

# THE CITY AND BOROUGH OF JUNEAU, ALASKA

## Meeting Minutes – March 4, 2013

**MEETING NO. 2013-07:** The Regular Meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 7:00 p.m. by Mayor Merrill Sanford.

### I. ROLL CALL

Assembly Present: Mary Becker, Karen Crane, Johan Dybdahl, Loren Jones, Jesse Kiehl, Jerry Nankervis, Merrill Sanford, Carlton Smith, and Randy Wanamaker.

Assembly Absent: None.

Staff Present: Kim Kiefer, City Manager; Rob Steedle, Deputy City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Beth McEwen, Deputy Clerk; Rorie Watt, Engineering Director; Gary Gillette, Port Engineer.

### II. SPECIAL ORDER OF BUSINESS

In honor of the 100<sup>th</sup> Anniversary of the first Legislative Session in Alaska, Mayor Sanford provided some historical facts to give a sense of what was happening in 1913.

- January 1 - the first open house was held at the Governor's mansion.
- March 3 - Territorial Legislature meets for first time in the Elks Lodge Hall.
- March 21 - Women in Alaska are granted the right to vote.
- April 11 - J.T. Martin was appointed first Chief of Police and B.D. Blakeslee was appointed first City Engineer.
- April 13 - Construction of Salmon Creek Dam begins.
- April 18 - John F.A. Strong, owner of the Alaska Daily Empire, a Juneau newspaper was appointed Governor of Alaska.
- September 16 - Alaskan Hotel opens (oldest operating hotel in Alaska).
- November - Alaska Gastineau Mill was constructed.
- December 16 - Bergman Hotel opens.
- The Alaska Native Brotherhood was established by Roy and Elizabeth Peratrovich.

### III. APPROVAL OF MINUTES

A. February 11, 2013 – Special Assembly Meeting 2013-04

Hearing no objection, the minutes of the February 11, 2013 Regular Assembly Meeting 2013-04 were approved.

### IV. MANAGER'S REQUEST FOR AGENDA CHANGES – None.

### V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

Mark Halsted, 400 St. Ann's Ave., Douglas, said he lives in a home that he and his father built. On September 26, 2012, a mudslide occurred on city property onto Sandy Beach recreation area. He has attempted through numerous letters to address this and has given up with letter writing. He wrote to all the Assembly and his letter had not been acknowledged. Ms. Kiefer wrote to him; she had Mr. Bohan of the Engineering Department write an Engineer's Report. Mr. Halsted told Ms. Kiefer that there were numerous false statements in Mr. Bohan's report. He wondered if Mr. Bohan had even seen the property. The letter regarding Mr. Bohan's report was written by Mila Cosgrove in Risk Management using Ms. Kiefer's letterhead. He said he was very upset by the city's response as well as concerned about the undermining of his property. His fence was being pulled down by a tree on CBJ property. George Schaaf of the city looked at the situation and gave Mr. Halsted permission to remove the tree but it has to be at his expense. CBJ had allowed the Japanese knotweed to run rampant on the hillside and it had killed off all the native vegetation. He felt that was a contributing factor to the destabilization of the hillside. He said that this was the third mudslide to occur on this hill and there was one in front of each of the homes on the side of him. Something had to be done and he did not trust the engineering report provided to Ms. Kiefer. He said the city's tax assessor agreed with him. He hired an engineer who provided him with a cost to fix the problem that exceeded the value of his home. He felt this made his home unmarketable and he would therefore pay no further taxes. The property should be removed from the tax roll. He said he paid his taxes and he should know to whom he should write letters. He asked the Assembly to look at the situation and come up with a permanent solution.

## VI. CONSENT AGENDA

- A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction
- B. Assembly Requests for Consent Agenda Changes
- C. Assembly Action

MOTION, by Wanamaker, to adopt the consent agenda. Hearing no objection, it was so ordered.

### 1. Ordinances for Introduction

#### a. Ordinance 2012-20(AI)

**An Ordinance Transferring \$34,604 To The Library Endowment and Lands Funds, Funding Provided By Unexpended Capital Project Funds From The Closure Of Two Capital Projects.**

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

#### b. Ordinance 2012-20(P)

**An Ordinance Appropriating To The Manager The Sum Of \$850,000 As Funding For An Extended Stay Shelter for Battered Spouses and Abused Children, Grant Funding Provided by The Alaska Department of Commerce, Community and Economic Development.**

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

c. Ordinance 2013-07

**An Ordinance Creating Local Improvement District No. 97 Consisting of Construction of a Municipal Water Distribution System Within the Eagles Edge Subdivision.**

Administrative Report: Attached. The manager recommended Ordinance 2013-07 be introduced and set for public hearing at the next regular meeting.

d. Ordinance 2013-08

**An Ordinance Authorizing the Port Director to Negotiate and Execute a Lease With Harbor Enterprises, Inc., d/b/a Petro Marine, for Upland Areas at the Don Statter Harbor Facility, Including an Easement for Fuel Lines Extending Through City and Borough Property to Connect Fuel Storage Tanks to the Fuel Float.**

Administrative Report: Attached. The manager recommended Ordinance 2013-08 be introduced and set for public hearing at the next regular meeting.

2. Resolutions

a. Resolution 2635

**A Resolution De-Appropriating \$2,752 from the Hagevig Fire Training Center Capital Improvement Project.**

Administrative Report: Attached. The manager recommended adoption of Resolution 2635.

3. Transfer

a. T-942

**A Transfer of \$1,395,542 from Various Completed Capital Projects to Various On-Going Capital Projects.**

Administrative Report: Attached. The manager recommended approval of Transfer T-942.

4. Liquor License

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

**Beverage Dispensary License Transfer:**

License #2728 Transfer of Ownership and Name Change

Transfer FROM: Los Arcos Inc. d/b/a G.W. Teal, Location: 9105 Mendenhall Mall Road, Suite A

Transfer TO: Molly Ventures, Inc. d/b/a McGivney's Sports Bar & Grill, Location: 9105 Mendenhall Mall Road, Suite A

**Package Store 2013/2014 License Renewal**

License # 828 – Jack D. Tripp d/b/a Tripp's Viking Liquor, Location: 151 S. Franklin Street, Juneau

## VII. PUBLIC HEARING

A. Ordinance 2013-06

**An Ordinance Authorizing the Port Director to Negotiate and Execute a Lease of ATS 1170, Located at Approximately 13395 Glacier Highway.**

Administrative Report: Attached. The manager recommended Ordinance 2011-11(AR) be adopted.

Public Comment: None.

Assembly Action:

*MOTION, by Jones, to adopt Ordinance 2013-06. Hearing no objection, it was so ordered.*

## VIII. UNFINISHED BUSINESS – None.

## IX. NEW BUSINESS

A. Liquor License 2013/2014 Renewal

**Restaurant/Eating Place License:**

License #2641 Sprazzo, LLC d/b/a Sprazzo, Location: 112 N. Franklin Street

Administrative Report: Attached. The manager recommended the Assembly proceed according to the recommendations of the Assembly Human Resources Committee.

Public Comment: None.

Assembly Action:

HRC Chair Kiehl said that after hearing comments from the Sales Tax Administrator and considering comments from the Fire Marshal, the HRC made the following recommendation:

*MOTION, by Kiehl, to protest the renewal of Restaurant/Eating Place License #2641, Sprazzo, LLC, DBA Sprazzo, based on the requirement to submit a satisfactory sprinkler system inspection report and the need to pay the outstanding balance owing for the September 2012 sales tax return, penalties and interest for a total amount as of March 1, 2013 of \$4951.60. Hearing no objection, it was so ordered.*

## X. STAFF REPORTS – None.

## XI. ASSEMBLY REPORTS

A. Mayor's Report

Mayor Sanford noted correspondence received by the Assembly since the last meeting in the blue folder. He asked if there was interest in an Assembly resolution supporting the Juneau

Commission on Aging's request for Assembly support of expansion of the Juneau Pioneer Home.

MOTION, by Kiehl, to ask the attorney to draft a resolution in support of expansion of the Juneau Pioneer Home. Hearing no objection, it was so ordered.

Mayor Sanford noted that CBJ had received an invitation from Petersburg to attend the Little Norway Festival in Petersburg on May 16 – 19. He said he would like to meet with the Assembly of Petersburg at a time of year when there was an opportunity for direct exchange and sharing.

#### B. Committee Reports

Committee of the Whole: Chair Becker said the COW met and heard a report from Lance Stevens and Bill Peters from the Juneau Housing Panel of Lenders. The next meeting was March 11 and the COW would hear from the Panel of Realtors and from the Juneau Commission on Aging.

Human Resources Committee: Chair Kiehl said the HRC heard annual reports and reviewed and recommended the following board appointments. Hearing no objection, the following appointments were made:

**Americans with Disabilities Act Commission:**

Lesley Thompson for a term expiring August 31, 2015.

**Board of Equalization:**

John Gaguine and Ed Kalwara were reappointed to terms expiring December 31, 2015.

Lands Committee: Chair Smith said the next meeting was set for Monday, March 11, at 5 p.m.

Finance Committee: Chair Crane said the next meeting was set for Wednesday, March 13, at 5:30 p.m.

#### C. Liaison Reports

Hospital Board: Liaison Crane said the Hospital Board met last week, heard report from auditor, revised its mission statement and was working on strategic plan. The Board completed purchase of the medical building. A new information systems director was on board to help with conversion to electronic medical information and they were on track with their budget.

JEDC Innovation Summit: Liaison Jones said that the JEDC Board would hold a meeting on Wednesday, March 6, with a retreat to work on their strategic plan. He would not be able to attend the meeting.

Docks and Harbors: Liaison Jones said the Board was on track at Statter Harbor with the contractor installing new floats. There was significant discussion about the vessel for hire dock and the Operations Committee would host a public meeting on Tuesday, March 19 in the Assembly Chambers about the topic.

Airport Board: Liaison Dybdahl said the next meet was set for Wednesday, March 13, 6 p.m., at the Airport.

Alaska Municipal League: Liaison Crane said she attended the AML Legislative and Board meetings in Juneau on February 11, 13, and 14. She also attended the JEDC Innovation Summit and attended the Southeast Conference Mid-Session Summit.

Eaglecrest Board: Liaison Kiehl said the next meeting was set for Thursday, March 7, 5:30 p.m. in Conference Room 224.

Affordable Housing Commission: Liaison Kiehl said the next meeting was set for Tuesday, March 5, at 5:15 p.m. in Conference Room 224. Mr. Kiehl said that going forward, the Community Development Department would staff the Affordable Housing Commission (AHC), as it was previously staffed by the Lands Division.

Mayor Sanford asked for reporting from AHC to understand what they were doing. Mr. Kiehl said AHC would look at that. The property tax improvement deferral ordinance was under review by the Law Department.

Juneau Economic Development Council: Liaison Wanamaker said he attended the JEDC Innovation Summit and the mining support cluster group of JEDC. Discussion focused on how employment, parts, supplies, services, and equipment repair can all be expanded for mining in the area and in Canada. He found the report from the Portland Economic Development presenters very interesting and applicable to Juneau. He also attended a recent mining conference in Juneau at which he gave a presentation explaining all the types of native organizations in Alaska and how they are of interest to the mining industry. He said the rare earth mines - the Vulcan Mountain project near Ketchikan and Dora Bay rare earth deposits were the topic of excitement at the conference.

School Board: Liaison Wanamaker said the next Board meeting was set for Tuesday, March 5, at 6:15 p.m. at the JDHS Library.

University of Alaska: Liaison Becker said the UA was holding Saturday training sessions and she attended one on getting a building permit, which was very educational.

Alaska Committee: Liaison Becker said the Alaska Committee sponsored the reception for Southeast Conference and the JDHS Drama Group did the serving and singing to raise funds for their trip to Scotland to perform the play Pippen.

#### D. Presiding Officer Reports

USE2012-0019- Dau Appeal of Lemon Creek Gravel Extraction Permit: Presiding Officer Crane said the appeal was proceeding, the record was prepared, the appellants asked for a stay, Secon responded and there were several developments since the Pre-Hearing Conference. More information had been requested. In response to a question from Mayor Sanford, Ms. Crane said the mining was ongoing now.

USE2012-0016 – Veterans for Peace Appeal of Shooting Range: Presiding Officer Jones said the appeal was proceeding and the hearing was set for Monday, April 1, at 5:30 p.m. The first brief had been filed and the record would be less bulky than the dock project appeal.

## **XII. ASSEMBLY COMMENTS AND QUESTIONS**

Mr. Jones said several people had asked him if the Juneau Assembly would take a position on the ferry design. There was a Joint Senate and House Transportation hearing the next day. Mayor Sanford said at his meetings at Southeast Conference they had been pushing for safety for the ferry and passengers, so the open car deck was an issue. They also pushed for an economically run ferry system, which was supported by the Marine Transportation Advisory Board (MTAB). He fully supported those issues as Mayor at the Southeast Conference. There were two letters from the Sitka Mayor and the Haines Mayor that dealt with the ferry system and Juneau Access in one letter. Mr. Jones asked for a copy of the letters and Mayor Sanford said he could forward those. Mr. Jones said that he was told that Juneau's silence was taken as approval of the state's plan. Mayor Sanford said there was not silence from CBJ. Through the mayorship, Juneau had the support of the letters through MTAB on the three positions to bring to the administration. Mr. Jones said he would like to see the letters so he could respond to the public. Mayor Sanford said he would forward the letters from Southeast Conference and MTAB, and would forward the letters from the other Mayors, but he did not think Juneau would march down that road.

Mr. Nankervis reported on the recent Rainforest Classic hockey tournament for "old-timers" of 35 years and older. This was the 10<sup>th</sup> anniversary and there were 10 teams with people from Whitehorse, Dawson, Mat-Su Valley, Anchorage, Juneau, Carmacks, Petersburg, and Haines, with over 100 skaters in town. The banquet was Saturday night and Mayor Sanford presented a trophy provided by the Sister Cities Committee. Two members of the committee were present. The tournament was organized by Chris Mertl, who was also on the PRAC. The tournament went well and the players enjoyed the opportunity each year.

Mr. Nankervis asked about the "Frankenfish" issue forwarded from the Juneau Chamber of Commerce. Mayor Sanford said it was referred to the Fisheries Development Committee and a draft resolution would be put before the Assembly in time to comment before the extended deadline.

Mr. Smith said he attended a meeting at the airport about future concession concepts involving retail and food at the airport. He encouraged the public to attend the future meetings on these comprehensive issues.

Mr. Dybdahl asked for more explanation regarding the issue brought up by Mr. Halsted. He said he does not usually respond to emails to the Assembly until he sees a response from the manager's office.

Ms. Kiefer said she asked the Engineering Department to look at the property and their response was that the city had not done anything that would contribute to any sloughing of the bank or would cause the hillside to give way. She was told that it was a long-term situation and there was no need for the CBJ to act on this matter. The confusion on the letter was that the letter went out when Ms. Kiefer was out of town and Ms. Cosgrove signed it on her behalf. She was happy to revisit the situation but to her knowledge, CBJ had not done any work that would cause the hillside to slough.

Ms. Crane asked if it were CBJ property, would not there be some responsibility to respond to the situation? Ms. Kiefer said she would look at past practices and speak with risk

management, engineering and the city attorney. Ms. Crane suggested the possibility of a third party inspection.

Mayor Sanford asked if during any of the letter writing were the three properties addressed or was it only Mr. Halsted's property that was addressed. Ms. Kiefer said she had not heard concerns from residents on either side. A number of years ago the city did some work to stabilize the slope closer to the Treadwell Ice Arena. She would review the situation and talk with staff to determine what course of action to take, and would report to the Assembly and to Mr. Halstead. Mayor Sanford told Mr. Halstead that Ms. Kiefer would be the point of contact on this matter.

Mr. Kiehl said that Senator Mark Begich was in town and was active with the Frankenfish issue. Mr. Kiehl attended the Women of Distinction event sponsored by AWARE, at which the following women were honored: Mary Ellen Arvold, Jackie Martin, Colleen McKenzie and Kathy Kolkhorst Ruddy.

Ms. Becker met with the Japanese Counsel General based in Anchorage on a short visit and he was interested in the possibility of establishing a sister city exchange. She will contact the Sister City Committee.

Ms. Becker said Southeast Conference was well attended and interesting. They showed the premier of the film celebrating the 50-year anniversary of the Alaska Marine Highway. She said that Southeast Conference was raising money to fund the film.

*MOTION, by Becker, to provide \$5,000 from the Better Capital Account for the support of the film about the 50<sup>th</sup> anniversary of the ferry system.*

Mr. Kiehl asked for more information. Mayor Sanford said the film was completed and several Assemblymembers had seen the film. It was produced by KTOO – an hour-long documentary - and Southeast Conference donated \$40,000 for the effort to develop the film and was asking for donations to cover the \$40,000 it donated.

Mr. Wanamaker said this was a lot of money for a sudden motion.

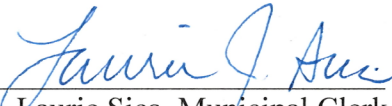
*MOTION, by Wanamaker, to refer the matter to the Finance Committee for review and recommendation. Hearing no objection, it was so ordered.*

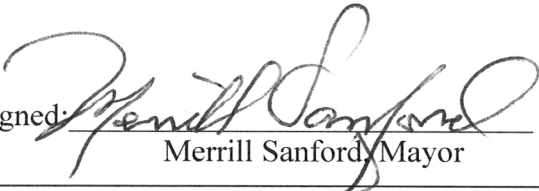
### **XIII. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

Dennis Watson said the Docks and Harbors Board made a decision to allow the Alaska Marine Highways to dock downtown on May 4, waiving the fees, and 320 passengers were already booked. He thought it was a great promotion.

### **XIV. EXECUTIVE SESSION – None.**

### **XV. ADJOURNMENT - 7:56 p.m.**

Signed:   
Laurie Sica, Municipal Clerk

Signed:   
Merrill Sanford, Mayor