

ASSEMBLY REORGANIZATION MEETING

2023-24 **DRAFT** MINUTES



October 23, 2023 at 7:00 PM

Assembly Chambers/Zoom Webinar/YouTube

Meeting No. 2023-24: The annual Reorganizational Meeting of the City and Borough of Juneau Assembly was held in the Assembly Chambers and called to order by Mayor Beth Weldon at 7:00pm.

A. FLAG SALUTE

Assemblymember Loren Jones led the Flag Salute.

B. LAND ACKNOWLEDGEMENT

Deputy Mayor Maria Gladziszewski provided the following land acknowledgement:

“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 in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. *Gunalchéesh!*”

C. SPECIAL ORDER OF BUSINESS

1. Assembly Reorganization

Recognition of Outgoing Assemblymembers:

Recognition of Loren Jones

Municipal Clerk Beth McEwen presented Loren Jones with a gift certificate on behalf of the staff and Assembly.

Mayor Weldon recognized Mr. Jones for his willingness to step into the seat vacated by Assemblymember Carole Triem this summer, especially since he has been attending meetings in the interim and was up to speed on the issues before the Assembly. All the Assemblymembers echoed their previous remarks when he finished his previous term on the Assembly and they thanked Mr. Jones for his dedication, his mentorship, the sharing of his institutional knowledge and his unflinching service to our community. Mr. Jones welcomed Paul Kelly and Ella Adkison and welcomed back Mr. Palmer. He said that while he would not be seated during the portion of the meeting at which they will be recognizing Sherri Layne for her service as Acting City Attorney, he extended his thanks and appreciation for all her work while Mr. Palmer had been away.

Recognition of Deputy Mayor Maria Gladziszewski

Municipal Clerk Beth McEwen presented Maria Gladziszewski with a photo album and outgoing gifts from the city staff and Assembly. Ms. Gladziszewski held the positions of Deputy Mayor from 2021-2023, Areawide Assemblymember from 2014-2023, Planning Commission member from 2000-2011, and CBJ Tourism Planning Manager, Public Information Officer, and Special Projects Manager from 2001-2009.

Staff and Assemblymembers expressed their appreciation for Ms. Gladziszewski's service to CBJ and her perspective from both a staff member and Assemblymember's viewpoint. Members expressed how important and valuable Ms. Gladziszewski's encyclopedic knowledge was for our community. They praised her for her leadership and the hard lifesaving decisions she was instrumental in helping the Assembly make during the pandemic. Mayor Weldon shared a poem she had composed honoring Ms. Gladziszewski's service and sense of humor.

Ms. Gladziszewski thanked everyone for their kind words and thanked the people of Juneau for the opportunity to serve. She recognized the staff and all their hard work and having been from Chicago, she was initially cynical about local government and she found out just how sincere and true Juneau's public servants are both on the staff and the elected official levels. She attributed the late Vic Fischer, on what local government and public

service in Alaska truly looks like. She shared that Mr. Fischer was a dedicated public servant longer than most of us had been alive and he had been working for the people of Alaska since the 1950s. He was Anchorage’s first Planner and served on the Alaska Constitutional Convention and was the primary author of the portion of Alaska’s constitution chapter on local governments. Paraphrasing some of Mr. Fisher’s words of advice, she encouraged everyone to go float as many boats as possible in the cause of public service.

City Attorney Robert Palmer then swore in the new Assemblymembers Paul Kelly, Ella Adkison, and reelected members Alicia Hughes-Skandijs and Christine Woll.

ROLL CALL

Assemblymembers present: Ella Adkison, Paul Kelly, ‘Wáahlaal Gíidaak (via Zoom), Christine Woll (via Zoom), Greg Smith, Alicia Hughes-Skandijs, Wade Bryson, Michelle Hale, Mayor Beth Weldon.

Staff Present: City Manager Katie Koester, City Attorney Robert Palmer, Deputy Manager Robert Barr, Municipal Clerk Beth McEwen, Deputy Clerk Diane Cathcart, Assistant Attorney Sherri Layne, Assistant Attorney Emily Wright, Assistant Attorney Nicole Lynch, Port Director Carl Uchytíl, Airport Manager Patty Wahto, Finance Director Angie Flick, Ashley Heimbigner, Irene Gallion, Isla Lund

Election of Deputy Mayor

NOMINATION by Ms. Hughes-Skandijs to elect Michelle Hale as the Deputy Mayor and asked for unanimous consent. *Hearing no objection, Ms. Hale was elected Deputy Mayor.*

MOTION by Ms. Hale to approve the reorganized Assembly Committee/Liaison list as presented in the red folder and asked for unanimous consent. *Hearing no objection, the committee/liaison assignment list was approved by unanimous consent.*

Seat Reorganization – Mayor Weldon then invited Assemblymembers, in seniority order starting with the most senior member, to select their preferred seats at the dais.

2. Instruction for Public Participation

The public may participate in person or via Zoom webinar. Testimony time will be limited by the Mayor based on the number of participants. Members of the public that want to provide oral testimony via remote participation must notify the Municipal Clerk prior to 4pm the day of the meeting by calling 907-586-5278. For in-person participation at the meeting, a sign-up sheet will be made available at the back of the Chambers and advance sign-up is not required. Members of the public are encouraged to send their comments in advance of the meeting to BoroughAssembly@juneau.gov.

D. APPROVAL OF MINUTES

E. MANAGER'S REQUEST FOR AGENDA CHANGES

Manager Koester asked to pull the following items from the Consent Agenda: Ordinance 2023-39 re: Cold Weather Shelter, and Resolution 3040 re: Hotel-Bed Tax, and to move “Appeal 2023-AA01 Karla Hart v. PC (Huna Totem dock appeal) re: Motion for Hearing Officer Disqualification” from the Presiding Officer Report to Executive Session.

F. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS (Not to Exceed a Total of 20 Minutes, Nor More than Three Minutes for Any Individual)

Joshua Adams, spoke on the Telephone Hill meeting of Oct. 11 and the importance of keeping Telephone Hill the way it is with its 142-year history. He spoke to the design project and its flaws and the concepts which propose the destruction of historic homes and the need to ensure green space is maintained. He spoke to the history of the current structures including the Webster house which is the oldest occupied home in the State of Alaska built in 1882.

Tony Tengs, a Telephone Hill resident, last spoke to the Assembly on Sept. 12, 2022 re: Ord 2022-06(b)(K) re funding to Manager's office for Telephone Hill \$100,000 appropriation for the demolition of the historical housing structures in Juneau's oldest neighborhood. He called then Eng/PW Director Koester about the process in creating the proposed Legislative Priorities and spoke about how those came about with unanimous Assembly approval. He noted that Legislative Priority #9 had zero public input, yet they voted unanimously to approve to demolish Juneau's oldest historical neighborhood. He also noted that it was lumped in with the 1% Sales Tax which was going to pass anyway and doesn't indicate true community support for that project.

Peter Metcalfe, a Distin Ave. resident, said what he values most about Juneau is our community. Standing in line at grocery store he hears conversations about maximizing community values and not maximizing property values. He suggested to make this more of a park-like setting, and not destroy it.

Charles VanKirk, a valley resident for 63 years, spoke to his history in Juneau when there was less than 10,000 people when he first moved here. When he first moved here, going out the road was an excursion on a dirt road. Over the years, the community has expanded and tripled in size and the valley contains housing for 2/3rds of the community. The Federal Building took out two baseball parks and those moved to the valley. We are now talking about destroying a historic district. Compared it to the historic district of Treadwell that has been revived. He said he would hate to see it being paved and turned into a parking lot. Just heard about it for the first time a day or two before the 10/11/23 meeting. This process is not right and urged the Assembly to keep in mind where we come from and the history of Juneau.

Skip Grey, a Twin Lakes resident. For most of this year, they were told that "Do Nothing" was an option for Telephone Hill, but it wasn't an option in any of the surveys or any of the preliminary plans for Telephone Hill. He said that "Do Nothing" is not really an option, because it needs some tender loving care, and would like to see it designated the Federally Recognized Historic District that it deserved to be and actually is and he would like to see it fixed up as a green belt. He suggested that some of the homes could be turned into community use being fixed up and lived in and possibly other uses such as childcare, meeting spaces, arts & crafts studios, housing for visiting musicians, artists, and guest lecturers. He would like to see a meandering trail through the historic cherry tree orchard, apple and lilac trees and gardens and included in a City's self-guided walking tour with interpretive signs describing the history and the homes, lives of people who have lived there and some of the history of the area including photos of the grand court house that used to be there. He would like to see this historic area, green space and homes saved so future generations can see the history of our community.

Ms. Woll asked Mr. Grey if his vision includes seeing people living there and if so, if he sees that as City owned/managed or sold off to private individuals? Mr. Grey said there could be a number of ways of handling that. It could be sold to private individuals with the caveat that required the purchaser to maintain it as a historic property with conditions to preserve the historic nature of the structures. He could see the City creating a trust or non-profit that could take over the management of the properties and it could be either city sponsored or other solution. He sees people living there and he also sees that it could provide an artistic/cultural center for the town.

Maureen Connerton, said Telephone Hill (Webster House) is the oldest consecutively lived in house in Alaska. She and her neighbors know the value of living on Telephone Hill and they do pay property taxes through the State and DOT. She stressed that the 4 options given to the community are not acceptable as they slice and dice the hill up. There is an option that has not been explored, as she is interested in having herself and her neighbors provide a proposal that would include new housing but also keep the historic homes as well as green space. She compared Juneau to Seattle with this feature being developed with new housing but also enhance the visitor's experience. She asked the Assembly to give the locals a chance as they want the ability to provide input and allow for housing without destroying it.

Mr. Smith asked if she has approached City staff about her idea about the neighbors providing input. Ms. Connerton said that she approached First Forty Feet. Unfortunately, the data they got when they came to town was skewed because the technology wouldn't allow for them to input their data. She said they would like to present the idea to First Forty Feet.

Mr. John Ingalls, a Telephone Hill resident, said he came from the Midwest and takes pride in the Juneau community. He spoke to the drug deals that he has observed, he didn't want to call the police so he took his weed-whacker to make those doing drug deals aware of people in the neighborhood. He said when he first lived there, he spoke with Alaska's premier historian, Robert DeArmand, about the Webster House which is the oldest consecutively lived in house in Alaska. Mr. Ingalls then raised money and put a plaque on that house. If the Assembly decides to bulldoze the Webster House, what will be the second oldest house that would replace it?

G. CONSENT AGENDA

Public Request for Consent Agenda Changes, Other than Ordinances for Introduction

Assembly Request for Consent Agenda Changes

Assembly Action

Mr. Smith disclosed a conflict of interest with Alaska Kush Company as he previously worked with the business in the past. He asked that, should the consent agenda be approved, that he be shown as abstaining from that particular license application. Mr. Smith requested Resolution 3040 (*already pulled from the Consent Agenda by the City Manager*) be pulled from the consent agenda for the purposes of an amendment.

MOTION by Ms. Hale that the consent agenda, as amended with items 8 and 9 moved to the beginning of Public Hearing, and asked for unanimous consent. *Hearing no objection, motion passed by unanimous consent.*

H. Ordinances for Introduction

3. Ordinance 2023-14(b)(N) An Ordinance Appropriating \$50,000 to the Manager for Cruise Ship Scheduling Services; Funding Provided by Marine Passenger Fees.

This ordinance would appropriate \$50,000 of Marine Passenger Fees for cruise ship scheduling and port agent services at two CBJ-owned cruise ship docks and one lightering facility. Cruise ship services would reduce scheduling conflicts between cruise lines and ships to improve integration, provide greater efficiency, and enhance operations for the arrival and departure of cruise ships visiting the Port of Juneau. Port agent services would include activities such as longshoring, stevedoring, and other generalized services to vessels docked at the facilities. These services would enhance visitor experiences, economic activity, vessel services, and the well-being and quality of life for Juneau residents.

The Committee of the Whole reviewed this request at the August 7, 2023 meeting.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

4. Ordinance 2023-14(b)(O) An Ordinance Appropriating \$300,000 to the Manager for the Trail Improvement Capital Improvement Project; Grant Funding Provided by the Alaska Department of Natural Resources.

This ordinance would appropriate \$300,000 for the Trail Improvement Capital Improvement Project for the construction of phase 1 of Juneau's first Off-Road Vehicle (ORV) riding park. Phase 1 would construct five miles of trails through a 175-acre site contained within a larger 565-acre tract owned by the CBJ. It will likely take multiple years to build this phase, and subsequent phases will be

mapped, planned, and permitted in the field. A parking lot and secure gated entry will be funded by existing funding in the CIP. The local match requirement will be met through previously appropriated funds in the CIP.

The Planning Commission reviewed this request at the January 17, 2023 meeting. The Parks and Recreation Advisory Committee reviewed this request at the April 4, 2023 meeting. The Lands, Housing and Economic Development Committee reviewed this request at the June 12, 2023 meeting.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

5. Ordinance 2023-14(b)(P) An Ordinance Appropriating \$28,000 to the Manager for Increased Monitoring Services at Suicide Basin; Funding Provided by General Funds.

This ordinance would appropriate \$28,000 for increased United States Geological Survey (USGS) monitoring services at Suicide Basin. The August 2023 flood event substantiated the need for advanced monitoring at Suicide Basin. This request would increase annual USGS flood monitoring from \$7,000 to \$35,000. This additional funding would contribute toward the installation of additional cameras and a laser stage sensor at Suicide Basin, helicopter time to access the equipment, and USGS staff time collecting and interpreting data.

The Committee of the Whole reviewed this request at the August 28, 2023 meeting. The Public Works and Facilities Committee reviewed and recommended this request at the September 18, 2023 meeting.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

6. Ordinance 2023-35 An Ordinance Amending the Animal Control and Protection Code Related to Service Animals.

The CBJ animal control code was revised in 2009 and included a definition for service animals. Since then, the definition of service animals under the Americans with Disabilities Act has been clarified by federal regulation. This ordinance amends the CBJ animal control code to be consistent with the amendments to federal law.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

7. Ordinance 2023-38 An Ordinance Amending the Traffic Code Relating to Impounds of Vehicles.

This ordinance would amend Titles 72 and 36 to allow departments charged with oversight of public property to impound-in-place. Docks and Harbors has utilized this process with much success. This change lessens the burden on JPD officers and allows the City to respond to abandoned and junked vehicles in a more efficient and timely manner.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

8. Ordinance 2023-39 A Noncode Ordinance Authorizing a Cold Weather Emergency Shelter at 1325 Eastaugh Way.

This ordinance exempts the use of 1325 Eastaugh Way as the Cold Weather Emergency Shelter from all requirements and prohibitions of the land use code for five years. CBJ has been operating a cold weather emergency shelter during the winter months since 2017, in partnership with various community organizations. The work of emergency sheltering presents numerous challenges that most communities only partially succeed at meeting. Ideally, proactive work and support services

exist in sufficient quality and quantity to prevent the need for a true emergency shelter; however, like most communities, we are not yet there. Funding for these services has already been appropriated in the FY24 budget.

The City Manager recommends the Assembly (1) waive Planning Commission review, (2) introduce this ordinance and (3) set it for public hearing at the next regular Assembly meeting.

I. Resolutions

9. Resolution 3040 A Resolution Regarding the Allocation of the Hotel-Bed Tax.

This resolution would change the current 9% Hotel-Bed Tax (HBT) allocation method and repeal all prior resolutions. The HBT current resolution allocates revenue 4% to tourism promotion, 3% to Centennial Hall operations, and 2% to Centennial Hall improvements. This resolution moves away from the formulaic split of the HBT and directs the Assembly to provide funding priorities for use of the tax to the City Manager at the beginning of each budget year, which should include allocation of the 2% temporary tax to Centennial Hall improvements. The Manager will present the budget recommendations based on HBT revenues and the needs of the community and visitors. This affords the greatest flexibility for the Assembly to meet community needs, address the volatility in the revenue stream, and provide greater budgeting stability for Centennial Hall operations and Travel Juneau's tourism promotion.

The Assembly Finance Committee reviewed this request at the August 2, 2023 and September 6, 2023 meetings and passed a motion directing staff to prepare this resolution.

The City Manager recommends the Assembly adopt Resolution 3040.

10. Resolution 3041 A Resolution Authorizing the Manager to Submit a State of Alaska Land and Water Conservation Fund Grant Application to Assist with Improvements at Sigoowu Ye Park.

The Land and Water Conservation Fund is a federal grant program administered by the State of Alaska. As funds are available, it can provide for up to 50% of the costs for public outdoor recreation projects. This resolution authorizes a grant application seeking \$125,000 of LWCF funds to match previously appropriated CBJ general funds of \$650,000 to complete Sigoowu Ye Park improvements.

The City Manager recommends the Assembly adopt this resolution.

11. Resolution 3042 A Resolution Recognizing Sherri Layne's Excellent Performance as Interim Municipal Attorney.

This resolution formally recognizes Attorney Sherri Layne for immediately filling the Municipal Attorney role upon an unexpected health condition causing Robert Palmer to be out of the office from February through September. Attorney Layne admirably performed the duties of Municipal Attorney. The following are some of her accomplishments: Attorney Layne provided guidance to the Assembly Finance Committee through the entire budget process, managed a large litigation load, provided guidance to the Planning Commission, drafted legislation for the Assembly, timely responded to client requests, helped the CBJ through multiple employment transitions, and did an excellent job managing the CBJ Law Department. In recognition of Attorney Layne's excellent performance, Attorney Layne deserves this formal recognition and a time off award.

The City Manager recommends the Assembly adopt this resolution.

12. Resolution 3045 A Resolution of the City and Borough of Juneau Supporting Full Funding (\$7,644,677) for the State of Alaska Harbor Facility Grant Program in the FY2025 State Capital Budget.

This resolution recommends full funding for the State of Alaska Department of Transportation’s Harbor Facility Grant Program. CBJ has been a beneficiary of approximately \$15 million in harbor grant funding since the program’s inception, including a \$2M grant for Phase III rebuild of Aurora Harbor which is scheduled for completion in May 2024.

For the current legislative session, Docks & Harbors has applied for a \$5M matching grant for Phase IV rebuild of Aurora Harbor. Statewide, only two communities - Sitka and Juneau, have committed to contribute \$7,644,677 in local match funding for FY2025 towards projects of significant importance. The Docks & Harbors Board reviewed this resolution at its Operations-Planning Committee meeting on October 19, and recommended forwarding it to the full Assembly for approval.

The City Manager recommends the Assembly adopt this resolution.

13. Resolution 3046 A Resolution of the City and Borough of Juneau in Support of Raising the Maximum Available Alaska Department of Transportation Harbor Facility Grant to \$7,500,000 for Eligible Projects on an Annual Basis.

This resolution recommends increasing the maximum grant award eligibility under the State of Alaska Department of Transportation’s Harbor Facility Grant Program from \$5M to \$7.5M. This would not affect CBJ's current application but may impact grant strategies in the future, should the Legislature take action to amend AS 29.60.800.

The proposed resolution was drafted and adopted by the Alaska Association of Harbormasters and Port Administrators (AAHPA) at its annual conference on September 26. AAHPA encourages its member municipalities to also provide local support for this change.

The Docks & Harbors Board reviewed this resolution at its Operations-Planning Committee meeting on October 19, and recommended forwarding it to the full Assembly for approval.

The City Manager recommends the Assembly adopt this resolution.

J. Bid Awards

14. Bid No. 24-044 Charging Equipment for Battery Electric Bus(es)

Bids were opened on this project on September 13, 2023. The following bids were received:

Bidder	Total Bid
North Coast Electric	\$1,748,443.85

The protest period ended September 13, 2023.

Staff recommends award to North Coast Electric on the basis of having the lowest responsive and responsible bid price in the amount of \$1,748,443.85 based on total bid.

The City Manager recommends award of this project to North Coast Electric.

K. Liquor/Marijuana Licenses

15. Liquor & Marijuana License Actions

These liquor and marijuana license actions are before the Assembly to either protest or waive its right to protest the license actions.

Liquor License - Renewals

Licensee: BPO Elks Lodge #420 d/b/a Juneau Elks Club No. 420

License Type: Club, License: #5414 Location: 9321 Glacier Hwy., Juneau

Licensee: Midnight Ninja Venture Inc. d/b/a Lupo

License Type: Restaurant Eating Place , License :#2175 Location: 120 Second St. Suite B, Juneau

Liquor License - Transfer of Location

Licensee: Genuine Ventures LLC. d/b/a Tracy's King Crab Shack

License Type: Restaurant Eating Place, License: #4584

*Transfer From: Location: Genuine Ventures LLC (Tracys Crab Shack **Support Location**), Juneau*

*Transfer To Location: Genuine Ventures LLC (Tracys Crab Shack - **No Premises**)*

Marijuana License - Renewals

Licensee: Green Elephant LLC d/b/a Green Elephant LLC.

License Type: Standard Marijuana Cultivation, License: #10315 Location: 101 Mill St. Suite A, Juneau

Licensee: Green Elephant LLC d/b/a Green Elephant LLC.

License Type: Retail Marijuana Store, License: #10844 Location: 101 Mill St. Suite B, Juneau

Licensee: Taku Horticulture Company LLC. d/b/a Taku Horticulture Company LLC.

License Type: Standard Marijuana Cultivation License: #12176 Location: 1758 Anka St. Bldg. B Suite A1, Juneau

Licensee: Top Hat LLC. d/b/a Top Hat LLC.

License Type: Standard Marijuana Cultivation, License: #10270 Location: 2315 Industrial Blvd. Suite A, Juneau

Licensee: Alaskan Kush Company LLC. d/b/a Alaskan Kush Company

License Type: Retail Marijuana Store, License: #16213 Location: 159 S. Franklin St., Juneau

Staff from Police, Finance, Fire, Public Works (Utilities) and Community Development Departments have reviewed the above licenses and recommended the Assembly waive its right to protest the applications. Copies of the documents associated with these licenses are available in hardcopy upon request to the Clerk's Office.

The City Manager recommends the Assembly waive its right to protest the above-listed liquor and marijuana license actions.

The Assembly then took a break between the Consent Agenda and Public Hearing.

L. PUBLIC HEARING

Pulled from Consent Agenda:

8. Ordinance 2023-39 A Noncode Ordinance Authorizing a Cold Weather Emergency Shelter at 1325 Eastaugh Way.

This ordinance exempts the use of 1325 Eastaugh Way as the Cold Weather Emergency Shelter from all requirements and prohibitions of the land use code for five years. CBJ has been operating a cold weather emergency shelter during the winter months since 2017, in partnership with various community organizations. The work of emergency sheltering presents numerous challenges that most communities only partially succeed at meeting. Ideally, proactive work and support services exist in sufficient quality and quantity to prevent the need for a true emergency shelter; however, like most communities, we are not yet there. Funding for these services has already been appropriated in the FY24 budget.

The City Manager recommends the Assembly (1) waive Planning Commission review, (2) introduce this ordinance and (3) set it for public hearing at the next regular Assembly meeting.

Mayor Weldon noted that this is the meeting at which the ordinance is being introduced and while they don't normally take public testimony at this stage, she invited anyone from the public who wished to testify on the ordinance to do so at this time. She also noted that there will be additional opportunities for public testimony at the next meeting when the ordinance is before them for Public Hearing and Assembly action.

Public Comment

Karen Perkins, a Pastor at the Resurrection Lutheran Church, said she was not originally planning on testifying, but since they allowed testimony, she spoke to the process of the past location, this ordinance, and how the Cold Weather Emergency Shelter (CWES) is now placed in a location that she has major concerns about the safety of the individuals. It is more remote and will not likely have the same clientele. She urged that proper time be taken on this.

Mr. Smith thanked Rev. Perkins for the service they have provided to the community. He asked her to elaborate on the safety issue that she addressed. Rev. Perkins said CWES is the last available solution for those individuals that are the hardest to serve. There is a shuttle service but when people are at their worst, CWES is the likely to be their choice. She is concerned about people who are at their worst and most unable to access the shelter and walk up that road. She commented that, the harder it is to access and the more they are required to resort to the CWES, the more they will choose to use ER services and other emergency services.

Mr. Bryson asked about the safety of the surrounding neighborhood, and whether she could elaborate on her organization's response to their neighborhood about the safety concerns that had been raised. Rev. Perkins said that she feels it is unfair to say that the neighborhood in general didn't feel safe. There were some specific neighbors who didn't feel safe and experienced some problems that should not be tolerated. She said, in general, when a shelter as proposed there are concerns raised by the neighbors about the risks that might be. She said that often those risks are often not actually encountered because there are opportunities for those using the services to get out of the cold, use the restroom, and make use of the services provided. She explained the spike in homelessness nationwide and how they needed more staff and needed better programming to move people through the system; there were issues that came up and in planning for this year, they planned for additional staff and ways to reduce the population so that it wouldn't exceed 50-60 people that they felt they could handle. She said they also shifted external security resources as well as having someone available during the day to address the concerns of the neighbors. They also try to keep talking with the neighbors. It doesn't mean they are able to make everyone happy but there is often a stereotype or a myth to compare what happened versus what feels like happened. She said the church wants to be a good neighbor, but they also want the safety of the staff and the individuals who are using it.

Nicolas Barrett, served in the Army and was homeless for about 10 years. He lived three winters in an RV and ended up getting better and he got a job and didn't have to use the Lutheran shelter. He asked the homeless about this new shelter and they weren't happy with it and that they didn't have a voice in it. He doesn't agree with this change and likes the way the Resurrection Church was running it. He said he has ideas from multiple shelters that he has encountered. The individuals need to be part of the community.

Dan Wetherall, Glacier Hwy resident. Member of Resurrection Lutheran Church ... thanked Ms. Koester and Mr. Barr for locating the CWES at the Thane location, as it is closer to the Mill Campground and it is safer for individuals having shuttle service. He said that he thinks the

homeless will be in good hands and will be taken care of this winter, and applauded the work that the City Manager has taken in this regard.

Miguel Rohrbacher, lives downtown next to Resurrection Lutheran. He relayed that, during the first year of the shelter, he and his wife made a mistake in not commenting to the Planning Commission (PC) as they wanted to give their neighbors a chance to do a good job since the CWES was being moved from the JACC. He said the last three years' experience has been very difficult, and it wasn't so much caused by the patrons but the management of the shelter and the lack of response to the concerns they raised. They are happy to see how fast the city has worked to get this new location put together and agree that a long term solution is needed.

Mr. Bryson asked if he could explain the likelihood of them being disturbed or impacted and speak to the extent of the impacts. Mr. Rohrbacher answered that it was very frequent. They bought their house from the church, and there is an alleyway there. People would be under their window fighting, cutting construction materials. They were frequently disturbed during the night. There were instances of people trying to break into their windows and doors. They had items stolen from their property. There was feces and vomit next to their house and they brought it to the attention of the Lutheran management but he usually had to resolve the issues himself. He said the most distressing part of this experience was that the conditions that the church agreed to during the PC meeting were not met; they were supposed to have patrons leave the area and not loitering, but often times there were drug deals happening and people loitering in the area. He raised the concern about patrons who were kicked out of the Glory Hall because the patron was accused of having sexually assaulted a female patron who was under the influence of heroin.

The Assembly took a break at 8:41p.m. and returned at 8:43pm

Assembly Action

MOTION by Ms. Hale that the assembly waive the planning commission review, introduce the ordinance, and set it for public hearing at the next regular assembly meeting. *Hearing no objection, motion passed by unanimous consent.*

9. Resolution 3040 A Resolution Regarding the Allocation of the Hotel-Bed Tax.

This resolution would change the current 9% Hotel-Bed Tax (HBT) allocation method and repeal all prior resolutions. The HBT current resolution allocates revenue 4% to tourism promotion, 3% to Centennial Hall operations, and 2% to Centennial Hall improvements. This resolution moves away from the formulaic split of the HBT and directs the Assembly to provide funding priorities for use of the tax to the City Manager at the beginning of each budget year, which should include allocation of the 2% temporary tax to Centennial Hall improvements. The Manager will present the budget recommendations based on HBT revenues and the needs of the community and visitors. This affords the greatest flexibility for the Assembly to meet community needs, address the volatility in the revenue stream, and provide greater budgeting stability for Centennial Hall operations and Travel Juneau's tourism promotion.

The Assembly Finance Committee reviewed this request at the August 2, 2023 and September 6, 2023 meetings and passed a motion directing staff to prepare this resolution.

The City Manager recommends the Assembly adopt Resolution 3040.

Public Comment

Tom Sullivan, Board member and Treasurer for Travel Juneau, spoke in favor of the resolution, and said the organization anticipates that the new process will provide the organization with greater flexibility over a longer time. He shared that they have had trouble in the past planning initiatives

that span over fiscal years; however, this resolution appears to address that challenge. He looks forward to working with the City Manager and Finance Director during the next budget cycle.

Assembly Action

MOTION by Mr. Smith to adopt Resolution 3040, and he objected for purposes of amendment.

Amendment #1 by Mr. Smith, as follows:

Amend Resolution 3040 in Section 2, page 2, lines 46-51, as follows to clarify the Assembly's intent that Hotel Bed Tax revenue funds Tourism promotion and Centennial Hall Operations:

“Section 2. Intended Allocation of 9% Hotel-Bed Tax. The City and Borough of Juneau Assembly will provide funding priorities for use of the nine percent (9%) HBT to the Manager at the beginning of each budget year, which should include allocating the 2% temporary tax to Centennial Hall Improvements as expressed by the voters in 2019, as well as stable and adequate funding for Tourism Promotion and Centennial Hall Operations. ...”

Mr. Smith explained that funding to Travel Juneau from hotel bed tax distributions have been unstable and uncertain, with some situations where funding estimates changes while they are crafting their budget.

Mr. Bryson asked about the 4% the Assembly allocated Travel Juneau, and whether the new language would provide the needed financial stability. Mayor Weldon explained that the Assembly wanted more freedom in how this funding is allocated because the funding has seemly increased greatly, which is why the allocations are not split up by percentages anymore. Mr. Palmer added that one of the balancing acts with the resolution is trying to achieve the intent of the Assembly while not binding this Assembly in the budget cycle. He said the balance in the resolution would express the intent that the Assembly wants money to be allocated in this manner, but it is ultimately up to the Assembly during budget season to decide exactly how much money is allocated where.

Ms. Hale commented that she does not see the amendment as needed but doesn't see it hurting anything either. She reminded members that resolutions are not binding.

Ms. Hughes-Skandijs concurred with Ms. Hale's comments.

Hearing no objection, Amendment #1 passed by unanimous consent.

MOTION by Mr. Smith to adopt Resolution 3040, as amended, and asked for unanimous consent.

Ms. Woll objected. They discussed this resolution in committee and the whole point of this discussion was to dedicate a portion of these funds for affordable housing even though they cannot commit future Assemblies. She said she was hopeful that a percentage was going to be dedicated to affordable housing.

ROLL CALL Vote on Resolution 3040 as amended.

Yeas: Mr. Smith, Ms. Adkinson, Ms. Hale, Mayor Weldon

Nays: Ms. Hughes-Skandijs, Ms. Woll, 'Wáahlaal Gíidaak, Mr. Bryson, Mr. Kelly

Resolution 3040, as amended, failed 4 yeas/5 nays.

Mr. Smith gave notice of reconsideration on Resolution 3040.

- 16. Ordinance 2022-06(b)(BA) An Ordinance Appropriating \$2,478,745 to the Manager to Fund the City and Borough of Juneau and Bartlett Regional Hospital's Fiscal Year 2023 Public Employees' Retirement System (PERS) Contribution; Funding Provided by the Alaska Department of Administration.**

This ordinance would appropriate \$2,478,745 for the State of Alaska’s FY2023 2.79% PERS benefit rate paid on-behalf of the CBJ and BRH, distributed as follows:

City and Borough of Juneau	\$1,228,053
Bartlett Regional Hospital	\$1,250,692

Funding is provided by the Alaska Department of Administration, authorized by passage of HB281 during the 2023 legislative session.

This is a housekeeping ordinance to properly account for these on-behalf contributions to the state-managed retirement fund and has no impact on the CBJ or BRH’s finances.

The City Manager recommends the Assembly adopt this ordinance.

Assembly Action

MOTION by Mr. Bryson to adopt Ordinance 2022-06(b)(BA) and asked for unanimous consent. *Hearing no objection, the motion passed by unanimous consent.*

17. Ordinance 2023-14(b)(F) An Ordinance Transferring \$264,110 from CIPs W75-048 Back Loop Rd. Auke Bay Waterlines and W75-054 Douglas Highway Water Replacement to CIP R72-169 10th, F, W 8th Streets Reconstruction.

This request would transfer \$264,110 of previously appropriated areawide sales tax and 1% sales tax funds from two completed Water CIPs to the 10th, F, W 8th Streets Reconstruction CIP. This project is ongoing and is in need of additional funds due to exponential cost increases from inflation. The Douglas Highway Water Replacement and Back Loop Road Auke Bay Waterlines CIPs are complete and in the process of being closed.

This transfer of 1% sales tax project funding is consistent with the intent of the 2005 1% Sales Tax initiative approved by voters in the October 4, 2005 municipal election.

The Public Works and Facilities Committee reviewed this request at the August 28, 2023 meeting.

The City Manager recommends the Assembly adopt this ordinance.

Assembly Action

MOTION by Ms. Hughes-Skandijs to adopt Ordinance 2023-14(b)(F) and asked for unanimous consent. *Hearing no objection, the motion passed by unanimous consent.*

18. Ordinance 2023-14(b)(G) An Ordinance Transferring \$1,853,000 from CIP P44-090 Deferred Building Maintenance to CIP F22-027 Juneau Police Department Roof Replacement.

This ordinance would transfer \$1,853,000 from the Deferred Building Maintenance CIP to the Juneau Police Department Roof Replacement CIP. This project funding was allocated to the Deferred Maintenance CIP in the FY24 CIP Resolution 3016(b). The project is scheduled to advertise for bids in mid-November 2023 and will begin construction in summer 2024. This request would transfer funding from the Deferred Building Maintenance CIP to the project for clear financial accounting. The Deferred Building Maintenance CIP will retain sufficient funding for ongoing projects.

This transfer of project funding is consistent with the intent of the 2022 1% Sales Tax initiative approved by voters in the October 4, 2022 municipal election.

The Public Works and Facilities Committee reviewed this request at the August 28, 2023 meeting.

The City Manager recommends the Assembly adopt this ordinance.

Assembly Action

MOTION by Ms. Adkinson to adopt Ordinance 2023-14(b)(G) and asked for unanimous consent.

Mr. Kelly objected for purposes of discussion. He asked Ms. Koester how old the current roof is, and what materials is it made out of. Ms. Koester answered that the roof is about 25 years old, and that the material is not adequate for this climate. Mr. Bryson added that the building was built in 1999. Mr. Kelly inquired as to what materials would be used for the new roof. Mr. Koester offered to provide a follow-up answer at a later date. Mr. Kelly removed his objection.

Hearing no further objection, the motion passed by unanimous consent.

19. Ordinance 2023-14(b)(L) An Ordinance Appropriating \$312,500 to the Manager as Funding for the Ramp Improvement Capital Improvement Project; Funding Provided by Airport CARES Act Funding.

This ordinance would appropriate \$312,500 of Airport CARES Act funding for the Ramp Improvements CIP. This funding would support the construction of a new remain overnight (RON) large aircraft parking ramp, rehabilitate deteriorating pavement for large and commercial aircraft parking ramps, repair failing ramp drainage and catch basins, and upgrade ramp lighting. This funding would contribute to the local match requirement for grant funds appropriated under Ordinance 2022-06(b)(I).

The Airport Board reviewed this request at the June 8, 2023 meeting.

The City Manager recommends the Assembly adopt this ordinance.

Assembly Action

MOTION by Mr. Kelly to adopt Ordinance 2023-14(b)(L) and asked for unanimous consent. *Hearing no objection, the motion passed by unanimous consent.*

20. Ordinance 2023-14(b)(M) An Ordinance Appropriating \$213,506 to the Manager for the Terminal Construction Capital Improvement Project; Funding Provided by Airport CARES Act Funding.

This ordinance would appropriate \$213,506 of Airport CARES Act funding for the Terminal Construction Improvements CIP. This funding would provide for the replacement tiles in the suspended ceiling which was a component of the reconstruction of the Juneau International Airport terminal. Funding is provided by previously received Airport CARES Act grant funding.

The Airport Board reviewed this request at the April 14, 2022 meeting.

The City Manager recommends the Assembly adopt this ordinance.

Assembly Action

MOTION by Mr. Smith to adopt Ordinance 2023-14(b)(M) and asked for unanimous consent. *Hearing no objection, the motion passed by unanimous consent.*

The Assembly took a break at 9:10 p.m. and returned at 9:19 pm

M. NEW BUSINESS

21. Docks and Harbors Regulations Omnibus - Rate Increase (9%)

After the fiscal uncertainties caused by the pandemic, the Docks & Harbors Board (Board) hired a consultant to conduct a rate study, which was completed in September 2022. The rate study recommended a 9% increase to Docks & Harbors fees. The Board then engaged in a broad public process that included open house events, notices in local media, notices at CBJ facilities, notices in social media, and fliers. The Board held a public hearing on October 4, 2023, to avoid conflicting with the summer boating season, which also enabled companies involved with tourism to participate. Docks & Harbors received public comments. After considering the public comments and evaluating the consultant's recommendation, the Board approved raising most fees 9% effective January 2024. Notably, the Board recommended raising the monthly moorage fee over three years to 9% instead of at one time because the moorage fee affects nearly all harbor users. In addition to the 9% increase, various fee provisions also give the Board authority to adjust the fees in 2024 based on changes to the Consumer Price Index.

The City Manager recommends the Assembly approve the regulations. If the Assembly wants to do something else, CBJC 01.60.260 provides other options.

Public Comment

Clayton Hamilton, a Douglas resident, uses both Douglas and Downtown harbors. He said the motion treats Docks and Harbors as one enterprise. He pointed out that that, according to the rate study, the cost drivers are from the docks side; therefore, harbor users are contributing more than their share and the dock side users are not. He referred to a comment by Mr. Uchytel that the harbors enterprise has been solvent for 12 years with revenues exceeding expenditures. He stressed that the harbor rate goes up with every CPI adjustment, and that it is irresponsible to raise rates for harbor users. He suggested moving forward with the dock rate raises and to leave the harbor rates alone. He recalled comments made during the public comment period, one being that Juneau already has the most expensive harbor in Southeast. Do not think of Docks and Harbors as an enterprise, rather, it is a public transportation utility. He added that the harbor is a regional hub and is important infrastructure for more than just Juneau. He said the public process was deficient, with meetings being changed frequently, non-working zoom links being provided, and some public comments not being recorded. He highlighted liveboards and said that raising rates on this part of the harbor population is going to impact housing and homelessness in Juneau.

Mr. Smith asked Mr. Hamilton to speak to his comments about the cost drivers being on the dock side rather than the harbors. Mr. Hamilton referred to Mr. Uchytel's letter regarding cost drivers, which said that there is a rapidly growing insurance liability cost. He said this is not coming from harbors because they aren't growing. He stressed that personnel costs and assets are conflated between the two enterprises

Ms. Woll, asked how Mr. Hamilton knew to testify at tonight's Assembly meeting. Mr. Hamilton said he has been spending a lot of his own time and efforts to keep abreast of this process and he has been trying to get the word out to other users. After sending a letter to the fishing fleet in town and encouraging others to publicly comment. Following the letter, Docks and Harbors made a brochure addressing the concerns. He knew to testify tonight through calling Harbor Administrative Officer Teena Larson and asking for details.

Todd Vaily, a Douglas resident, owns a fishing vessel, spoke in opposition to the rate increase to the harbor. He concurred with Mr. Hamilton's comments. The city should try to encourage more boats and more fishing permits because the city would get the landing tax. He said it seems like it has been getting more difficult to use the harbors, especially Statter Harbor, as there is no more free parking. He added that asking the harbor users to subsidize the dock side isn't fair.

Shane Krause, a Douglas resident, has been harbor resident since 2015, and a former harbor manager in WA. He said the docks/tourism cost too much and this proposal is flawed. Juneau's rates are already highest in Southeast. He suggested finishing Aurora Harbor first and keep the rates down so it could be filled. He discussed the unusable Zoom sessions, technical issues, locked entrance door after the 10/4 meeting began, and that not all public comments were recorded. He said the board couldn't understand the calculations brought up during the 10/4 meeting.

Max Stanley, a downtown resident, commercial and recreational docks and harbors user, said the need to increase revenue is warranted, given that operational expenses are up, and there are capital projects that are needed. Much of Juneau would support this revenue coming from cruise ships and vessels over 200 feet. Moorage rates should not be increased in the harbors. He understands there are structural issues in the D&H rate funds but feels that could be addressed. Holding D&H rates the same for residents and increasing revenue from large vessels directly benefits Juneau residents.

Assembly Discussion

Mr. Smith highlighted that the proposed increases are across the board at 9%, rather than cost increases being covered appropriately. Why is the rate the same for docks and harbors. Mr. Uchytel answered that the rate study was conducted after there was a pandemic and docks were running in the red for several years. The D&H Board hired a consultant who recommended a 9% increase for both the docks and harbors enterprises, which the board determined to be fair and equitable as there are needs in both. Mr. Smith said the 9% increase adds \$700,000 more a year, and asked whether the funding is for the needed capital projects. Mr. Uchytel responded that the consultant reviewed the entire D&H portfolio and said D&H should try to recapitalize 2.5% of their enterprise on an annual basis, thereby leading to the recommended 9% increase.

Ms. Hale asked whether the consultants recommended a 9% for docks and harbors or did the D&H board come to that number. Mr. Uchytel said the recommendation came from the consultants, and that the increase be placed on both docks and harbors.

Ms. Woll commented that the moorage fee increase is not one-time, and that the increase will add up to 9% over the course of three years. She asked if the D&H Board made the decision to increase based on the input, or if it had been planned for some time. Mr. Uchytel answered that it was a board decision that was made at the public hearing on October 4, which was when the board elected to break up the 9% increase over three years, with a 3% increase starting January 2024, another 3% in 2025, and 2.5% in 2026.

Ms. Hughes-Skandijs asked if cost generation from both docks and harbors were discussed with the consultants when they were considering the 9% increase recommendation. Mr. Uchytel said the consultant report was more focused on the revenues than it was on the expenditure side. He explained that the D&H Board determined that a 9% increase for both dock and harbor users was more equitable than to pick and choose.

Mr. Smith inquired as to whether the users who are incurring the costs are going to be the ones paying the 9% increase. Mr. Uchytel explained that, on the dock side, not enough revenue is being raised to cover expenses, so D&H applies for marine passenger fees to help with staffing. On the harbor side, costs were being driven by the UAS property increasing from \$12,000 a year to \$230,000. He added that the users are mostly commercial. He said another cost driver was a 280% increase in insurance. In revenues, \$5 million was collected from harbors and \$2.5 million were from docks. He said they try to move money into the harbor enterprise as best they can.

Ms. Hale asked about the insurance costs being split 50 to docks and 50 to harbors, and that if there insurance was separate instead, which of the two would be more expensive. Mr. Uchytel answered that there may be more risk with smaller boats in the harbors. There are two arrivals per day for 180 days a year, and if something were to happen, D&H would be able to achieve collection, whereas with 1,200 slips and 3,000 boat launch permits, there is the risk of damage and oil pollution. He said he will have to ask the risk manager what the costs are but said there may be more risks in the harbors than the docks. Ms. Hale stressed that insurance has gone up everywhere and asked if the insurance increases have mirrored increases happening in other CBJ departments. Mr. Uchytel said the insurance is set at the value of the property one maintains. D&H has the third most valuable infrastructure, followed by Water and Wastewater, and then Juneau Schools having the most.

Ms. Woll asked for more information regarding the D&H Board's discussions, as well as what the votes were like. Mr. Uchytel shared that D&H was looking at possible rate increases in 2021, and he had recommended was to double the liveaboard rate but the board did not approve that; there was a request to double the cruise ship dockage rate, but that was not approved by the assembly. The board

hired a consultant and underwent a public process, and then at the October 4 meeting, every item was unanimous with the exception of one item. The fee rate of 9% was across the board, there wasn't an appetite to do anything other than be consistent with the same fee increase to all of them

Mr. Bryson asked that, since harbors collect enough revenue to cover annual expenses, how that is separate from capital investment. Mr. Uchytel explained that the docks enterprise and the harbor enterprise have separate fund balances and personnel. On an annual basis, D&H tries to be frugal enough so it can save money to put into its fund balance, which worked up until the pandemic when there were two years of diminishing returns in the docks enterprise. He said their charge is to build a fund balance that can be used to leverage in grant opportunities. He informed members that the D&H budget is not funded by sales tax or property tax on an annual basis and that, while they can compete for the 1% sales tax every 5 years, they try to build up the fund balance so they can be more successful in federal and state grants. There is less than \$2 million in the harbors fund balance and \$1.7 million in the docks fund balance, but about a quarter of a billion dollars in infrastructure. They have an application for a drive down dock, which requires match funding, as well as a need for reevaluation for breakwater at Statter Harbor, which will also require match funding. He stressed that they need the 9% increase in order to recapitalize D&H's needs. He pointed to the \$5 million in funding towards Aurora Harbor from the 1% sales tax and, with the assembly's recommendation tonight to the state to fully fund the Alaska Municipal Harbor Grant Program, the state would contribute another \$5 million for a total of \$10 million. He said the 9% increase will help in this effort.

Ms. Hughes-Skandijs inquired about expenditures between the docks and the harbors. Mr. Uchytel said that at the end of the year they will know what the expenditures are for the docks and for the harbors. He recounted that, during the pandemic, docks had to pull money from the fund balance due to the loss of cruise traffic; had the docks and harbor funds been comingled, someone in the harbors could say the money is being used to subsidize the cruise industry. Ms. Hughes-Skandijs pointed to today's public testimony saying that Juneau's harbor fees are highest in the region, and asked if the board discussed that. Mr. Uchytel advised that Sitka's rate is \$4.64 per liner foot per month, while Juneau's downtown harbor rate is \$4.97. Sitka's transient moorage rate is a \$1.44 per linear foot for vessels up to 80 feet, Juneau's overall rate is \$.66 cents.

Mayor Weldon offered her understanding that the revenues and expenditures are neutral, and D&H is seeking extra money to do capital projects. Mr. Uchytel responded that D&H has been in the black for harbors, and that they need more revenue in their fund balance so they can finish off the infrastructure at Aurora and Statter Harbors. Mayor Weldon asked if docks could pay more in insurance costs than harbors, or if there is a legal reason not to. Mr. Palmer answered that he can't answer right now if the split is close enough, or if it can be made better. He reminded members that, during the lawsuit with the cruise line industry, the judge required CBJ to keep the two funds separate because fees that are charged to ships on the docks have to be returned to service those docks or ships. He said there is probably an opportunity to evaluate options for shared costs. Mayor Weldon recalled that passenger fees have to stay with the dock, but did not realize moorage fees had to stay with the dock too.

Mr. Smith said he did not see cruise ship dockage fee comparisons in the rate study, and asked if that was looked into. Mr. Uchytel said other rates were not looked at, as D&H proposed to raise rates and the Assembly told them not to. Mayor Weldon said the tourist manager is working with the industry on those rates.

Ms. Hughes-Skandijs recounted that, at a previous meeting, the tourism manager said they have to wait for the results of the rate study before raising rates on the dockage. Mayor Weldon answered that the tourism manager wanted to wait for the study today, and then work on it after to see what the rates should be. She advised that private docks consider their rates to be proprietary.

Ms. Hale commented that the last D&H proposed rate increase in 2021 came out of the blue with little public process, which they followed up with a public process on the current proposal.

Mr. Smith asked what the Assembly's options are, can they table regulation. Mr. Palmer explained that CBJ code binds the Assembly in regulations that are unlike the restrictions that a resolution or ordinance would have. He said, if the Assembly has been presented with a regulation, and they don't take up consideration of the item, then it is automatically approved tonight; tabling might mean it's automatically approved. He added that another option is to approve this tonight. If the Assembly disapproves of the regulation package, it must state its general concerns to the D&H Board, but not specific conditions the Assembly wants them to change. If the Assembly does want to specifically change something, then it would need to direct him to bring back regulations as a resolution. Mr. Smith said he is not certain as what to do, he wants more time but doesn't know how to get more. Mr. Palmer advised that the simplest way to get more time is to direct him to come back to the Assembly with a resolution or an ordinance. Mr. Smith asked about timeline, in that, if it were introduced in November, how soon would the document take effect. Mr. Palmer explained that if the Assembly adopted a resolution, they are effective immediately, but can have a date specified. Mr. Smith asked Mr. Uchytel if November 13 works. Mr. Uchytel said the language that says the fees begin January 1 is arbitrary and could let it slide. He stressed that D&H has worked to get as much public input as possible.

Ms. Hughes-Skandijis sought confirmation that dividing a regulation wouldn't work if the Assembly gets too specific. Mr. Palmer nodded in affirmation.

Mr. Kelly asked Mr. Palmer for clarification that the Assembly would need to vote the item down today or else it takes effect today. Mr. Palmer said it depends on the motion, for example, if a motion was made to direct him to come back with a resolution and it passes, then that motion passes; if it doesn't pass, the Assembly can evaluate options at that point.

Assembly Action

MOTION by Ms. Hale that the Assembly approve the Docks and Harbors Regulations Omnibus Rate Increase.

Ms. Hale recalled that, when the Assembly kicked back the rate increase three years ago, they had directed the D&H Board to be more thorough and do a more thorough public process. She said they have done that, worked hard, and hired a consultant to help figure out the rates. She stated that the Assembly went backwards on the hotel bed tax issue, which the Assembly spent a lot of time talking about. She advocated that the regulations be approved.

Mr. Smith objected to the motion. He said he would like more time to understand the background of the matter better.

Ms. Woll asked Mr. Palmer that, if the motion were to fail because people want more time, can the Assembly make a new motion, or would the current motion have to be amended. Mr. Palmer answered yes, if the current motion fails then a subsequent motion can be made.

Mr. Bryson shared that he has been the D&H liaison for the last year and saw that the board had as deep a conversation about the rate increase as the Assembly did with property tax. They looked at how it was going to impact different user groups, and discussed it for several months. He shared his appreciation of the idea to stagger out the rate increase. He said he doesn't believe the Assembly has talked about raising a single price tag that hasn't been met with opposition, despite how inflationary things are now. He commented that, while he would like a month to figure out how to soften the increase, it wouldn't make it any less painful or get any easier. He called on passing the regulations tonight.

Mayor Weldon commented that the city is facing inflationary times, and that the D&H Board – after the first rate proposal was rejected and were ordered to work on it – went back and did work on the proposal. She said D&H is solvent but needs money for capital projects, but have a very little fund balance, so she will be supporting the motion. She said that when she compares the two user groups, it is easy to pick a winner as one is better funded, and the other are people who live in the community.

Ms. Hughes-Skandijs opined in the harbor fee increases; if the enterprises are in the black, and the increase is for the purpose of building up capital funds, she would rather see D&H come to the Assembly when they need capital funds. She said she does not know how she will vote on this, but would like to see the harbor part tweaked.

Mr. Kelly concurred with Mr. Smith that this is a consequential decision and would like more time to evaluate the matter.

Ms. Hale advised that, when the D&H Board comes to the Assembly for money, they are actually coming to the residents of Juneau for money; everyone that doesn't have a boat or live in the harbor are paying the money for harbor improvements. She said the Assembly needs to think about how it wants to allocate funding that they themselves are able to allocate.

Ms. Adkinson conveyed her appreciation to D&H for the public process they underwent. She agreed with Mr. Smith's concerns about raising rates, especially for liveboards, when there is a housing crisis in town. She said she would like more time to think about this.

The Assembly took a break at 10:31 p.m. and returned at 10:38 p.m.

ROLL CALL Vote on Docks and Harbors Regulations Omnibus - Rate Increase

Yeas: Ms. Hale, Mr. Bryson, Ms. Hughes-Skandijs, 'Wáahlaal Gíidaak, Mayor Weldon

Nays: Mr. Smith, Ms. Woll, Mr. Kelly, Ms. Adkinson

Motion passed 5 yeas/4 nays.

22. Hardship and Senior Citizen/Disabled Veteran/Non-Profit Late-Filed Real Property Tax Exemption Applications

There are 12 property owners that have requested the Assembly authorize the Assessor to consider a late-filed exemption for their property assessment.

The Assembly should consider each request separately and determine whether the property owner was unable to comply with the April 30 filing requirement. A.S. 29.45.030(f); CBJC 69.10.021(d). The burden of proof is upon the property owner to show the inability to file a timely exemption request. If the Assembly decides to accept one or more late-filed exemption requests, those applications will be referred to the Assessor for review and action.

The City Manager recommends the Assembly act on each of these applications individually.

Assembly Action - Skipped due to time constraints.

N. STAFF REPORTS

23. Cold Weather Emergency Shelter (CWES) Update

Mr. Barr reported that the cold weather contract process via normal CBJ procurement, called for a request for bids in June and received none. He explained they have to decide whether or not the process is redone or to find a solution to the program. He said they then started looking at alternative options, looking at every CBJ-owned facility as well as private options. He reminded members that Resurrection Lutheran didn't bid during the first part of the process, so that left the city with two

options: go back to Resurrection Lutheran for a second vote, a preferred option, or looking at the Downtown Transit Center (DTC) with warm busses. After the second vote failed at Resurrection Lutheran, there was more community engagement, which lead to re-evaluating reasons some CBJ facilities were ruled out; Mt. Jumbo Gym and the Thane Warehouse came up and CBJ ultimately landed on Thane due to the location solving the transportation problem, as well as not being in a residential neighborhood and is not next to a school.

Mayor Weldon asked how many people were at the CWES last night. Mr. Barr said there were 19 on Friday and about 20 over the weekend.

Mr. Kelly referred to the bullet list of criteria that any CWES should meet. He asked how many of those criteria are met by the Thane warehouse. Mr. Barr answered that Thane meets all of them.

Mayor Weldon noted that people are shuttled back and forth as needed. She asked about where they are going for food. Mr. Barr said there is some food at the shelter, and that many people choose to go to the Glory Hall in the morning.

24. October 3, 2023 CBJ Municipal Election Report to the Assembly with attachments – Skipped due to time constraints.

25. Assembly 2024 Meeting Calendar - Draft for Assembly Review/Approval – Skipped due to time constraints.

O. ASSEMBLY REPORTS

Mayor's Report - Skipped due to time constraints.

Committee Reports - Skipped due to time constraints.

Presiding Officer Reports

26. Appeal 2022-AA07 Bayhouse Properties LLC vs. CBJ Planning Commission - Order re: Withdrawal of Appeal

On September 28, 2023, a status hearing was held with CDD Director Maclean and Mr. Falk. The parties discussed potential resolution of this appeal via another permit application. At the conclusion of the hearing, Mr. Falk requested his appeal be withdrawn with the understanding that he is free to file a subsequent permit application and, if necessary, file an appeal on that subsequent permit application. The Presiding Officer issued such an order, and this appeal is closed.

No further action is needed.

27. Appeal 2023-AA01 Karla Hart v. PC (Huna Totem dock appeal) re: Motion for Hearing Officer Disqualification

In the summer of 2023, the Planning Commission issued a conditional use permit for a new cruise ship dock at the Juneau Subport. Ms. Hart filed a timely appeal. The Assembly accepted the appeal, and a hearing officer was appointed. Ms. Hart filed a motion with the hearing officer asking him to withdraw. The hearing officer responded to the motion with an order describing that he did not have a conflict of interest and could be fair and impartial. Ms. Hart now asks the Assembly to disqualify the hearing officer. Huna Totem Corporation has filed an opposition pleading. Ms. Hart filed a pleading this morning in response.

Because this is a quasi-judicial matter, the Assembly may recess into executive session to discuss and make a decision on Ms. Hart’s disqualification request. AS 44.62.310(d)(1). The Assembly’s decision would need to be issued in writing and provided to all the parties to the appeal.

The City Attorney recommends the Assembly recess into executive session to address the motion to disqualify the hearing officer.

Assembly Action

Mayor Weldon asked if there was any member of the public who does not wish the Assembly to go into Executive Session. Seeing/Hearing none, she asked if there were any members of the Assembly who did not wish the Assembly to go into Executive Session.

Mr. Smith said that unless there are specific reasons from the Attorney, he feels the matter should be discussed in public.

Ms. Hughes-Skandijs agreed to discussing the matter in public.

Mayor Weldon asked Mr. Palmer if there is a reason the Assembly should go into executive session. Mr. Palmer explained that the Assembly can stay in public session but does not know of a case in which the Assembly has never gone into executive session to discuss a quasi-judicial matter. He said precedent doesn't matter, that is just what caused him to make the recommendation. He stated that the Assembly can definitely stay in public if it wants to stay in public.

Mr. Bryson said that, while he'd appreciate having this discussion in public, it would be the first time they discuss it. He suggested that there might be a better discussion among Assemblymembers if they are in executive session.

MOTION by Mr. Bryson to recess into executive session to discuss matters, the immediate knowledge of which would defame or prejudice the character or reputation of any person, and asked for unanimous consent.

ROLL CALL Vote on adjourning into executive session

Yeas: Mr. Bryson, 'Wáahlaal Gíidaak, Ms. Hale, Mayor Weldon

Nays: Ms. Hughes-Skandijs, Mr. Smith, Ms. Woll, Mr. Kelly, Ms. Adkinson,

Motion failed 4 yeas/5 nays.

Mayor Weldon asked Mr. Palmer to advise what the Assembly should take care in saying before they should proceed. Mr. Palmer explained that the only question before the body is whether the hearing officer should be disqualified, or if the hearing officer should be kept, so the substance of the appeal is not relevant, what is only relevant is whether the Assembly believes there's enough evidence presented by Ms. Hart that the hearing officer should be disqualified, or if there are other reasons for them to be disqualified those are also appropriate to be discussed.

Mr. Smith inquired as to how much time and additional costs would go into getting another hearing officer. Mr. Palmer answered it would be fair to say that it may take approximately two weeks, and in terms of cost, he does not have an exact number, but imagines there would be extra costs.

Mr. Bryson asked Mr. Palmer that if he found an alternative hearing officer, and the applicant again feels like the officer is not fair enough, would they be faced with the same situation. Mr. Palmer responded that a subsequent hearing officer that is appointed would be subject to the same disqualification that is being addressed right now. He said he could find another qualified and unbiased hearing officer, but it's going to take a bit of time.

Ms. Hale sought clarification as to what a registered agent is, and what they do. Mr. Palmer explained that every business in Alaska is required to have a registered agent to accept legal service, and that such an agent doesn't have to be an attorney, but they typically are. He said many corporations appoint an owner or officer to be the registered agent. If a registered agent for the business cannot be found, then a state commissioner becomes the registered agent.

Ms. Hughes-Skandijs sought clarification that the additional costs for a new hearing officer would be just to hire another one since the city already paid for the other one. Mr. Palmer said there are two rate

types that hearing officers tend to charge, a flat fee or a per-hour basis. He explained that it's challenging to find an attorney who has experience with Planning Commission permits, who has experience with Administrative Law, and who is not also conflicted; there are not many left in Southeast so they'll have to go to Anchorage, who tend to charge more than those in Southeast.

Mr. Kelly asked that, if a judge were actually entertaining this case, hypothetically, would they find that the current presiding officer has a conflict of interest. Mr. Palmer said, not weighing the political implications or perception implications, he does not believe there has been sufficient evidence presented that the officer has a conflict of interest.

Ms. Woll asked whether the body can consider perception in its response. Mr. Palmer responded that if she thinks the perception of a connection that Ms. Hart has raised is sufficient enough, that could be a justification to find a new hearing officer.

MOTION by Mr. Smith that they accept the motion by Ms. Hart to disqualify the hearing officer.

Mr. Bryson objected. He said the hearing officer should not be disqualified.

Ms. Hale also objected to the motion. She said that, in reading through the objections, many of them were reiterating statements in the motion. She pointed to one reason being that the officer lives in Ketchikan, which she does not find to be appropriate or acceptable reason to disqualify the hearing officer. She feels the reasons stated are frivolous and would be slowing the process down again.

Mr. Kelly objected for a question. He asked if the permit issue by the planning commission is still valid, and would the status of the appeal do anything to hold it up Huna Totem from proceeding. Mr. Palmer said CBJ code provides that a permit issued by the Planning Commission that is then appealed is still valid, but the applicant developers are at their own risk if they choose to go forward with it while the appeal is going through its process.

Mr. Kelly removed his objection.

ROLL CALL Vote on the motion to disqualify the hearing officer

Yeas: Mr. Smith, Ms. Hughes-Skandijs, Ms. Woll, Mr. Kelly, Ms. Adkison, Mayor Weldon

Nays: Mr. Bryson, 'Wáahlaal Gíidaak, Ms. Hale

Motion adopted 6 yeas/3 nays.

P. ASSEMBLY LIASON REPORTS, COMMENTS, & QUESTIONS - Skipped due to time constraints.

Q. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

R. EXECUTIVE SESSION

28. Placeholder in case the Assembly wishes to go into Executive Session for Appeal 2023-AA01 Karla Hart v. PC (Huna Totem dock appeal) re: Motion for Hearing Officer Disqualification

S. SUPPLEMENTAL MATERIALS

29. Cover Memo for Docks and Harbors' Regulation Changes

30. Appeal 2023-AA01 Karla Hart v. PC (Appellant's Reply to Intervenor's Opposition to Motion)

T. ADJOURNMENT

The Mayor adjourned the meeting at 10:59 p.m.

Signed: _____
Elizabeth J. McEwen, Municipal Clerk

Signed: _____
Beth A. Weldon, Mayor

