two Acres of City and Borough Land Located in Dimond Park, Within Lakeside Subdivision Tract II, U.S. Survey 4598, to the Juneau Community Foundation, a Nonprofit Corporation, for the Construction and Operation of an Indoor Field House.

Administrative Report: Attached. The manager recommended Ordinance 2007-30 be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Stone, to adopt Ordinance 2007-30.

Mr. Stone said he supported this and this was a great asset to the community. His concern was that Gold Rush Days needed a permanent home.

Mr. Doll asked about a comment made at the Planning Commission meeting about a lease CBJ had with Gold Rush Days for the space they occupied. He wondered about a resolution on this.

Mr. Swope said there was no lease. There was an agreement and understanding that they could stay there until other uses came forward. CBJ staff was looking for other locations, and may be able to accommodate them at the present if they were willing to relocate the operation a bit.

Hearing no objection, Ordinance 2007-30 was adopted.

C. Ordinance 2007-32 (b)

An Ordinance Authorizing Certain Harbor Improvements To Douglas Harbor, Auke Bay Loading Facility And Dehart's Marina; Authorizing The Sale And Issuance Of Revenue Bonds Of The City And Borough In The Principal Amount Of Not To Exceed \$10,620,000,

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For The Purpose Of Providing Permanent Financing For Said Improvements; And Providing For The Repayment Of Such Bonds Over A Term Of Years; Fixing The Date, Form, Terms, Maturities And Covenants Of The Bonds; Providing A Method Of Payment Therefore; And Reserving The Right To Issue Revenue Bonds On A Parity With The Bonds Upon Compliance With Certain Conditions.

Administrative Report: Attached. The manager recommended Ordinance 2007-32(b) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Bush, to adopt Ordinance 2007-32(b),

Mr. Bush asked if the bond debt service paid with harbor user fees would be fees specifically from those harbors being improved. He also asked if this was locking up all harbor fees for these specific projects. Mr. Stone nodded yes, that was correct.

Hearing no objection, Ordinance 2007-32(b) was adopted.

D. Ordinance 2006-11(AM)

An Ordinance Transferring The Sum Of \$15,000 To The General Fund, Funding Provided By The Juneau International Airport.

Administrative Report: Attached. The manager recommended Ordinance 2006-11(AM) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Anderson, to adopt Ordinance 2006-11(AM), and he asked for unanimous consent.

Hearing no objection, Ordinance 2006-11(AM) was adopted.

E. Ordinance 2006-11(AR)

An Ordinance Appropriating To The Manager The Sum Of \$37,598 As Funding For Storm Damage Repairs, Funding Provided By Alaska Department Of Military And Veteran's Affairs.

Administrative Report: Attached. The manager recommended Ordinance 2001-11(AR) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Sanford, to adopt Ordinance 2006-11(AR), and he asked for unanimous consent. Hearing no objection, Ordinance 2006-11(AR) was adopted.

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F. Ordinance 2006-11(AS)

An Ordinance Appropriating to the Manager the Sum of \$731,974 as Partial Funding for the Thunder Mountain High School, Funding Provided by General Obligation Bond Interest Income.

Administrative Report: Attached. The manager recommended Ordinance 2006-11(AS) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Bush, to adopt Ordinance 2006-11(AS).

Mr. Bush asked if this \$732,000 was already accounted for in the budget or was it essentially new money that had not been accounted for in the budgeting of the school so far. The number was close to what Bond Proposition #3 was appropriating.

Mr. Swope said this money had been accounted for already.

Hearing no objection, Ordinance 2006-11(AS) was adopted.

G. Ordinance 2006-11(AT)

An Ordinance Appropriating to the Manager the Sum of \$2,400 as Funding for the Purchase of Artworks for the Juneau-Douglas City Museum, Funding Provided by Museums Alaska, Incorporated.

Administrative Report: Attached. The manager recommended Ordinance 2006-11(AT) be adopted.

Public Comment: None.

Assembly Action:

MOTION, by Stone, to adopt Ordinance 2006-11(AT), and he asked for unanimous consent. Hearing no objection, Ordinance 2006-11(AT) was adopted.

IX. UNFINISHED BUSINESS – None.

X. NEW BUSINESS

A. Liquor Licenses

2007-2008 Renewals:

Administrative Report: Attached. The manager recommended the Assembly accept the recommendations of the Human Resources Committee.

MOTION, by Wanamaker, that the Assembly accept the recommendation of the Human Resources Committee to waive the right to protest the renewal of the following liquor licenses:

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1081	Squires Rest	11806	Glacier Hwy
4034	Loyal Order of Moose #700	8335	Airport Blvd
816	El Sombrero Mexican & American Food	157	S Franklin St
313	Prospector Hotel/TK Maguires	375	Whittier Street
4543	Breeze-In	5730	Concrete Way
2728	G. W. Teal	9105	Mendenhall Mall Rd
644	Marlintini's Lounge	9121	Glacier Hwy 2nd Floor
3720	Timberline Bar & Grill	1800	Foot Level
355	BPO Elks Lodge #420	109	S Franklin St
176	Breeze-In Liquor	8 Mile	Old Glacier Hwy [2200 Trout Street]
3352	Costco Wholesale #107	5225	Commercial Way
300	DeHarts	11735	Glacier Hwy
662	Douglas Island Breeze-In	3370	Douglas Hwy
828	Papadrew's	11957	Glacier Hwy
3409	Gold Creek Salmon Bake	1061	Salmon Creek Lane
188	Bullwinkle's Pizza	318	Willoughby Ave
2185	Canton House	8585	Old Dairy Rd
2641	F&M Oriental Express Restaurant	210	Seward St
2175	Silverbow Inn, The	120	Second Street
1915	Thane Ore House	4400	Thane Road
3568	Alaska Distributors Company	2266	Industrial Blvd
4081	K & L Distributors	8420	Airport Blvd
4080	K&L Beverage Company LLC	8420	Airport Blvd

Hearing no objection, it was so ordered.

MOTION, by Wanamaker, that the Assembly accept the recommendation of the Human Resources Committee to protest the renewal of the following licenses:

2844	Sandbar, The	2525	Industrial Blvd
2533	Viking Restaurant & Lounge	216	Front Street
3956	Barcar's	230	Seward Street
4584	Zephyr	200	Seward St

The protest may be removed under the condition that they comply with all CBJ codes, including payment of delinquent accounts and compliance with building code issues prior to action by the State of Alaska Alcohol Beverage Control Board.

Mayor Botelho said to clarify, if all objections were cleared, the protest would be withdrawn.

MOTION, by Wanamaker, that the HRC recommends protest of renewal of License #1384, Jovany's Italian Restaurant, 9121 Glacier Hwy, owned by Alfonso O & Nenita S Soriano, for purposes of an informal hearing, in order to allow the licensees to address the assembly.

Mr. Wanamaker said the HRC recommendation was to protest based on delinquent sales taxes.

Mayor Botelho said code provisions required that an applicant be provided notice and an opportunity to be heard to defend the application.

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Mr. Loren Domke spoke as an attorney representing Al Soriano, dba, Jovany's. He came into sole possession of Jovany's during a divorce and was not aware of the tax delinquency, as he was not conversant in English, and was not part of the bookkeeping for the business. Upon knowledge of the sales tax debt, he obtained a bank loan, which had been used to pay off a portion of the debt, and he had agreed to pay the remaining debt, with interest, over three year period through the offer of a promissory note. The city's policy was to protest the renewal of a license with any outstanding debt, and this protest could cause Mr. Soriano to lose his liquor license which he needed to assist in earning money to pay off the debt. The city's policy did not give the ABC Board much latitude. That Board was required to withdraw or remove a license based on the city's recommendation, unless the recommendation was irrational. If the intent of the city's policy was to get payment, and strict application of the policy may end up with the city not being paid. He requested that the policy be set aside to allow Mr. Soriano to be able to maintain a viable business.

Mr. Anderson asked about the interest rate. Mr. Domke said it was 9-10%.

Mr. Doll asked when the transfer of the business took place and how long Mr. Soriano had known of the debt. Mr. Domke said Mr. Soriano started filing correct returns after June 2006 when the divorce was final. CBJ subsequently performed an audit and noted the arrearages.

Mr. Doll asked if Mr. Soriano thought he could meet the debt. Mr. Domke said yes, if he had his license and it was a good summer.

Mr. Bush asked if the promissory note was this a formal written payment plan. Mr. Domke said yes, he had drafted one, and CBJ had not signed the document. Mr. Soriano was prepared to sign the promissory note if the protest issue could be waived.

Mr. Wanamaker asked how long Mr. Soriano had been in this business. Mr. Domke said it had been at least 10 years.

Joan Roomsburg, Sales Tax Administrator, said that the Finance Department had recommended protest to the ABC board. If there was a delinquent sales tax, standard procedures were to recommend objection.

Mayor Botelho asked about the agreement on a repayment schedule and if it had been complied with, however informal. Ms. Roomsburg said there was a confession of judgment without signature, and they sent a promissory note. The Law Department had not agreed to this agreement to pay \$1,035 per month, however, Mr. Soriano had been consistently paying that.

Mr. Anderson asked if Mr. Soriano had also paid a lump sum payment \$10,000. Ms. Roomsburg said yes. Ms. Roomsburg said she was not aware of any exceptions made by city for a case such as this in her years with the city.

Mr. Bush asked if the confession of judgment was signed, would there still be a protest recommended. Ms. Roomsburg said yes, that was stipulated in the confession of judgment paperwork.

Ms. Roomsburg said this situation was similar to another situation tonight that had been recommended for protest at this meeting.

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Ms. Chambers asked about the timeline of the audit and the notices. Ms. Roomsburg said that the business was noticed about the audit in August of 2006 and the audit was completed in December 2006.

Mr. Anderson asked if CBJ could pursue the Mr. Soriano's ex-wife for the debt.

Ms. Roomsburg said the decree of divorce provided that the ex-spouse was no longer responsible and Mr. Soriano was responsible for the establishment.

Mr. Doll asked who was responsible for paying the tax when it was in arrears. Ms. Roomsburg said the business was listed as a sole proprietorship of Al Soriano. Mr. Hartle said that Mr. Soriano had requested that his wife's name be removed from the business and that she no longer had any responsibility. Mr. Doll asked if he had not made that request, if she would still be partially responsible. Mr. Hartle said probably so.

Mr. Domke said the ex-wife asked him to sign this document, and he did not understand it. He is an accommodating person, he does not understand a waiver, he understands how to run a restaurant, and the policy is designed to encourage merchants to pay the tax. And if strict application of the policy will prevent this, then a strict application is not practical. One could not ask for more than this firm offer of compliance with a payment plan.

Ms. Chambers asked about the timing of the divorce in regard to the beginning of accurate payment of sale tax. Mr. Domke said that the ex-wife continued to sign sales tax returns three months following the divorce without Mr. Domke's knowledge. It was not until Mr. Soriano got professional advice that he started paying accurate returns. Ms. Chambers said it appeared that as soon as the audit was completed, he was immediately working toward a restitution to the city. Mr. Domke said that was correct.

Mr. Anderson asked if it was part of the agreement of the divorce that he take over all tax or liability for Jovany's. Mr. Domke said no, as it was not an issue at the time that was known and was not an issue of contention. Mr. Domke said the waiver document was crafted by the spouse, and came to his attention in winter 2007, well after the divorce.

Mr. Wanamaker asked if the promissory note was binding to the city. Mr. Domke said yes, it had the same payment terms as the city required and was an unconditional promise to pay a sum certain.

Mr. Wanamaker asked Mr. Hartle if he considered the promissory note binding. Mr. Hartle said the city would have to sue them for the amount. The city provided a confession of judgment which saves the need for a lawsuit, as it rules in favor of CBJ and against the business. The city had provided this form to Mr. Soriano but it had not been signed.

Mr. Wanamaker asked if it was possible for the city to obtain a confession of judgment and not protest the license. Mr. Hartle said that the form says in a stipulation, that in and of itself, it does not suffice to prevent a protest.

Mr. Bush asked Mr. Hartle that though there was no confession of judgment, and we have heard from counsel that they may be willing to sign such a thing, if we had a confession of judgment on the city's standard form, was it his opinion, or would he be comfortable in compliance with it with the Assembly retaining the right to protest under those conditions. He understood that protest assumed delinquency, and were they legally delinquent if they were complying with a repayment

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plan. Mr. Hartle said in his opinion they were delinquent in remitting taxes collected from the public which is a breach of trust and also a crime.

Mr. Dybdahl asked all other reasons the Assembly could protest a license other than delinquent taxes. Mr. Hartle said failure to remit sales taxes, property taxes, LID's, and other charges or assessments owing to the borough, relocation of the license so that after that relocation there would be a higher concentration of liquor licenses in a certain area, violations of the zoning code, fire, health and safety codes, and law enforcement difficulties if there were many calls to the establishment.

Ms. Chambers asked if there was anything precluding the city from pursuing payment from the ex-wife. Mr. Hartle said not that he knew of, though there was the document from Mr. Soriano, and the city would have to sue and allege that she was responsible.

Mayor Botelho recommended the Assembly recess into executive session at the end of the meeting to deliberate this quasi-judicial informal hearing, to allow the business of the meeting to continue. Hearing no objection, it was so ordered.

B. Regulations

Dogs and Domesticated Animals in CBJ Parks and Recreation Areas

Administrative Report: Attached. The manager recommended no action.

Public Comment: None.

Assembly Action:

Mr. Doll said the only comments he had heard was for the provision of more dog friendly trails. He said he was a dog owner but not necessarily a dog lover, and asked how many of the those trails were left. Mr. Swope said he was a dog owner and dog lover, and said it seemed there were many trails that allowed dogs, however most required leashes.

MOTION, by Stone, orders of the day. Hearing no objection, it was so ordered.

C. Additional Funds for Engineering Design Services For the Auke Bay Commercial Loading Facility

Administrative Report: Attached. The manager recommended approval.

Public Comment: None.

Assembly Action:

Hearing no objection, the Assembly approved the Docks and Harbors request to proceed with engineering services for the Auke Bay Commercial Loading Facility as it was in excess of \$100,000, and thus required Assembly approval.

XI. STAFF REPORTS

XII. ASSEMBLY REPORTS

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A. Committee Reports

Committee of the Whole: Chair Sanford brought forward recommendations of the COW from its discussion with the Annexation Study Commission at its meeting of March 19, 2007:

MOTION, by Sanford, to adopt the commission's recommendation #1, that the C.O.W. recommend to the Assembly adopt the Commission's boundary map for the CBJ as shown on the attached Map 6 as the ideal future boundaries for the CBJ. Hearing no objection, it was so ordered.

MOTION, by Sanford, to adopt the commission's recommendation #2, that the C.O.W. recommend to the Assembly to not file a petition to annex the territory shown on the Commission's Map 6 at this time. Hearing no objection, it was so ordered.

MOTION, by Sanford, to adopt the commission's recommendation #3, that the C.O.W. recommend to the Assembly to identify its future ideal borough boundaries, advise the LBC of these ideal boundaries, and defend those boundaries as necessary and appropriate. Hearing no objection, it was so ordered.

MOTION, by Sanford, to adopt the commission's recommendation #4, that the C.O.W. recommend to the Assembly to explore property taxation rate revision with the legislature and counterparts in the Alaska Municipal League. Hearing no objection, it was so ordered.

Finance Committee: Chair Stone reported on the last meeting of the Finance Committee, at which time the committee heard from the CBJ enterprise boards including the Airport, Docks and Harbors, and the Hospital on their budgets, and the next meeting was Wednesday, May 16, 2007.

B. Liaison Reports

Airport Board: Liaison Anderson said the Airport Board was providing a public presentations of the Environmental Impact Statement issued on the airport and were in the midst of preparing a presentation to the Assembly regarding sales tax funding.

Parks and Recreation Advisory Board: Liaison Anderson said that the U.S. Geological Survey was discontinuing its use of the facility on "Mayflower / Juneau Island" and that U.S. Fish and Game would take over the facility, so that it would not be an option for city use. CBJ will retain some of the exhibits, however, the majority would be moved the University of Alaska Anchorage campus.

Bartlett Hospital Board: Liaison Sanford said the board of directors would select a new Executive Director within the week.

XIII. ASSEMBLY COMMENTS AND QUESTIONS

Mayor Botelho asked about parking at Marine Park on non-ship days outside of the ship staging area along the street. Mr. John Stone said the board had addressed that issue before and would consider this again at an upcoming meeting of the operations committee. Staff had received requests which included keeping the steamship "brick yard" open for public parking during winter months. The board favored this but the conditional use permit for the area prohibited that use and an amendment would be needed to the C.U.P. The second request was opening the on street lane during non ship days. The board stopped doing this four years ago as there had been trouble converting the use between the ship days and non-ship days and getting vehicles to move. There

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were businesses which wanted this to be open and the ships wanted the lanes free. Mayor Botelho said the parking situation was critical and whatever could be done he urged the board to consider.

Mayor Botelho said Southeast Conference had asked Juneau to identify an elected official for discussion on a regional solid waste authority. Mayor Botelho asked Mr. Doll as chair of Public Works and Facilities Committee if he was willing to serve. Mr. Doll said he was, and no objection was heard from the Assembly.

Mayor Botelho said he had a request from a citizen for a resolution on Darfur. He expressed a concern about the Assembly spending time on foreign policy issues, both for potential divisiveness (although he was sure on this issue there was a lot of sympathy,) doing so could set a precedent, and divert time from dealing with issues closer to home. Ms. Chambers suggested that the International Relations Advisory Committee could look at this issue. Mr. Anderson said that there were a variety of opinions on issues beyond the bounds of CBJ and there were enough differing opinions on issues within CBJ and he preferred for members to address outside issues in their own way.

Mr. Sanford said the Committee of the Whole would meet on May 21, tentatively, to discuss Affordable Housing and DUI topics.

Mr. Bush reported on his attendance at the National Association of Counties conference in Fairbanks and said his primary focus was on climate change and methamphetamine issues. Mr. Bush expressed concerns about the language of the voter information pamphlet, specifically the way the chart on page seven was formatted and the bold font providing emphasis to the total cost of the project, which showed an increase of almost \$10 million for the total project. He thought the emphasis should be placed on the decreased cost to the voters if the propositions passed due to the state reimbursement. He understood this may already be at the printers and it was too late to make changes, and that the Assembly did not craft voter pamphlets. The School Board had brought this to his attention.

Mr. Swope confirmed that the pamphlet was at the printer and that changes would cause delays and expense. The Assembly had not been involved in the drafting or review of the voter information and had left that to staff as there were a variety of opinions on issue among the elected officials. He said that the pamphlet had been reviewed jointly with school district staff, engineering, law and administrative staff, and if there had been a bias it would have been picked up in that group of reviewers. This chart was intended to be a summary of the extensive information in the other areas of the publication and staff discussed whether or not to include it. There was a lot of narrative on the propositions and the thought was to summarize it on one page.

Mr. Anderson understood Mr. Bush's concern, but elected officials should stay away from the wording of the pamphlet.

Mr. Bush agreed that the Assembly should stay away from this task, but felt a mistake had been made and he should point this out. He understood this was to be cleared with the school district. More than one school board member was upset with this well before it went to the printer so there may have been a process breakdown on this piece.

Mr. Doll expressed his chagrin that the letter from the National Marine Fisheries Service was not before the Assembly on Monday night, and asked Mr. Swope if he was operating under the assertion that CBJ did not own the land. Mr. Doll said to proceed as far as we have is embarrassing. The people that do own the land are asserting their interest in wanting to control it.

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He would like to have known this before the vote Monday night. There was a March 19 meeting at which NMFS objected to the program. The fact that they objected should have been made known to Assembly. His impression was that Dr. Mundy's testimony did not agree with his boss' opinions, and his testimony was key in changing the direction of the Assembly's actions. Mr. Swope said the letter from NMFS was not available when the packet was prepared. We have talked at great length that the CBJ does not own the lake; it is under the ownership of the state and the authority of the Department of Natural Resources, which has abdicated its responsibility regarding use issues to the city. Regarding the other ownership, while they are asserting ownership – we totally disagree – we have transfer of titles way back to show CBJ ownership.

Mr. Stone said it was clearly established in the Lands Committee minutes that DNR had ownership of the lake and they expected CBJ to act.

Mr. Anderson said he noted the discrepancy between Dr. Mundy's testimony and the NMFS letter. Mr. Swope had told Mr. Anderson that he would contact NMFS and attempt to reconcile the testimony and the letters. Mr. Swope said that was correct and he would be seeking a written response.

Mr. Doll noted that it appeared that the NMFS letter was sent only to federal agencies, with the exception of R&M Engineering, which was acting as an agent of CBJ on this project. The assertion that DNR owns the land seems to be in contradiction to what Fish and Wildlife asserts and he guessed that in arriving at an essential fish habitat determination that would be part of the conclusions. This could be a much longer process than anyone anticipated.

Mr. Wanamaker expressed thanks to the state and federal agencies and the city staff for their assistance to cruise ship passengers of the Empress of the North in their time of need.

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

XV. EXECUTIVE SESSION

Mayor Botelho announced that the Assembly, in its quasi-judicial capacity, would recess into executive session to consider the HRC recommendation to protest the renewal of the liquor license issued to Jovany's. At the conclusion of executive session the decision would be announced. As a matter specifically exempted from the open meetings act, serving in a quasi-judicial capacity, public permission was not required.

The Assembly went into executive session at 8:45 p.m. and returned to regular session at 9:02 p.m.

Mayor Botelho said the Assembly considered the request regarding the protest of the Jovany's liquor license renewal, the Assembly deliberated and issued the following decision: The Assembly will waive its right to protest the issuance of a license renewal so long as the licensee enters into a confession of judgment prepared by the (CBJ) Department of Law, further, the Assembly will continue to waive its right to protest so long as the licensee, a) remains current on a payment of its arrearages, b) stays current with ongoing sales taxes owed, and c) complies with all other laws.

XVI. ADJOURNMENT – 9:04 p.m.

Signed: _____ Signed: _____
Laurie J. Sica, Municipal Clerk Bruce Botelho, Mayor

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