

ASSEMBLY COMMITTEE OF THE WHOLE WORKSESSION **DRAFT** MINUTES



December 19, 2022 at 6:00 PM

Assembly Chambers/Zoom Webinar/YouTube Livestream

<https://juneau.zoom.us/j/95424544691> or 1-253-215-8782 Webinar ID: 954 2454 4691

Assembly Committee of the Whole Worksession-no public testimony will be taken.

A. CALL TO ORDER

Deputy Mayor Maria Gladziszewski called the meeting to order at 6:05p.m. following the brief resolution of some technical difficulties.

B. LAND ACKNOWLEDGEMENT

Mayor Beth Weldon provided the following land acknowledgment: We would like to acknowledge that the City and Borough of Juneau is on Tlingit land and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. *Gunalchéesh!*

C. ROLL CALL

Assemblymembers Present: Maria Gladziszewski, Michelle Hale, Greg Smith, Christine Woll, Carole Triem, Alicia Hughes-Skandijs, Wade Bryson, and Mayor Beth Weldon.

Assemblymembers Absent: 'Wáahlal Gíidaak

Staff Present: City Manager Rorie Watt, Deputy City Manager Robert Barr, Municipal Attorney Robert Palmer, Municipal Clerk Beth McEwen, Deputy City Clerk Andi Hirsh, Port Director Carl Uchtyl, Eaglecrest Manager Dave Scanlan, and Tourism Manager Alexandra Pierce

D. APPROVAL OF AGENDA – *approved as presented.*

E. APPROVAL OF MINUTES

1. **May 2, 2022 Assembly COW - Draft Minutes**

2. **December 11, 2022 Assembly Retreat - Draft Minutes**

Ms. Hale said that she has minor edits to the minutes of both the May 2, 2022 COW Meeting and the December 11, 2022 Assembly Retreat and she will share those with the Clerk for correction. *Hearing no objection, the minutes of as corrected by Ms. Hale were approved by unanimous consent.*

F. AGENDA TOPICS

3. Gondola Revenue Sharing Agreement

Ms. Gladziszewski noted that this was introduced at the last Assembly meeting and it was referred to COW and is scheduled for public hearing at the January 9, 2023 Assembly meeting. The Eaglecrest Board has not yet had a chance to review the final agreement but has approved the general framework. She noted that the critical pieces are found on page 6 of the contract with respect to the Revenue Sharing Agreement.

Mr. Watt explained the process that has happened so far. He noted that Eaglecrest Board Chair Mike Satre was present if they have questions of staff, the Eaglecrest Manager or the Eaglecrest Board before this matter goes to public hearing.

Ms. Gladziszewski said that she discussed this with Mr. Satre earlier and he had said that the Eaglecrest Board conceptually agreed to this but they had not seen the draft agreement until this packet came out. She invited Mr. Satre to come forward to provide any additional information and answer questions from the Assembly.

Eaglecrest Board Chair Mike Satre stated that they did in fact only get to see this document when the COW packet was published. They have seen the back-end information prior to that and Mr. Scanlan has been providing the board with information along the way throughout the process. He said that the next Eaglecrest Board meeting is the first Thursday in the new year on January 5, 2023 and they will be reviewing and acting on the ordinance and agreement at that meeting since it is in alignment with the Assembly meeting scheduled on January 9.

Staff and Mr. Satre answered a number of questions posed by Assemblymembers about the summer operations at Eaglecrest in general, the proposed agreement specifically with respect to revenue sharing, public records procedures regarding confidential documents, as well as which entities would be in control of pricing and the business model, especially with respect to preferential hiring practices of tribal members vs. federal, state, and CBJ Charter and Code prohibitions for discrimination of particular classes of individuals.

Amendment #1 by Carole Triem to strike Section #13 on packet pg. 30, pg. 11 of the agreement **Equal Employment Opportunity** and asked for unanimous consent.

Ms. Triem said that she discussed this with Mr. Palmer earlier in the day and was informed that this is standard boiler plate for many contracts on federal grants. She said that removing this would not change anything in the outcome of how this works so she recommends they strike the language from paragraph #13 to ensure there is no confusion.

Ms. Hale objected for purposes of a question. She asked Mr. Palmer if there were transgender applicants and Goldbelt was in charge of hiring and didn't want to hire that individual, she asked if removing this paragraph would remove protections for those sorts of employment decisions.

Mr. Palmer noted that they should look at the framework in which this agreement is being made. If this agreement is adopted by both parties, Goldbelt and the Assembly, they should consider it as Goldbelt would be loaning \$10,000,000 to CBJ and CBJ would be the one hiring people or not.

Additional discussion took place on why the language was included in the first place and why it may need to be removed from the document.

Mr. Palmer stated that the Alaska Supreme Court has had a chance to rule on the question of municipal hiring preferences, specifically to Alaskan Natives and the Alaska Supreme Court concluded that hiring preference violated the Alaska Constitution and thus it is illegal for governments to do in Alaska. We, as the municipality, would be prohibited from having a hiring practice for Alaskan Natives.

Roll Call Vote on Amendment #1

Yeas: Ms. Triem, Ms. Hughes-Skandijs, Ms. Woll, Mayor Weldon

Nays: Mr. Bryson, Mr. Smith, Ms. Hale, and Ms. Gladziszewski

Motion failed 4 Yeas : 4 Nays

Amendment #2 by Ms. Hughes-Skandijs to strike from the first Whereas clause on page 1 of the Ordinance 2022-63 the following language: "and other associated amenities, facilities, and visitor attractions; and" so that the first Whereas clause ends on line 10 after the words "gondola system."

Ms. Hughes-Skandijs then spoke to her motion. As an Assembly, they have voiced concerns about having a more thorough public process before making assumptions with respect to Eaglecrest Summer Operations and it is disingenuous to have language in this ordinance that expects a lot more amenities without first have a more thorough public process related to those plans.

Objection by Mr. Smith. He said that while he understands Ms. Hughes-Skandijs point, to make a business case for the gondola, you need to have some things for people to be able to in conjunction with that.

Additional comments were provided by Assemblymembers in favor of and against the amendment.

Mr. Palmer noted that nearly identical language is included on page 2 of the proposed agreement in the whereas clause under section B.

Mr. Bryson objected to the amendment.

Ms. Woll spoke to the need to continue to engage with the public in significant ways as they move forward with making plans towards summer operations at Eaglecrest.

Ms. Hughes-Skandijs said that she does not want to derail the process for the gondola, nor this agreement and even though she was on the losing side of the initial vote to purchase the gondola, she is in support of it since that was the will of the body. However, she spoke to the rush of the process in the early stages and the fact that there were comments made at that time that once the purchase had gone through, more public process would occur in the future. She is just asking the Assembly to slow down and ensuring that public process actually occurs.

Mr. Smith said that as the former Chair of Eaglecrest Summer Operations Task Force (ESOTF) they discussed with staff when that process would take place. It was decided that it would happen once an agreement with Goldbelt was in place. The ESOTF was not extended but he would like staff to let the Assembly know when, where, and how the public process will be happening once the agreement is approved and signed.

Roll Call Vote on Amendment #2

Yeas: Ms. Triem, Ms. Hughes-Skandijs

Nays: Ms. Woll, Mayor Weldon, Mr. Bryson, Mr. Smith, Ms. Hale, and Ms. Gladziszewski

Motion failed 2 Yeas : 6 Nays

Mayor Weldon said that she believes that she just heard Mr. Smith volunteer to serve as the chair of a new Eaglecrest Summer Operations Task Force.

MOTION by Mayor Weldon to forward Ordinance 2022-63 to the Assembly for public hearing and asked for unanimous consent. *Hearing no objections, the motion carried.*

4. Docks & Harbors Land Management Code Update

Mr. Uchytel spoke to the Docks & Harbors Land Management code and that they struggled with issues related to retaining or selling tidelands. He spoke to the process that this went through both at the Docks & Harbors (D&H Board) meetings but also with the Assembly Lands, Housing, and Economic Development (LHED) Committee. Mr. Uchytel noted that this past summer D&H had several requests for land action. The D&H board then dove into Title 85 to see what the board was supposed to be doing and executing on behalf of the Assembly.

Mr. Uchytel said that they found out that they were deficient in that they did not have a Docks & Harbors Land Management Plan. To cure that, they have been working with the Law Department on this. One of the options that was proposed was to include the D&H Land Management Plan in the overall CBJ Land Management Plan which seemed like a good compromise. They worked with Law on that and struggled with some of the language with respect to the mission of the board in retaining or selling tidelands. The language that the board fell on was the same language that was already in Title 85. He said that what the board has struggled with was being guided by these principals and whether it is a recommendation or absolute. He noted that packet page 40, the language that was drafted by the Law Department was accepted by the board and the board wanted to make the following change as follows:

(4) Tidelands-Property under the jurisdiction of docks and harbors should be leased only for specific water-dependent and water-related uses and not sold;

Mr. Uchytel said that was brought to the LHED Committee and that committee in September or October and LHEDC referred the matter to the COW.

He then proceeded to answer questions from Assemblymembers about this proposed change.

Mr. Smith asked about that subsection change that was requested by the Docks & Harbors Board. He asked if there were any non-tideland properties under the jurisdiction of the D&H Board that shouldn't be leased for specific water dependent and water related uses? Should the general guiding principal to the D&H Board be that all the properties under D&H jurisdiction should not be sold?

Mr. Uchytel said that language was put in the ordinance by the board and he's not sure if he should be weighing in on their policy decisions. He did comment that the vast majority of property managed by D&H does adjoin tidelands. He said that are some odd cats and dogs parcels away from the water that D&H manages.

Mayor Weldon asked if it would make sense for those odd cats/dogs parcels to come back to being managed by the Lands Division instead of D&H or if it makes sense for them to maintain jurisdiction.

He said there are some oddity areas such as uplands in Tee Harbor. He said it would be wise to look at all the properties in totality during the next review of the CBJ Lands Management Plan and he would question why they need to be under D&H management.

Assemblymembers asked Mr. Palmer about the language use and asked about the "should sell" or should not be sold language and how the language in the draft ordinance gives policy direction on retaining or disposing of tidelands.

Mr. Palmer said that this draft would outline the guidelines for retain or dispose of tidelands or uplands. He said that if Assembly wants more discretion in the future, he would recommend they may wish to strike the last few words on page 4 of the ordinance under line 17 "and not sold;" He said that if the Assembly wants to make other changes to the Land Management Plan designation for D&H parcels from "retain" to "retain/dispose." That would give the Assembly the maximum discretion if that is a goal that they want to have. If they don't want that goal, this language is fine and the Land Management Plan can be adjusted if/when a request comes in. He noted that all land sales are required to be done by ordinance so they can weave their way through the different pieces of code as needed.

Ms. Gladziszewski said that she would be included to leave it as is. It doesn't say "shall" but rather "should" which gives them general guidance. If they are concerned that something will never be able to be sold, this shouldn't be a concern.

Mr. Smith expressed his concerns.

MOTION by Mayor Weldon to move Ordinance 2022-48 to the full Assembly (including the highlighted changes by the Docks & Harbors Board) and asked for unanimous consent. *Hearing no objection, the motion carried.*

5. Assembly Goals

Mayor Weldon thanked Assemblymember Woll for her work on this project.

MOTION by Mayor Weldon to approve the draft 2023 Goals to the Assembly for adoption.

Ms. Hughes-Skandijs asked about the differences under the Housing Goal between D & A and whether or not those are iterative of each other or if they see a big difference there.

Ms. Woll said that in her mind, she made them separate because "A" was about improving the code and "D" was about how we manage the land.

Mayor suggested any changes could be discussed amongst those two and brought back for amendment at the Assembly. Ms. Hughes-Skandijs said that she was satisfied with Ms. Woll's response.

AMENDMENT #1 by Mr. Smith under Economic Development Goal 2, Item G to include "commercial downtown property" rather than just "downtown property." He said that he wants to focus on things such as apartments vs. just the single-family types of residences.

Objection by Mr. Bryson who spoke to his objection.

Mayor Weldon asked if Mr. Smith is referring just to commercial downtown properties or if this is solely for commercial downtown residential properties. Mr. Smith clarified that it is all commercial downtown properties.

Roll Call Vote on Amendment #1

Yeas: Mr. Smith, Ms. Woll, and Mayor Weldon

Nays: Ms. Hughes-Skandijis Ms. Triem, Mr. Bryson, Ms. Hale, and Ms. Gladziszewski

Motion failed 3 Yeas : 5 Nays

MOTION by Ms. Woll to strike Goal 2.G as she doesn't know what that meant without Mr. Smith's amendment.

Objection by Ms. Hale and Ms. Hughes-Skandijis. Additional discussion took place and Ms. Woll removed her motion.

There being no further amendments or objection, the draft 2023 goals were referred to the Assembly for public comment and adoption.

6. Cruise Ship Dock Waterfront Planning

Mr. Watt explained that the memo in the packet is recommending that the COW forward an appropriation of \$200,000 of Port Development Fees to the full Assembly for the purpose of planning the optimal location of a cruise ship dock at the subport. He said that he firmly believes that CBJ taking the planning lead is in the best interests of the port, Juneau and the cruise ship industry. He noted that the USCG is working on a plan to homeport an icebreaker in Juneau.

He went for a trip down memory lane and found a memo that he wrote in 2019 when the mental health trust put the subport property up for sale. They had many conversations with cruise ship industry via CLIAA collectively and CLIAA supported CBJ taking the lead in the port planning activity. He said they all know what happened after that. They were competing against all private businesses and CBJ came in dead last in the competitive bid process. The fact that we came in that far behind explains the value of a cruise ship dock to the industry. He said the public will have a lot of questions about a 5th dock and whether a 5th dock is good for the community. He said it is in the public's interest that CBJ take the lead in planning for that dock and for the USCG. The \$200,000 will be a start but it will be more expensive than that and he suggested the Port Director put in a request for Passenger Fees to be used for additional costs associated with that. He said there are a lot of motivated people who want to be involved with this.

Mr. Smith asked what would happen to the uplands vs. what happens with respect to the 5th cruise ship dock. Mr. Watt said he is just speaking to the tidelands portion and not the uplands. He said that CBJ is uniquely situated to work/collaborate with the USCG and Huna Totem and that should be done in a coordinated way within the public eye.

Mayor Weldon asked if the funding amount needs to be more. Mr. Watt said that it will be a large amount of money but that \$200,000 is a good start on the process. He noted they will have a better understanding of the amounts needed as they get into it further. He spoke to the public process when CBJ built its cruise ship docks and thinks a similar thing will continue on in this location.

Ms. Triem asked about the USCG and how we ended up with the 16b project, she asked if they have signed onto this with Huna Totem.

Mr. Watt said no, the USCG has not signed onto anything yet. There are a lot of port security and navigation issues, efficiency uses of the waterfront and anticipates they will likely be working closely with Senator Sullivan's office to make sure the community is heard.

Mr. Bryson asked if what he is doing is to try to figure out where "a" cruise ship dock would go, not necessarily that CBJ will build the dock in a particular area. Mr. Watt said the reason for this is if a dock is built, this process will help determine the best location for a potential cruise ship dock.

Ms. Hale asked about the communications with the USCG.

Mr. Watt explained the process that has occurred with the USCG. They had been speaking with NCL but when things transferred to Huna Totem, USCG stopped working with Huna Totem. CBJ has not had discussions with USCG but Sen. Sullivan is keenly involved with bringing an ice breaker to AK and conversations with the USCG will likely happen but he also anticipates they will be fairly complicated.

Additional discussion took place regarding the USCG ice breaker and the complexities of what that might look like and how planning might take place.

Ms. Hughes-Skandijs said that she appreciates that Mr. Watt dug out the 2019 memo that he included in the packet. With respect to discussion re: public process, she said they should talk about the Long-Range Waterfront Plan (LRWP) and they need to discuss if there 'should' be a dock in that location. In speaking of accelerated efforts, she noted that it is not a done deal as to whether there will or will not be a dock in that location and she agreed that there are good reasons for CBJ to get involved. She spoke to the role of CBJ in weighing public process vs. approving this appropriation. Line from his 2019 memo that "the community should not be put in the position of reacting to an investor."

Ms. Woll said that since the USCG is not at the table yet, but maybe Huna Totem can speak to their interest in this.

Mr. Watt said that Huna Totem is keenly interested in what we are doing and interested in how long a process this might take and how long it might take.

Ms. Woll said that she asked her question wrong. She asked if Huna Totem is supportive of CBJ taking on this role? Mr. Watt we would need to ask them that question but they are probably a little uncomfortable.

Ms. Gladyszewski said that we have been hearing from NCL for two years. She said that she believes the city should be involved in the process of waterfront planning. Her questions were: 1) Why we are just now doing this now and not 2 years ago? And 2) What does the timeline affect what Huna Totem expected to do?

Mr. Watt said that when we lost the bid for the property, we laid out the process of and defined what we would do. CBJ did everything it said it would do:

- 1) The Assembly decided that it would sit in decision making role rather than in the role of hearing any appeals if appeals were filed;
- 2) They decided to amend the LRWP so that Title 49 would not be a vehicle for any decisions so that rather than having this dock at the subport go to the Planning Commission with a question of "Is a dock permissible" but rather the question would be "Is a dock good for the community"
- 3) As a community, we did the Visitor Industry Task Force (VITF) and set out a road map to come up with what the community wants and needs on visitor industry management.

He said that he would strongly assert that CBJ did everything that it said it would do in a timely manner and were not delayed by the pandemic. He said that whether NCL was delayed due to the pandemic is a fair question and in the time that NCL has had the property, they have been difficult to pin down. They told CBJ for years that they had an agreement with the USCG but nothing in writing. He noted that NCL had a lot of staff turnover during this time. They conveyed the property to Huna Totem this fall. He said that he doesn't know what NCL or Huna Totem's intentions have been but CBJ has consistently been part of this process.

Additional discussion took place regarding the timing and the roles of the entities involved. Mr. Watt said that all along NCL asserted that they were in communication with USCG and that wasn't the case. He said CBJ now has to look at the USCG now planning to homeport an icebreaker in Juneau and those are big game changers.

He continued to answer questions from the Assembly about the roles of the entities involved and next steps for the whole waterfront/port planning process.

MOTION by Mayor that they forward an appropriation ordinance, up to \$300,000 of the port development fees to the Assembly for the purpose of planning an optimal location of a cruise ship dock at the subport.

Ms. Woll said is supportive of the motion but only in the circumstance that the parties we are talking about are willing to work with us, otherwise, this is not useful. She said that while she supports moving this to the Assembly, she will want some additional communications from staff that the USCG and Huna Totem are willing to work with us on this.

Ms. Hughes-Skandijs said that she is fine sending this to the Assembly but will have conversations with staff as she is not sure she will support the ordinance when it comes before the Assembly.

Other members expressed wanting to hear more information about this from staff as it goes through the Assembly process.

Hearing no objections, the motion passed by unanimous consent.

7. Hazard Mapping - Information Item

Mr. Watt said that there was a substantial information session at the November 7, 2022 COW and asked a number of questions but also passed a motion to send it on to the Planning Commission. The answers to the questions are included in the memo in the packet and since they already passed a motion at the November 7 meeting, there was no action needed at this time.

8. Additional Item from Mr. Bryson

Mr. Bryson said he was invited by the Downtown Business Association (DBA) to attend the Main Street USA Conference. He said that DBA has offered to pay for his lodging and the course and he will take care of any other expenses, but he was asking for the Assembly's approval for his attending and letting DBA pay for those expenses.

He noted that one of the responsibilities would be that he provides a report back to the Assembly on the conference. Hearing no objection, the Assembly approved Mr. Bryson's attendance and DBA's financial support.

Mayor Weldon recommended that Mr. Bryson also check with APOC before he proceeds.

G. NEXT MEETING DATE

8. Next Meeting Date-January 23, 2023

H. SUPPLEMENTAL MATERIALS

I. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org.