

THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes – January 7, 2013

MEETING NO. 2013-01: 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; Bob Bartholomew, Finance Director; Rorie Watt, Engineering Director; Hal Hart, Community Development Director; Greg Chaney, Planning Manager; Heather Marlow, Lands and Resources Manager; Rich Etheridge, Fire Chief; Kirk Duncan, Public Works Director; Carl Uchtyl, Port Director, Tony Stoinich, Wastewater Collections Supervisor.

II. SPECIAL ORDER OF BUSINESS

A. Tony Stoinich – Wastewater Collections Supervisor

Kirk Duncan honored Tony Stoinich upon his retirement after 30 years of service to the City and Borough of Juneau. When Mr. Stoinich began his career at CBJ there were only 14 lift stations, now there were 46 lift stations and over 150 miles of sewer pipe. With the hard work of Mr. Stoinich and the WWTP staff, Juneau was a safer and cleaner community. Mr. Stoinich took it upon himself to get a Level IV certification, which exceeded the requirements of the job. He had shown initiative in all areas of work and saved the city significant funds due to quick thinking during emergencies. His dedication, knowledge and humor would be missed.

Mr. Stoinich said he enjoyed every day of his work. Each day brought a new challenge and he enjoyed being out in the community. He has worked with many people in the community. He said he and City Manager Kim Kiefer had gone to high school together and they had both come a long way.

III. APPROVAL OF MINUTES

A. December 11, 2012 – Special Assembly Meeting 2012-33

Hearing no objection, the minutes of the December 11, 2012 Special Assembly Meeting 2012-33 were approved.

B. December 17, 2012 – Regular Assembly Meeting 2012-34

Hearing no objection, the minutes of the December 17, 2012 Special Assembly Meeting 2012-34 were approved.

C. December 19, 2012 – Special Assembly Meeting 2012-35

Hearing no objection, the minutes of the December 19, 2012 Special Assembly Meeting 2012-35 were approved.

IV. MANAGER’S REQUEST FOR AGENDA CHANGES

Ms. Kiefer added “Hohman Update” an “Earthquake Damage Assessment” to Staff Reports and asked the Assembly to hold an Executive Session on a personnel issue. She noted that the June 12, 2012 Municipal Drinking Water Supply Plan was distributed to the Assembly at the meeting. The plan distributed in the packet was dated June 5, and the only difference was that there were two different dates on the front.

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

John Palmes said Alaska has the highest mountain and also the highest rates of suicide, rape, domestic violence, child abuse, child sexual abuse, alcohol use, alcoholism, and FASD (fetal brain damage from alcohol) in the nation for the past 40 years. He cited statistics from the 2010 and 2011 Alaska Victimization Surveys. He said that Alaska had \$20-30 billion in the bank that was not in the Permanent Fund and not committed to projects. He suggested creation of a \$1 Billion “Alaska Public Safety and Welfare Fund” to supplement existing programs and to build a scientifically based system of interagency budgeting and evaluation. He asked the Assembly and the public to contact the legislature about this issue.

Bill Leighty spoke about the 2013 Innovation Summit taking place at Centennial Hall on February 11, 12, and 13, and encouraged people to learn more about the event and participate. He said the goal was to bring together private industry, government, associations, and university representatives interested in developing and pursuing achievable action initiatives to strengthen key industries of Southeast Alaska. Keynote speakers include Dane Smith, FSG Consultants; Patrick Quinton, Portland Development Commission; Senator Jim Kastama of Washington; Lt. Gov. Mead Treadwell of Alaska; and Congressman Don Young and Senators Lisa Murkowski and Mark Begich via teleconference.

VI. CONSENT AGENDA

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

Several members of the public signed up to testify on Resolution 2620.

B. Assembly Requests for Consent Agenda Changes

Mayor Sanford removed Resolution 2620 from the Consent Agenda for a public hearing.

C. Assembly Action

MOTION, by Becker, to adopt the consent agenda, removing Resolution 2620 for a public hearing. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

a. Ordinance 2012-20(AC)

An Ordinance Appropriating To The Manager The Sum of \$6,186.03 As Funding To Support Emergency Medical Public Safety Awareness, Funding Provided By A Donation From The Medic I Fund.

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

b. Ordinance 2013-01

An Ordinance Amending the Land Use Code By Adopting a Revised Juneau Downtown Historic District Map.

Administrative Report: Attached. The manager recommended Ordinance 2013-01 be introduced and set for public hearing at the next regular meeting.

c. Ordinance 2013-02

An Ordinance Creating Local Improvement District No. 96, Auke Lake Sewer 2013, Consisting Of Construction of a Sanitary Sewer System That Would Provide Municipal Sewer Service to the Properties Along Glacier Highway From the Top Of Pederson Hill to Fritz Cove Road.

Administrative Report: Attached. The manager recommended Ordinance 2013-02 be introduced and set for public hearing at the next regular meeting.

d. Ordinance 2013-03

An Ordinance Amending the Land Use Code Relating to Minimum Vegetative Cover Requirements in Mixed Use Zoning Districts.

Administrative Report: Attached. The manager recommended Ordinance 2013-03 be introduced and set for public hearing at the next regular meeting.

2. Resolutions

a. Resolution 2620 – removed from the consent agenda.

A Resolution Adopting a Municipal Drinking Water Supply Plan.

3. Transfer

a. T-940

Transferring \$192,080.21 from the Mendenhall Treatment Plant Mechanical and Control Repairs Capital Improvement Project (CIP) to provide additional funding for the Mendenhall Treatment Plant SCADA /operations system.

Administrative Report: Attached. The manager recommended this transfer be approved.

Removed from the consent agenda:

Resolution 2620

A Resolution Adopting a Municipal Drinking Water Supply Plan.

Administrative Report: Attached. The manager recommended this resolution be adopted.

Public Comment:

Tom Brice, President, Juneau and Vicinity Building and Construction Trades Council, recognized other members present including Max Mielke, UA Plumbers; Corey Baxter, Operating Engineers; Rodney Hesson, IBEW; Paul Grassi, Ironworkers and Plumbers/Pipefitters. He said there were other trades in their council that were not able to attend the meeting. He expressed their support for Resolution 2620. The Assembly should ensure a safe, viable water source that meets the needs of Juneau for now and into the future. He distributed a letter to the Assembly to that effect and asked the Assembly to adopt the resolution.

Margo Waring said she shared the goal of a safe and adequate water supply for the town, but as a former DEC employee and author of drinking water plans, this plan was inadequate. She asked the Assembly to return the draft to staff for more work. It did not contain a rationale for a multi-million dollar redundant addition to the current system, it did not address the maintenance needs of the current system, it did not supply financial information including cost and impact to taxpayers and it proposed inconsistent policies. She said there was no documentation of increased demand, and no costs of alternatives, such as a new well in Salmon Creek. She said the current system in Gold Creek needed maintenance, and the cost of that maintenance should be considered when weighing alternatives. She said some of the policies that were in the draft plan seemed inconsistent. She asked the Assembly to vote no on the resolution.

Roman Motyka outlined his experience as an earth scientist, geologist and geophysist in Alaska and his work to investigate the Last Chance Basin hydrology and geology. The Basin was a precious resource for all in the community. A CBJ water plan was long overdue. However, the draft plan in its present form lacked specificity and though it provided for what was needed, it could be greatly improved through more public involvement and input from outside experts. Protecting the current system in the Basin should be the top priority and the second priority is an additional reliable water source. He said there was no cost analysis or timeline of work in the plan and it did not set any public hearings. Decoupling this issue from the AJ mine was imperative. The cruise ship industry was the one industry overtaxing the water system. Dam safety was also an issue. The Salmon Creek dam is over 100 years old and we need to ensure the health of the dam.

Guy Archibald, the Mining and Clean Water Coordinator for Southeast Alaska Conservation Council, thanked the Assembly for its work through the Engineering Department and the COW on this big issue. SEACC supports long-term high quality water security as the fundamental

aspect of health. This issue has not been decoupled from the AJ Mine. This started with the mining advisory committee identifying threats to the drinking water as the major obstacle to promoting the AJ Mine. The AJ Mine related water study came to three conclusions – two of which were directly related to continued or renewed production from the AJ – one was closure of the drainage tunnel and consideration of it being diverted from the well field, and the second – the water in the Deep North rising to the level to pour into Last Chance Basin. The suggestion there is that a mining company would take care of that. The other threat was the increasing size of the Glory Hole’s continued subsidence diverting water out of Last Chance Basin and through the mine. This draft water plan outlines six “triggers,” none of which has been reached yet, and it would seem that this quick push with the resolution and the funding for a secondary or redundant water system seems to be primarily a push to promote the AJ Mine. Perhaps a potential mining company could pay for the potential impacts. We need to keep in mind the legacy of mining in Alaska. Alaska is the #1 producer of toxic wastes in the entire nation, 99.9% of that is mine related waste, and the CBJ is the #2 in Alaska for toxic wastes.

Stuart Cohen said the resolution was forthright in that the adoption of the water plan is to facilitate the development of the AJ mine. Even if there was a mine plan and the community wanted to move forward with a mine, he would question whether CBJ should pay for the possible degradation of the water supply. There is no current mining plan in existence or that has been submitted, no permitting process, no vote by the Assembly to move forward with a mine. He said it was premature to adopt this plan and develop a new water system when CBJ had one that worked perfectly well.

Mr. Sanford said it was his intention to have a redundant water system and it would take several years to get there.

Mr. Cohen asked if the redundancy at a cost of \$3-5 million was necessary without a mine.

Mr. Sanford said the redundancy was necessary because the Last Chance Basin wells were currently taxed due to sales of water to the cruise ship industry in greater volumes than in the past.

Nancy Waterman said the Gold Creek water supply was the most efficient highest quality water in the community. She offered specific changes for the resolution and plan. She said that in the resolution, in every “whereas” that referred to the “water system” a substitution should be made so it read “water supply system.” In the plan under “Existing Supply Infrastructure Maintenance,” there is additional information since the drafting of the plan to include under “Item 4, Salmon Creek Dam Maintenance/Study/Rehabilitation.” Fall 2012 information is available. Under “Water Management Issues,” “i. Inflow Diversion” was as important as “ii. Drain tunnel water diversion” – at the COW meeting in Juneau, a policy was deleted addressing “i.” - requiring that an applicant would divert water to keep it from going into mine workings – that policy was deleted. Whereas the policy that requires that water be routed around the well field was not deleted and this is inconsistent. She said the quantity of water in Gold Creek, especially during low flow periods such as late spring, was a concern. This resolution needed more work.

Mr. Kiehl asked Ms. Waterman if she differed with Mr. Motyka's assertion that there was not a significant amount of water that could be diverted at the surface from flowing into the Glory Hole. Ms. Waterman described the geology of the area and said the historic workings of the AJ avoided Icy Gulch going down into the workings. A lot of hydraulic mining preceded the hard rock mining that left the legacy of the Glory Hole. She was not sure about diversion, but a lot of water came down from Gold Creek, Granite Creek, and during the low flow period of time a considerable percentage of water came through the drainage tunnel of the #4 level of the historic AJ. If the policy said that drainage water was required to be diverted away from the well field collection area then we were doing ourselves a disservice. There was inconsistency now in the policies listed.

Larri Spengler said there had been discussion about decoupling the water plan from the AJ Mine, but the reason that this was developed was because the AJ Mining Committee looked at under what circumstances, if any, the city should develop the AJ. It noted that one circumstance was that making sure that drinking water was protected. She attended all the meetings, and did not want the other issues besides drinking water to get lost in the discussion. For example, the mining concept that the committee used as the basis for most of its discussions included thousands of tons of rock that would be discarded per day on the surface in the vicinity of the Rock Dump. The noise from that was just one issue that would need to be resolved if a mine went forward. Safe drinking water was not the only issue that the committee identified. Compared to other CBJ needs, she asked if improving the Salmon Creek Water Supply was the highest priority for the multiple millions that it would cost if the CBJ was not considering developing the AJ Mine. She said that Mayor Sanford had stated his opinion, but others may feel differently. The Assembly should step back from this and decide whether to pursue mining at all. If the answer was yes, then the city or mining company would need to decide who would bear the cost to protect the water supply. If there was no mine, spending money to improve Salmon Creek could be weighed against other priorities.

Assembly Action:

MOTION, by Wanamaker, to adopt Resolution 2620, for purposes of discussion.

Ms. Crane said she was not necessarily opposed to the resolution but she felt more community discussion was in order and many good questions had been raised. This was a high interest topic and there should be more comments. She would like to see the issue decoupled from the mine. We could save time by putting more time in on the front end.

Mr. Wanamaker said this issue had been discussed for significant time and there had been a lot of public process. CBJ needed redundancy for fire protection and drinking water. He cited his experience with the DEC, and USGS, in analysis of water systems, and the EPA safe drinking water program. This was a plan for a water system and it was approved by the voters in an election. It was a small project but provided CBJ with redundancy for many needs. It complied with all of the aspects of what the state and federal government required. There was no mine under review or proposed at this time, this was a plan for the community.

Mr. Kiehl said he did not like several elements of the resolution, especially the repeated word "redundancy." A serious look at the costs of a Salmon Creek filtration system capable of getting us to a redundant water system would not get anyone close to wanting to build it. At

the same time, the element of this conceptual water plan with the triggers, including summer peak use, including fish processing and cruise ship water sales, show overtaxing of the wells now. As the community looked to grow and expand, it was worthwhile to look at the 3.9 billion gallon reservoir instead of the 300 million gallon aquifer for the next step. He agreed that CBJ needed to protect the existing aquifer. There were elements in the plan that help do that. Future growth over the long term was served better by beginning to develop a filtration system at Salmon Creek than tapping the existing aquifer in Gold Creek.

Roll call:

Aye: Becker, Dybdahl, Kiehl, Nankervis, Smith, Wanamaker, Sanford

Nay: Crane, Jones

Motion passed, 7 ayes, 2 nays.

PUBLIC HEARING

A. Ordinance 2011-11(AR)

An Ordinance Repealing Ordinance 2011-11 (AQ), and Appropriating To The Manager The Sum Of \$4,057,161 To Fund The City And Borough's Fiscal Year 2012 Public Employee Retirement System Contribution; Funding Provided By The Alaska Department Of Administration.

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

Public Comment:

Assembly Action:

MOTION, by Dybdahl, to adopt Ordinance 2011-11(AR). Hearing no objection, it was so ordered.

B. Ordinance 2012-20(AA)

An Ordinance Appropriating To The Manager The Sum Of \$1,320.11 As Funding For A Mobility Manager, Grant Funding Provided By The Alaska Department of Transportation and Public Facilities.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(AA) be adopted.

Public Comment:

Assembly Action:

MOTION, by Nankervis, to adopt Ordinance 2012-20(AA). Hearing no objection, it was so ordered.

C. Ordinance 2012-20(AB)

An Ordinance Appropriating To The Manager The Sum of \$225,000 As Funding For A Rate Study For The Wastewater and Water Utilities, Funding Provided By The Wastewater and Water Utilities' Fund Balances.

Administrative Report: Attached. The manager recommended Ordinance 2012-20(AB) be adopted.

Public Comment:

Assembly Action:

MOTION, by Wanamaker, to adopt Ordinance 2012-20(AB). Hearing no objection, it was so ordered.

D. Ordinance 2012-47

An Ordinance Designating a Tax-Foreclosed Property Located at 650 St. Ann's Avenue for a Public Purpose.

Administrative Report: Attached. The manager recommended Ordinance 2012-47 be adopted.

Public Comment:

Assembly Action:

MOTION, by Smith, to adopt Ordinance 2012-47. Hearing no objection, it was so ordered.

VII. **UNFINISHED BUSINESS** – None.

VIII. NEW BUSINESS

A. Regulation by Docks and Harbors to Amend Section 05 CBJAC 45.040 – Speed Limits

Administrative Report: Attached. The manager made no recommendation.

Public Comment: None.

Assembly Action:

MOTION, by Dybdahl – orders of the day. Hearing no objection, the regulations were allowed to become effective.

B. Veterans For Peace - Appeal Of Planning Commission Notice of Decision Regarding Conditional Use Permit USE2012-0016, To Construct An Indoor Shooting Range At 1720 Crest Street.

Administrative Report: Attached. Mr. Hartle said he had reviewed the matter and saw no reason why the Assembly should not accept the appeal or for the Assembly not to hear the appeal itself. He reminded all that this was an appellate function of the Assembly, not a legislative function and the Assembly could not discuss this matter with the public. The appeal was to be on the record before the Planning Commission. There would be a pre-hearing conference with the parties to outline the matter and a schedule for it to be back before the Assembly.

Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to accept the appeal, for the Assembly to hear the appeal itself, and to appoint Mr. Jones as presiding officer. Hearing no objection, it was so ordered.

IX. STAFF REPORTS

Mr. Hartle provided an update on Mr. Ron Hohman's property issue at 3101 Nowell Avenue. CBJ sued Mr. Hohman, litigation was proceeding and a tentative settlement agreement was reached outlining the work needed on the property and the time frame for the activities required. Mr. Hohman signed the document and it would provide an enforceable contract to get work done. Mr. Hohman hired a contractor to do the work and the contractor signed the document.

Ms. Crane asked what would happen if the agreement was not met. Mr. Hartle said the matter would return to court, for CBJ to make the case to court on non-compliance. He said he did not want to promise speedy measures, as the court would set the schedule. The work in the agreement had tight deadlines. Mr. Sanford asked for a copy of the contract for the neighborhood to view. Mr. Hartle said he would provide that.

Ms. Kiefer said CBJ Building Maintenance assessed city facilities following the earthquake on January 4, 2013. Staff noted some wall cracks in facilities, buckling in some siding, and a sewer break that may have been caused by the quake, which she outlined. It appeared CBJ facilities had not had significant damages or costs associated with those damages.

Mr. Wanamaker suggested the manager ask staff to prepare a review and update of disaster preparedness and planning for CBJ.

Mr. Nankervis asked how it could be determined that the damages found were from the earthquake and the cost of the damages. Ms. Kiefer said that the Building Maintenance staff made routine inspections and were creating new checklists to monitor the wall cracks and other issues. Some doors that were opening fine on Friday were not opening well on Saturday, so that was an indication that the changes were earthquake related. She did not have the costs at this time.

X. ASSEMBLY REPORTS

A. Mayor's Report

Mayor Sanford noted the upcoming Assembly – Legislative Delegation Breakfast meeting on Wednesday, January 16, at 7:30 a.m. in the Assembly Chambers. He also invited the Assembly and community to participate in the Annual Juneau Legislative Welcome Reception to be held on Wednesday, January 16, from 5 – 6:30 p.m. at Centennial Hall.

B. Committee Reports

Committee of the Whole: Chair Becker said the next meeting was set for January 14 at 6 p.m. She provided a report on the Assembly Ad-Hoc Housing Committee. A property developers' panel would report to the Assembly at the January 14 COW meeting. Mayor Sanford asked Ms. Becker to distribute to the Assembly the questions being asked of the panelists so that others in the community could also present their ideas. He was eager to get as much input as possible and the comments should come from anyone in the community with ideas. He thanked the Assemblymembers for their work.

Human Resources Committee: Chair Kiehl said the HRC met previous to the Assembly meeting and recommended the following board appointments. Hearing no objection, the following appointments were made:

Building Code Advisory Committee

Douglas Murray and Chris Gianotti were reappointed to terms expiring November 30, 2015.

Juneau Commission on Sustainability

Amy Condra was appointed to a term expiring June 30, 2014.

Juneau Human Rights Commission

Anthony Reece was appointed to a term expiring May 31, 2015.

Finance Committee: Chair Crane said the next meeting was set for January 23, to be preceded by a joint Assembly meeting with the School Board. There would also be a Finance Committee meeting on February 20, preceded by a meeting with the Bartlett Regional Hospital Board of Directors.

C. Liaison Reports

Juneau Convention and Visitors Bureau: Liaison Smith said JCVB would announce appointment of a new CEO soon.

Docks and Harbors Board: Liaison Jones said that the future monthly meetings falling on the last Thursday of the month, beginning in January, would start at 5:30 p.m. instead of 7 p.m.

Parks and Recreation: Liaison Nankervis said the next meeting was set for January 8 at 6 p.m. at the Valley Library to address staff's recommendations for Auke Lake management.

Airport Board: Liaison Dybdahl said the next meeting was set for January 9, at the Airport.

Bartlett Regional Hospital: Liaison Crane said the Board met and elected Linda Thomas Chair, Reed Reynolds Vice Chair and Alex Malter Secretary. The Board had a very good planning and education meeting on health care trends, mission evaluation and three-year strategic planning.

Juneau Economic Development Council: Liaison Wanamaker said at the last JEDC meeting, the BRH CEO Chris Harff was introduced and the groups noted areas of sharing and cooperation.

UAS Campus Council: Liaison Becker said the group met today. UAS purchased a house to use for offices and would be seeking CBJ permits for a remodel. UAS was working with the Juneau School District and on its accreditation project and its budget with the legislature.

D. Presiding Officer Reports

Mr. Hartle gave notice to the Assembly that the Clerk had received an appeal filing regarding the issuance of a conditional use permit for gravel extraction in Lemon Creek. The matter would be on the January 28, 2013 Assembly agenda.

XI. ASSEMBLY COMMENTS AND QUESTIONS – None.

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

XIII. EXECUTIVE SESSION

A. Finalization of Assembly Decision in Osborne Appeal of USE2011-0030 – Dock Project 16b.

MOTION, by Becker, to enter into executive session to discuss a personnel matter, and to consider the Assembly's decision in the Appeal of Dock Project 16b.

Mr. Smith said that he had a conflict regarding the appeal of the dock project and requested that he be excused from consideration of the decision at the time it was discussed in executive session. Hearing no objection, Mr. Smith was excused from participation in the matter on appeal.

Hearing no further objection, the Assembly entered executive session at 8:37 p.m. Mr. Smith was excused at 8:50 p.m. and did not return to the meeting. The Assembly returned to regular session at 9:00 p.m.

MOTION, by Dybdahl, to adopt the final decision in the Appeal of USE2011-0030, affirming the Planning Commission's decision. Hearing no objection, it was so ordered.

Mayor Sanford said the Assembly heard information from staff regarding a personnel matter.

XIV. ADJOURNMENT – 9:02 p.m.

Signed: _____
Laurie Sica, Municipal Clerk

Signed: _____
Merrill Sanford, Mayor