

REGULAR ASSEMBLY MEETING 2024-26

DRAFT MINUTES



December 16, 2024, at 7:00 PM

Assembly Chambers/Zoom Webinar

Meeting No. 2024-26: the Regular Meeting of the City and Borough of Juneau Assembly was held in the Assembly Chambers and called to order by Mayor Beth Weldon at 7:04 p.m.

A. FLAG SALUTE

B. LAND ACKNOWLEDGEMENT

Ms. Hughes-Skandijs provided the following land acknowledgment: We would like to acknowledge that the City and Borough of Juneau is on unceded 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. ROLL CALL

Assemblymembers present: Greg Smith, Christine Woll, Paul Kelly, Ella Adkison, Alicia Hughes-Skandijs, Neil Steining, Maureen Hall, and Mayor Beth Weldon

Assemblymembers absent: Wade Bryson

Staff present: City Manager Katie Koester, City Attorney Emily Wright, Deputy City Manager Robert Barr, Municipal Clerk Beth McEwen, Meeting Tech/Minutes Clerk Kevin Allen, Deputy Clerk Andi Hirsh and via Zoom: Assistant City Attorneys Sherri Layne and Nicole Lynch, Lands Manager Dan Bleidorn, Port Director Carl Uchtyl, Senior Planner Irene Gallion

D. SPECIAL ORDER OF BUSINESS

Deputy Manager Barr presented the Alaska Municipal League Vic Fischer Lifetime Achievement Award to Mayor Beth Weldon.

E. APPROVAL OF MINUTES

1. January 10, 2024, Special Joint Assembly/Eaglecrest Board Meeting 2024-02 Minutes-DRAFT
2. March 4, 2024, Regular Assembly Meeting 2024-06 Minutes-DRAFT
3. April 1, 2024, Regular Assembly Meeting 2024-08 Minutes-DRAFT

MOTION by Ms. Hall to approve the minutes of January 10, March 4, and April 1, 2024, meetings and asked for unanimous consent. *Hearing no objections, the minutes were approved by unanimous consent.*

F. MANAGER'S REQUEST FOR AGENDA CHANGES

Manager Koester requested the following agenda changes:

- 1) Removal of Item #24, Ordinance 2024-01(b)(W) due to business ownership changes. She said the ordinance will be reintroduced with corrected information.
- 2) Manager Koester requested that they move back up the agenda to Special Orders of Business to recognize Mayor Weldon on receiving the Vic Fischer Lifetime Achievement Award at the Alaska Municipal League (AML) meeting last week.

G. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS *(Limited to no more than 20 minutes, with each speaker limited to a length of time set by the Mayor not to exceed three minutes.)*

Michael Riederer, a North Douglas Resident, highlighted a projection that Southeast Alaska will lose 20,000 people by 2050. He said CBJ was taking steps in providing infrastructure and jobs by introducing ordinances that rezone land and increase housing density, and that he hoped the city can expedite the platting of projects so that a Douglas Bench Road could be considered next year. He had no problem with the possible traffic increase in the area and stressed that it's time to act on building new plats in Juneau. He suggested that Affordable Housing Fund projects all be awarded some money based on scores received so that more projects get funding. He said the funding should be appropriate with how many affordable units are created.

Amanda Hatch, a Meander Way resident, shared that her garage and crawl space were flooded in 2023 and had extensive foundation shifting due to ground instability. Her family pursued repairs and mitigation at their own expense. She said several neighbors had financial protection with NFIP insurance with FEMA, which she said was in jeopardy due to city inaction. She said the city needed an updated hazard mitigation plan, which included a special flood hazard area, as a requirement from FEMA. She stressed that the valley will be unable to recover from another flood if there is no flood insurance.

Emil Mackey, speaking as an individual Juneau School Board Member and parent of a child attending Montessori, explained that \$1.1 million was planned to be set aside for a playground during the Dzantik'i Heeni Middle School transition. The school board's facilities committee were informed that the funding was reduced to \$500,000, which would only pay for site preparation and that CIP funds cannot be used. He said there's not enough money in the district to make up the difference and urged members to reconsider.

H. CONSENT AGENDA

Public Request for Consent Agenda Changes, Other than Ordinances for Introduction - None

Assembly Request for Consent Agenda Changes - None

Assembly Action

MOTION by Mr. Smith to adopt the consent agenda and asked for unanimous consent. *Hearing no objection, the motion was adopted by unanimous consent.*

I. Ordinances for Introduction

4. Ordinance 2024-43 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Approximately 63 Acres of USS 4605 FR, and 2.27 Acres of USS 3172 LT 38, Located on North Douglas Highway, from RR to D3.

This proposed rezone requested by CBJ (applicant) is consistent with development to the west and north. Bonnie Brae and Blacktail Subdivisions to the west are zoned D3. Lots to the north along North Douglas Highway are also zoned D3. Development will be challenging due to mapped wetlands and slopes in excess of 18 percent.

The Planning Commission heard [this proposal](#) at its regular meeting on October 22, 2024. The Planning Commission recommends the Assembly approve the rezone.

The Assembly Lands, Housing & Economic Development Committee reviewed this request at the December 2, 2024, meeting.

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

5. Ordinance 2024-44 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of 28 Acres of USS 3820 LT3 B1 and USS2391 LT 1, Accessed via Glacier Highway in the Auke Bay Area.

This proposed rezone requested by CBJ (applicant) is uphill from the Auke Bay community core. Staff recommends reducing the applicant's scope to eliminate incompatible Comprehensive Plan land use

designations, resulting in a total of approximately 29.5 acres for rezone. Mapped wetlands cover most of the proposed rezone, which will increase development costs.

The Planning Commission accepted Staff recommendation at its [regular meeting on October 22, 2024](#). The Planning Commission recommends the Assembly approve the reduced scope rezone.

The Assembly Lands, Housing & Economic Development Committee reviewed this request at its December 2, 2024, meeting.

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

6. Ordinance 2024-45 An Ordinance Amending the Official Zoning Map of the City and Borough by Rezoning Approximately 33 Acres of Parcel No. 8B3401000100, USS 3807, Located at 15700 Auke Rec Bypass Road, North of 15700 Glacier Highway.

The applicant (CBJ) requests a rezone of approximately 33 acres uphill (north) of 15700 Glacier Highway from RR to D3 (in the Auke Bay area).

The Planning Commission considered this proposal at its regular meeting on October 22, 2024. The Planning Commission recommends the Assembly approve the rezone.

The Assembly Lands, Housing & Economic Development Committee reviewed this request at the December 2, 2024, meeting.

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

7. Ordinance 2024-46 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Pederson Hill II Lt 2A, Parcel 4B2201010102, Approximately 6 Acres, Located at the End of Karl Reishus Boulevard.

Applicant (CBJ) requests a rezone for approximately six acres at the end of Karl Reishus Boulevard from 10SF to D10 creating opportunity for multifamily housing.

The Planning Commission considered this proposal at its regular meeting on October 22, 2024. The Planning Commission recommends the Assembly approve the rezone.

The Assembly Lands, Housing & Economic Development Committee reviewed this request at the December 2, 2024, meeting.

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

8. Ordinance 2024-47 An Ordinance Amending the Official Zoning Map of the City and Borough by Rezoning 39 Acres of USS 4605 FR, Located on North Douglas Highway, from D3 to D18.

At the Regular Planning Commission meeting on October 22, 2024, the Commission voted to recommend approval of a CBJ (applicant) request rezone of 39 acres of CBJ land south of Grant Creek from D3 to D18. A fraction of these 39 acres was subject to a 2022 Property Acquisition and Disposal (PAD2022 0002) that received a recommendation of approval from the Planning Commission and Assembly Lands Housing and Economic Development Committee.

The Planning Commission recommends the Assembly approve the rezone.

The Assembly Lands, Housing & Economic Development Committee reviewed this request at the December 2, 2024, meeting.

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

9. Ordinance 2024-48 An Ordinance Amending the Official Zoning Map of the City and Borough by Rezoning Approximately 87 Acres, Parcel 6D0611000010, North of Grant Creek from D3 to D15.

At the Regular Planning Commission meeting on October 22, 2024, the Commission voted to recommend approval of a CBJ (applicant) rezone of approximately 87 acres of undeveloped land north of Grant Creek from D3 to D15. Rezone is consistent with the adjacent zoning district.

The Assembly Lands, Housing & Economic Development Committee reviewed this request at the December 2, 2024, meeting.

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

10. Ordinance 2024-49 An Ordinance Amending the Comprehensive Plan by Adopting the Blueprint Downtown Area Plan.

On April 23, 2024, the Planning Commission, at its special public meeting, adopted the analysis and findings listed in the attached memorandum dated April 16, 2024, and recommended that the City and Borough Assembly adopt staff's recommendation for a text amendment to adopt the Blueprint Downtown Area Plan as an addendum to the CBJ Comprehensive Plan with revisions noted in the staff report. The Commission added a recommendation to encourage a stronger focus on housing with preference language for projects involving housing downtown.

The Assembly discussed the adoption of the recommended text amendment at the June 3, 2024, Lands, Housing, and Economic Development Committee and the September 9, 2024 Committee of the Whole meeting. After discussion about adoption options, resolution vs. ordinance, the COW passed a motion to direct staff to draft an ordinance to adopt the Blueprint Downtown Area Plan as part of the CBJ Comprehensive Plan, 7-1.

It is noted that grammatical and formatting errors will be resolved prior to the final printing of the Plan. A handful of corrections recommended for approval are noted in Attachment A.

The draft Blueprint Downtown Area Plan may be found online: <https://juneau.org/community-development/blueprint-downtown>.

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

11. Ordinance 2024-01(b)(Y) An Ordinance Transferring \$288,836 from CIP F22-027 Juneau Police Department Roof Replacement to CIP P41-091 Deferred Building Maintenance.

This ordinance would transfer \$288,836 from the Juneau Police Department Roof Replacement CIP to the Deferred Building Maintenance CIP. This transfer would return unspent funds previously appropriated through 2023-04(b)(G). This project is complete and ready to be closed and does not require the remaining funds.

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 December 2, 2024, meeting.

The City Manager recommends this ordinance be introduced and set for public hearing at the next Assembly meeting.

12. Ordinance 2024-01(b)(Z) An Ordinance Appropriating \$1,000,000 to the United States Army Corps of Engineers Glacier Flood Study Capital Improvement Project; Funding Provided by the U.S. Department of Agriculture, Forest Service, Tongass National Forest.

CBJ has entered a Participating Agreement with the United States Department of Agriculture, Forest Service, Tongass National Forest. Through this agreement, CBJ has been awarded \$1,000,000 in funding that would provide for continued technical and financial support for near-term studies to provide base line data for the United States Army Corps of Engineers General Investigation study to find a long-term solution to future Mendenhall Lake outburst flooding. The local match requirement of \$326,707 will be met by in-kind Engineering and Public Works personnel service costs which must be met by the end of the agreement.

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

J. Resolutions

13. Resolution 3064 A Resolution Approving Amendments to the Bylaws of the City and Borough of Juneau International Airport Board.

The City and Borough of Juneau International Airport Board approved changes to its bylaws at its August 8, 2024, regular Board Meeting. Changes to the bylaws require Assembly approval and were last updated in 2004.

The Human Resources Committee reviewed this resolution at its November 18, 2024, meeting, amended the bylaws document, and forwarded a recommendation for the Assembly to adopt the bylaws as amended.

The City Manager recommends the Assembly adopt this resolution.

14. Resolution 3066 A Resolution Approving Amendments to the Bylaws of the Eaglecrest Ski Area Board of Directors

The Eaglecrest Ski Area Board approved changes to its bylaws at its November 7, 2024, regular Eaglecrest Board Meeting. Changes to the bylaws require Assembly approval through resolution and were last adopted February 1, 2007.

The Human Resources Committee reviewed this resolution at its November 18, 2024, meeting and forwarded its recommendation for adoption to the Assembly.

The City Manager recommends the Assembly adopt this resolution.

15. Resolution 3080 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 applications 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 October 24th. AAHPA encourages its member municipalities to also provide local support for this change.

The Docks & Harbors Board reviewed this resolution at its regular Board meeting on November 21st and recommended forwarding it to the full Assembly for approval.

The City Manager recommends the Assembly adopt this resolution.

16. Resolution 3081 A Resolution of the City and Borough of Juneau Supporting Full Funding (\$5,740,408) for the State of Alaska Harbor Facility Grant Program in the FY2026 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 \$20 million in harbor grant funding since the program’s inception, including a \$5M grant for Phase IV rebuild of Aurora Harbor which is planned for completion in late 2025.

For the current legislative session, Docks & Harbors has applied for a \$500K matching grant for zinc anodes for Statter Harbor and \$1,394,250 for half of the local match required for the federal MARAD PIDP grant to construct an Aurora Harbor Drive Down Float. Statewide, three communities – Sitka, Unalaska and Juneau, have committed to contribute 50% in local match funding for FY2026 towards projects of significant importance.

The Docks & Harbors Board reviewed this resolution at its regular Docks & Harbors Board meeting on November 21st and recommended forwarding it to the full Assembly for approval.

The City Manager recommends the Assembly adopt this resolution.

17. Resolution 3082 A Resolution Adopting an Alternative Allocation Method for the FY2025 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity within the Northern Southeast Fisheries Management Area.

This resolution would facilitate the CBJ’s participation in the State’s FY2025 Shared Fisheries Business Tax Program by certifying to the State that the CBJ suffered significant effects during calendar year 2023 from fisheries business activities within the CBJ’s qualifying area.

Pursuant to this program, the State distributes a share of State fishery revenues to each participating community in the Northern Southeast area.

It is anticipated that the CBJ’s share will be approximately \$1,431.58.

The City Manager recommends the Assembly adopt this resolution.

K. Bid Awards

18. Bid Award BE25-108: Juneau Douglas Vactor Receiving Station – Rebid – Phase I

Bids were opened on the subject project on December 3, 2024. The bid protest period expired at 4:30 p.m. on December 4, 2024. Results of the bid opening are as follows:

Responsive Bidders	Total Amount
Carver Construction, LLC	\$4,619,675.00
Dawson Construction, LLC	\$5,450,800.00
Engineer’s Estimate	\$5,357,800.00

Project Description: The Work covered in the Contract documents generally includes demolition of the existing grit system, construction of new piping, concrete channels and slabs, new grating, installation of a temporary bypass system for incoming sewage, construction of new vaults, channels, grating and railing, installation of new grit washing and dewatering equipment, lighting upgrades and sprinkler system replacement, partial wall and roof replacement of the headworks building, and upgrades to the non-potable water system.

The City Manager recommends award of this project to Carver Construction, LLC for the total bid amount of \$4,619,675.00.

L. Liquor/Marijuana Licenses

19. 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 - Renewal

Licensee: Mac Ventures LLC d/b/a McGivney's Sports Bar & Grill, Type: Beverage Dispensary License: #5430 Location: 51 Egan Dr.

Licensee: RNDC Alaska Inc. d/b/a RNDC Alaska, Type: Wholesale Malt Beverage & Wine License: #5495 Location: 8420 Airport Blvd. Suite 201

Licensee: Alaska Sustainable Seafoods LLC d/b/a Deckhand Dave's, Type: Beverage Dispensary License: #4349 Location: 109-117/127/139 S. Franklin St.

Licensee: Alaska Sustainable Seafoods LLC d/b/a Deckhand Dave's, Type: Restaurant/Eating Place License: #5231 Location: 127-139 S. Franklin St.

Licensee: Genuine Ventures LLC d/b/a Tracy's King Crab Shack, Type: Restaurant/Eating Place License: #2812 Location: 432 S. Franklin St.

Liquor License – Transfer of Location

Licensee: Thibodeau's Market, Inc., d/b/a Thibodeau's Type: Package Store License: #4742 Location From: No Premises Location To: 8717 Mallard St.

Marijuana License - Renewal

Licensee: Borealis Mountain Inc. d/b/a Thunder Cloud 9, Type: Retail Marijuana Store License #:15246 Location: 5310 Commercial Blvd. Suite 2B

Licensee: Taku Horticulture Company LLC d/b/a Taku Horticulture Company LLC, Type: Standard Marijuana Cultivation Facility License #:12176 Location: 1758 Anka St. Bldg. B Suite A1

Staff from Police, Finance, Fire, Public Works (Utilities) and Community Development Departments reviewed the above licenses and recommended the Assembly waive its right to protest these 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.

M. PUBLIC HEARING

20. Ordinance 2024-40 An Ordinance Creating a Local Improvement District No. 210 HESCO Barrier Project Phase 1 and Appropriating the Sum of up to \$7,830,000.

In response to the recent Mendenhall River flooding, and in coordination with the US Army Corps of Engineers, the CBJ is pursuing advance flood fighting measures in the form of HESCO barriers to safeguard homes in the Mendenhall Valley. This Ordinance creates a local improvement district which contains all benefited homes in the Phase 1 installation of the HESCO barriers along the Mendenhall River. Using the 16 ft inundation maps, CBJ has identified 466 properties which would be specially benefited from Phase 1. The project costs are estimated at \$7,830,000. The project costs will be equally shared between property owners and the CBJ.

The Assembly discussed this project on October 21, 2024, and directed that an ordinance be presented. This Ordinance was introduced on November 18, 2024. Included with the Ordinance is a map of included homes and an assessment roll.

The City Manager recommends the Assembly take public testimony at this and one additional regular Assembly meeting (scheduled for February 3, 2025).

Public Testimony:

Mike Stedman, a Valley resident affected by the proposed LID, said the city was bullying residents into accepting the HESCO barriers when something else could be done, like dredging the lake at the beginning of the river to lower the lake level. He said he was against the barriers and will not sign the Memorandum of Agreement.

Megan Lingle, a Valley resident, testified that Juneau must come together as a community to address the flooding. She said she was in support of the installation of a semi-permanent levee as a short-term solution while a longer-term solution was found. She said Ed Neal and the Juneau Flood Solutions group supported a levee. She urged the Assembly to prioritize immediate action while advocating for long-term solutions through collaboration with federal, state, and tribal partners.

John Cooper, a Valley resident affected by the proposed LID, said he had worked with the federal government all his life and they can't do anything fast. He said the Juneau Flood Solution Advocates raised some good points regarding a permanent solution, but none of those are going to happen by next summer. He said he supports the barriers and that he is going to lose a significant portion of his backyard but is willing to do so for the good of others until a more permanent solution is found. He urged other residents of the area to support the LID to place the barriers.

Alison Cooper, a Valley resident affected by the proposed LID, said they were blessed in the flood recovery as they had warning, insurance, and friends to help. She asked whether Juneau was going to be a community where folks spend money to just protect themselves or, like immediately after the flood, the community would watch out for each other. She said the barriers can be put in place to protect everyone for next year's flood while a long-term solution is figured out.

Bill Diebels Jr., a Valley resident affected by the proposed LID, said he was not affected by the flood. He said he was tentatively in support of the LID, but was frustrated with the ordinance language, like the line, "CBJ has considered all material factors" which he posits is not possible given the current timeline. He explained that his main concerns revolve around which properties were selected for the LID and the timeline for completing the project. He suggested last month that more properties be added to the LID and was disappointed that none were added. He asked for assurances that the LID properties will be assessed if the project is not complete by July 1, and advised that the following language be inserted to the ordinance: "If the project is incomplete by July 1, or a 2025 jökulhlaup causes a peak flood state over 15 feet, whichever occurs later, the finding of special benefit is voided and the CBJ will assume the property assessments identified in Section 6 and 7."

Tiara Ward, a Valley resident affected by the proposed LID and an accountant, said the buildings in the LID were not improvements as they cannot be classified as assets. She stressed that asking people to pay while citing an inundation map that was smaller than what could be flooded in a 20-foot flood was inappropriate. She asked the Assembly to consider covering the full cost now and assessing homeowners at a later phase. Ms. Woll asked, regardless of who pays, if Ms. Ward supported HESCO barriers. Ms. Ward said she would support the installation of barriers at a levee in front of the lake.

Dainel Wayne, a Valley resident affected by the proposed LID, thanked everyone for the outreach work. He said the LID has been disruptive to the community. He said he supports city-wide payment to cover the cost. He said he was willing to let the city use his backyard to install the barriers but was concerned that the barrier is going to be right at his backdoor. He stated that the LID area is too small and was unconstitutional law.

Johnathan Gunstrom, a Valley resident affected by the proposed LID, asked if there was another way to stop the flooding other than a barrier. He suggested blasting the channel, alleviating the water overflow, or solving the

problem at the basin. He was concerned that the city will see the issue as done and completed once the barriers go up. He advised that there are new large breaches in Dredge Lake in the dike between the river and the lake area; if that fills up fast with water, it will come out somewhere else.

Peter Bangs, a Valley resident affected by the proposed LID, said that the Quays Edge subdivision is 1/6th of the homeowners along the river that would be asked to allow installation of the barriers and sign a MOU. He stated that a majority of those residents are not supportive of the LID and the MOU, as people are hesitant about the lifespan of the barriers and believe the MOU duration is too long. A recommendation is to set the MOU to three years with a two-year renewal option if both parties agree. Another concern is clarification of the LID, since the city manager's memo from November 13 states that 466 were identified as being at risk of a 16-foot or higher flood. Many homes in Quays Edge are not at risk of flooding at 16 feet but are still in the LID. Mayor Weldon asked what his third point was going to be. Mr. Bangs answered that some of the Quay's Edge members want to opt out and do it themselves as they feel they could do it cheaper and more carefully.

Eric Teshner, a Valley resident affected by the proposed LID, stated that he is against the LID and the barriers. He urged that the Assembly appoint an expert to seek out a long-term solution. He asked, if the LID is approved and he financially contributes to it, whether he could then be held legally liable if someone dies and sues.

Michelle Hale, a Valley resident, said she would pay if her house had been drawn within the LID. She stressed that something must be done, and that the Manager's solution strikes a balance. The Army Corps of Engineers are experts in flood control and their recommendation is to install the barriers. There is too much risk involved with trying to quickly build a dike before the 2025 outburst. She asked members and residents to support installation of the barriers.

James McCants, a Douglas resident, shared his experience with HESCO barriers during his time in the Army in Afghanistan and said they can withstand a lot of things. He has a problem with whom the city is asking money from. He suggested using marine passenger fees to cover the financial burden, and if that can't be done, then close down Eaglecrest next year to cover the project. He urged that everyone be part of the solution and pay.

Greg Chaney, a downtown resident with a vacant lot along the river, said that he has not been engaged in any of the process. There hasn't been concern about his property because it is vacant. He pointed out that CBJ Code Title 15.10 directs that special assessments may only be levied against properties that would be benefitted by planned improvements in the proposed local improvement districts. His property would not benefit by the installation of the project since the buildable area on their property is about 3 feet to 4 feet in elevation above the 16-foot inundation level. He recounted that his property was not flooded the night of the flood, and that most of the flood was coming from the storm drains. He stressed that, since the property would not be flooded nor damaged, they do not feel that LID applies to them and should not be included in the LID.

Mike Satre, a Valley resident affected by the proposed LID, relayed that the street 100% supports the HESCOs. It is a good stopgap as the city looks for a permanent solution. He stressed that if CBJ does nothing, there is 100% chance of failure later on.

Clinton Singletary, a Valley resident affected by the proposed LID, said it is known that the valley will flood again if the barriers are not installed. The city has already expressed concerns about its ability to complete phase one in a timely manner as it is waiting for the LID process. He asked why the city is relying on 466 property owners to fund the project when there are already the necessary funds in savings for phase one. The draft FAQs that were written ahead of tonight's meeting stated that, if property owners voted down this LID, it is unlikely that the assembly would override the neighborhood. It feels like property owners are being bullied into a course of action with zero consideration for other funding options. He noted that property owners may vote against the LID due to their belief that the funding approach is wrong, not because they are anti-HESCO. He urged rejection of the LID and that the city fully fund the HESCO project.

Sam Hatch, a Valley resident affected by the proposed LID, suggested that the city pay now and create a special tax district later when more is known. He said he does not support the LID without amendments and will not sign

the MOA as currently written. He does support temporary flood fighting efforts but is concerned about how the city is pursuing funding for the emergency flood fighting. He said that statements made by city manager, staff, and the FAQ seem to indicate that it's the LID and the HESCO barriers or nothing at all. He stressed that, if owners vote no, the city can take the land anyway because of the extended emergency powers voted in by the assembly. He asked three questions: what is happening to the will of the Assembly; if what the city manager and the documents say are true; and, if the LID fails, will the Assembly take no action. Ms. Woll asked about his support for a special tax district. Mr. Hatch said he supports it because there would be more information available at that time, like more state and federal funding sources identified, and an updated inundation map; then it would be a supportable project for the Assembly because all the information would be there. Ms. Hughes-Skandijs asked what amendment would make him support the LID. Mr. Hatch said the LID is not the right mechanism but would suggest that the language account for destruction of property during the installation of the barriers, as well as the duration the city is going to hold the land.

Jim Plosay, a Valley resident affected by the proposed LID, shared that his family was impacted by the flood. He said he does not support the HESCO barriers because they do not solve the root cause, which is the water coming from the basin. The barriers are not a permanent solution. He suggested moving to a permanent solution now instead of rushing a temporary one.

Melissa Plosay, a Valley resident affected by the proposed LID, said she needs more information about the LID. She also has concern with the vehicle this project is using, as a LID is supposed to improve property value, which she does not see happening. She asked about current inundation maps as she doesn't know where the city's map came from. She stated that the city is putting an \$8,000 burden on people who have already been through so much. She said that the consequences down river are not being taken into consideration and suggested that the rock work done in 2023 may be the cause of the river jumping the bank at Killewich.

Noah Teshner, a Valley resident affected by the proposed LID, relayed his concern about the narrative that, if the HESCOs aren't installed, then the city is doing nothing; this rhetoric promotes fear, panic, and rash decision making. Providing information, training, and assistance with traditional flood fighting methods are endorsed by the Army Corps of Engineers. He explained that traditional methods used in combination with other individually determined flood fighting measures have shown to be effective in other flood prone areas. He suggested that CBJ improve its flood warning systems, provide designated evacuation routes, designate shelters for people and pets, designate temporary vehicle parking and shelter, utilize mass transit to transport flood victims; do more to prepare first responders, ensure appropriate vehicles to assist people are available, create more infrastructure resilience and flood mitigation efforts, do more building regulations, and provide more public awareness and education by holding informational events.

Debbie Penrose-Fischer, a Valley resident affected by the proposed LID, said she and her daughter have been impacted by the flooding. She asked the Assembly why the process seems to be rushed, as the public hearing is tonight, certified mail is going out tomorrow asking for a decision, and a town hall is going to be held next month to answer questions. This seems to be an illogical order and feels like a set up for confusion and error. Due to all the unanswered questions, many are not confident in the HESCO barriers, and residents are being asked to make a vote without information. She said she is not comfortable with a process that is rushed, not proven, and has known failures, when there are other measures and methods that can be attempted. She will not vote for something because she is led to fearfully believe that it is the barriers, or nothing else. She asked what the emergency plan is if the HESCOs fail.

Molly Zaleski, a Valley resident affected by the proposed LID, expressed her concern about the rhetoric around the decision-making process, as it feels like residents are having the HESCO barriers forced onto them. She said she doesn't want to support the LID, and if the city wishes to push forward with the barriers, the city should pay for them, not through the LID. Another concern is that the project only talks about phase one, she asked where phase two is, and about unforeseen costs.

Michael Crabb, a Valley resident affected by the proposed LID, said that his concern with the LID is the methodology used to establish it. He was surprised that, as a property owner who was not impacted, he was included in the LID. Another concern is the methodology in allocating the cost of the LID equally amongst property owners, as CBJ code states that cost shall be assessed against real property specifically benefited in proportion to the benefits.

Malachai Thorington, a Valley resident affected by the flood zone but outside the LID area, said his home flooded in 2023 and 2024. He encouraged members to take back control of the city from the city manager. There has been a lack of transparency, and the city is not providing information to residents. He stressed that, despite there being no flood map available, Manager Koester and Deputy Manager Barr want to move forward with spending \$10 million on flood mitigation. When he asked for a current flood map, the manager's office told him that one is not available. He was also told that CBJ refused preliminary flood maps that were offered by FEMA. A year later the manager's office is still refusing to provide residents with risk information. He said 16 feet is a very random number that didn't even happen last year but is being claimed as the next worst-case scenario. He recounted that, after the 2023 flood, the manager and deputy manager both said to him that there is nothing that could be done to prepare residents. He asked the Assembly to explain why the HESCO barriers cannot be installed temporarily on the lake.

Mark Miller a Valley resident affected by the proposed LID, shared his experience when the flood maximized and Long Run was under three feet of water. He suggested cutting the oxbow further down the river in order to reduce the threat of Vintage Park flooding. He was told that the city is not allowed to cut through the oxbow without a permit. He said that, if the city installs the HESCO barriers, a larger flood may be created that'll cut the oxbow through. That option is worth \$8 million, but cutting the oxbow could be done for less than \$1 million.

Brandi Tolsma, a Valley resident affected by the proposed LID, stated that she is in support of the HESCO barriers as a short-term solution to prevent the flooding. She pointed out that the Army Corps of Engineers has recommended the barriers. She stressed that the cost of inaction far outweighs the cost of prevention. She urged the Assembly and the community to prioritize protection over aesthetics and cost sharing concerns.

Elizabeth Figus, a Valley resident affected by the flood but outside the LID area, shared that her home was flooded twice. She asked the Assembly to direct the manager to not be combative and have a more amicable approach. She recounted that, in October, the city manager introduced the HESCO Project Phase 1 and 2 and recommending an LID to fund it because the Assembly has control over whether homeowners actually support it at all. Her own main concern is with the LID, not the HESCO. She further recounted that, in November, the city manager said that all the political capital with the federal government would be lost if the LID doesn't go through, as it would be a message that Juneau doesn't want help. She relayed that she visited Senator Sullivan and Murkowski's offices in Washington D.C. and staffers told her that, regardless if Juneau decides to go forward with the LID or not, the decision will not impact their support for a long-term solution. She stressed that the Assembly has the power to direct the manager's office to openly share information.

Richard Halvorsen, a Valley resident affected by the proposed LID, stated the Juneau Flood Solutions advocates do not represent him, and have not provided a tangible short-term solution. He said the city has been working toward a viable short-term solution before the next flood. He expressed support for the LID and pointed out that doing nothing would be extremely expensive. He suggested that the city's primary strategy for next year should be to keep the water in the river channel, not flowing through neighborhoods.

The Assembly took a break from 8:20 p.m. to 8:37 p.m.

Assembly Action:

Mayor Weldon asked Manager Koester to explain the timeline of the LID. Manager Koester explained that the city will be sending out certified mailings to all 466 property owners in the proposed LID after today's meeting. Property owners have until the end of public testimony on February 3 to submit their objections in writing.

Attorney Wright added that the letter from the city will reflect that, if someone wants to turn in an objection ahead of time, they need to send to the clerk's office by January 28.

Ms. Woll asked what would happen after. Manager Koester outlined that there will be a public hearing on the LID. The Assembly will also have an opportunity to amend the proposal, but amendments can't increase the cost to each property owner nor add properties to the boundaries. Amendments to remove properties from the boundaries, or to reduce cost to the property owners, would be allowed.

Mayor Weldon informed Assemblymembers that the ordinance is not going to be moved for adoption tonight because there will be another public testimony session. Now is the time for questions.

Mr. Steininger asked about amendments at the February 3 meeting and how they would impact the LID. Manger Koester explained that, if the change reduces the cost to property owners, it would not have to go out to a vote. She advised that the current cost is an estimate, and the actual cost of improvement is what the city will assess the property owners. Also, the city cannot exceed the \$7972 amount established in ordinance, and nobody will be charged that amount until after the project is completed.

Ms. Woll asked what the best way would be for residents in the LID is to get answers. Manager Koester said a LID FAQ is in the works, and her office is taking letters and emails. She advised the public to send more technical questions to staff. There will be a public neighborhood meeting in January with the US Army Corps of Engineers (USACE) where the public can ask questions.

Mayor Weldon highlighted public comments about the city seeming to be in a rushed timeframe. She sought confirmation from Manager Koester that the city is just trying to lay out funding mechanisms before it receives the HESCO barriers in March. Manager Koester answered yes, the urgency comes from a desire to install the HESCO barriers before next summer when flooding begins again.

Mr. Smith asked if the USACE recommended a temporary HESCO levee at the lake. Manager Koester answered no, they had not.

Ms. Woll relayed concerns about the length of time these barriers would be on people's property, as it is proposed to be 10 years. She asked what the flexibility is on HESCO placement within the LID. Manager Koester answered that the LID does not speak to when the city removes the barriers. She explained that 10 years is what is believed to be the lifespan of the barriers, and that it would be disingenuous to assess the properties for longer than the lifespan of the barriers; there was a push to get that 10-year figure further out to spread the cost out over more years, which may help with affordability. She does not want to confuse people into thinking that a levy will be installed around Mendenhall Lake in three years, and while she agrees a levee is likely a viable long-term option, the first hurdle is to secure the federal funding match. She advised that it would be difficult to promise homeowners that the city would remove the barriers in three years because she has no data to base that upon.

Ms. Adkison highlighted comments that suggest work on a long-term solution has been delayed as the city works on the HESCO barriers. She asked for an overview of what everyone working in the city is doing towards finding a long-term solution. Manager Koester said the city has been working on a parallel path toward a long-term solution while also working toward a short-term one, which has included engaging the USACE in a general investigation study. The Assembly appropriated \$3 million in a local match for a federal funding match, as the study must have a direct appropriation to the USACE, and the Forest Service allocated \$1 million towards this. In the meantime, CBJ is working with the Forest Service and the USACE to do data gathering that can be taken to the USACE for the study.

Mayor Weldon asked why the city isn't working with local engineers in evaluating their ideas. Manager Koester responded that, while there is a lot of local expertise, the project must be led by a federal agency as this is a major project on federal land. She said it's important that the USACE own this project because they have the expertise and a funding mechanism; the USACE could provide a 90% funding match if the city can make the argument that this is a tribal project on tribal lands.

Mr. Steiniger disclosed a potential conflict of interest, his parents own property on Meander Way. He was told by Attorney Wright that it is okay for him to participate.

MOTION by Mr. Kelly for purposes of Amendment #1 on packet pg. 229 and asked for unanimous consent. The amendment read as follows:

Section 5. Estimated Cost. The estimated cost of Phase 1 is up to \$7,830,000, which includes the costs to be borne by the City and Borough. The estimated cost of Phase 1 to be funded by the City and Borough is up to \$3,915,000 and the estimated cost to the owners of property specially benefitted is up to \$3,915,000. Any costs over the \$7,830,000 will be borne by the City and Borough, subject to Assembly appropriation. Should the CBJ receive federal or other grant funding for Phase 1, the amount will first be applied to any costs over the \$7,830,000, if funds remain, those funds will be divided equally between properties specially benefitted and the CBJ to reduce the total amount owed.

Mr. Smith and Ms. Woll objected.

Mr. Kelly, in speaking to his amendment, said this reflects the manager's intention in the memo that, if the city received any grant funding from tribes, federal government, or another agency, the money would be evenly distributed between the homeowners and the city. He felt it would be important to codify this language for the benefit of those affected by the flood.

Mr. Smith commented that, if the Assembly receives a federal grant, then it might have to meet certain federal standards, which could increase the cost of the project. Maybe even to the point where meeting the standards negates the value of the grant. He asked if this has been considered. Mayor Weldon said the question comes down to whether the city is going to receive any money that has restrictions in use. Manger Koester responded that Tlingit & Haida did receive some Community Development Block Grant (CDBG) funding, and there are some additional costs and permitting. She said that Mr. Kelly's amendment does try to address this by directing that the amount will first be applied to any cost over the \$7.8 million, and if funds remain, they will be divided equally.

Mr. Kelly said he discussed federal funding with Attorney Wright, who said that they could have strings attached that could elevate the cost, so the amendment would direct that those costs be dealt with first and anything left over be divided equally.

Mr. Smith asked if the \$750,000 that Tlingit & Haida received could be given to the city, and whether the city would be binding itself into increasing the cost of a project when some of the grant funds could be better spent. Manager Koester said that is a concern but does not think the proposed amendment affects how the city would manage acceptance of federal funds. The amendment does bind the Assembly on how it could manage those federal funds.

Ms. Woll asked Attorney Wright if there is anywhere else in the ordinance which specifies that, if the city got funding, the funds will be divided equally between properties and CBJ. Attorney Wright answered that this would be the only place addressing those funds received.

Ms. Hughes-Skandijs sought confirmation from Mr. Kelly that he just wanted to codify what the city manager said in the ordinance itself. She asked Manager Koester how this language would fit in with the Assembly's intent to always seek funding. Manager Koester answered no, the memo she presented when the ordinance was introduced said it would be the city's intention to divide the savings from the federal dollars equally, unless the Assembly directed otherwise. Her recommendation is to divide it equally, but it is ultimately up to the Assembly to decide how this funding is used.

Mayor Weldon objected to the amendment. She stated that not all monies are the same, like the Tlingit & Haida grant; that'd be better served to the property owners. She'd hate to put money that should've gone to property owners be divided up with the city. This language binds the Assembly more than she is comfortable with.

Mr. Smith maintained his objection to the amendment.

Mr. Steininger asked Mayor Weldon, absent this language, what guidelines would there be to direct how the city distributes grant funds if the goal is to send funds to homeowners. He further asked if the Assembly needs to set those rules now, or make them as the funds come in. Mayor Weldon said she does not think members should set rules now because it is unknown as to what kind of money the city is getting. The Tlingit & Haida grant is the only grant funding that has come in and it has some restrictions, like having to go toward land stabilization for the barriers. She advised that the Assembly must deal with each grant as it comes in and evaluate the rules of the grant, and that her intent is to split funding with homeowners.

Ms. Hall commented that it is important the city remain flexible.

Mr. Kelly said that his intention with Amendment 1 was to provide a guarantee to the homeowners, but after hearing Mayor Weldon's comment he withdraw his motion. **Amendment 1 was withdrawn.**

Attorney Wright advised that the ordinance be moved first for the purposes of an amendment.

Mayor Weldon passed the gavel to Deputy Mayor Smith.

MOTION by Mayor Weldon to consider the ordinance for purposes of an amendment.

AMENDMENT #2 by Mayor Weldon to adopt Amendment 2 on packet pg. 230 and asked for unanimous consent. The amendment read as follows:

Section 10. Source of Funds. The Phase 1 project costs to be met from the assessments against the properties specially benefitted is up to \$3,915,000. The Phase 1 project costs to be met by the City and Borough is up to \$3,915,000. The funding source for the costs to be borne by benefited properties is a Central Treasury Loan. The funding source for costs to be met by the City and Borough are \$2,000,000, which has already been appropriated from the Restricted Budget Reserve, with the remainder to be appropriated from the general fund; The funds appropriated are exempt from the requirement that loans be for "the purpose of capital acquisition" under CBJC 57.05.045(a). The funds appropriated are exempt from the requirement that the loan term "shall not exceed five years" under CBJC 57.05.054(b). A repayment plan will be established by the City and Borough. The properties specially benefitted will have up to 10 years for repayment of funds at a 4.78 percent interest rate.

Hearing no objection, Amendment 2 was adopted by unanimous consent.

AMENDMENT #3 by Mayor Weldon to adopt Amendment 3 on packet pg. 231 and asked for unanimous consent. The amendment read as follows:

Section 10. Source of Funds. The Phase 1 project costs to be met from the assessments against the properties specially benefitted is up to \$3,915,000. The Phase 1 project costs to be met by the City and Borough is up to \$3,915,000. The funding source is a Central Treasury Loan. The funds appropriated are exempt from the requirement that loans be for "the purpose of capital acquisition" under CBJC 57.05.045(a). The funds appropriated are exempt from the requirement that the loan term "shall not exceed five years" under CBJC 57.05.054(b). A repayment plan will be established by the City and Borough. The properties specially benefitted will have up to 10 years for repayment of funds at a 4.78 percent interest rate. Homes bearing the additional assessment under Section 7 will have up to 30 years for repayment of the additional assessment at a 4.78 percent interest rate.

Mayor Weldon explained that this is for the four properties that have been identified for bank stabilization. She thought that 10 years was not enough time to repay that kind of a loan so she's changing that to 30 years.

Hearing no objection, Amendment 3 was adopted by unanimous consent.

The Assembly took an at ease from 9:09pm to 9:11pm.

AMENDMENT #4 by Mr. Kelly to adopt Amendment 4 on packet pg. 232 and asked for unanimous consent. The amendment reads as follows:

The costs set forth in Sections 5, 6, and 10 shall be apportioned as follows: the CBJ will be responsible for 75% of the costs and the specially benefitted properties will be responsible for 25% of the costs.

To ensure that CBJ has funds to repay its portion of the LID costs, in FY26 the CBJ will not appropriate general funds, except hotel bed tax and sales tax, to the Juneau Affordable Housing Fund program.

Ms. Hughes-Skandijs objected to the amendment. This comes back to finding a balance between finding a short- and long-term solution, as well as looking at the present as there are continuing hazards from climate change in the Borough. She said a 50/50 split with homeowners is preferable to her than a 75/25 split. She also objects to the language regarding the Affordable Housing Fund.

Ms. Woll said she agreed with Ms. Hughes-Skandijs and would like to propose an amendment to change the funding source, since the public voted that those funds be for affordable housing. She will wait before moving that amendment.

Ms. Adksion stressed that there are going to be lots of costs involved in a long-term solution, which will have to be 100% borne by the city, and she wants to ensure the city has the funds going forward. Regarding the second paragraph of the amendment, she concurs with Ms. Hughes-Skandijs that the Assembly wants to have general funds, it does not need to bind itself to one specific method like the Affordable Housing Fund.

Mr. Kelly explained that he chose this fund because he thought this would be a more impactful use of the fund. He pointed out that the amendment directs to not use the voter-approved parts of the fund, like the hotel bed tax. He felt that, with the Assembly already approving two housing projects this year, this may have a more impactful effect by saving about 400 properties. He is amenable to using other sources.

Mayor Weldon objected to the amendment and concurred with Ms. Hughes-Skandijs.

Mr. Kelly said he would withdraw Amendment 4; **Amendment 4 was therefore withdrawn.**

AMENDMENT #5 by Mr. Steininger to adopt Amendment 5 on packet pg. 233 and asked for unanimous consent. The amendment reads as follows:

Section 5. Estimated Cost. The estimated cost of Phase 1 is up to \$7,830,000, which includes the costs to be borne by the City and Borough. The estimated cost of Phase 1 to be funded by the City and Borough is up to ~~\$3,915,000~~ \$4,698,000 and the estimated cost to the owners of property specially benefitted is up to ~~\$3,915,000~~ \$3,132,000. Any costs over the \$7,830,000 will be borne by the City and Borough, subject to Assembly appropriation.

Section 6. Method of Apportioning Costs. Costs to be borne will be divided ~~equally~~ 40%/60% between the properties specially benefitted within the LID boundaries and the City and Borough. The properties specially benefitted within the LID boundaries shall be assessed up to ~~\$3,915,000~~ \$3,132,000 equally apportioned between all homes. The City and Borough is responsible for up to ~~\$3,915,000~~ \$4,698,000. The total project cost for Phase 1 is up to \$7,830,000. Because the City and Borough will be absorbing a large portion of the costs, and as the property owners' contribution is capped at a value that is lower than could properly be assessed against the properties otherwise, equal apportionment among each homeowner is warranted. Exhibit "B" setting forth the assessment of each property specially benefitted is attached to this ordinance and made a part hereof.

Section 10. Source of Funds. The Phase 1 project costs to be met from the assessments against the properties specially benefitted is up to ~~\$3,915,000~~ \$3,132,000. The Phase 1 project costs to be met by the City and Borough is up to ~~\$3,915,000~~ \$4,698,000. The funding source is a Central Treasury Loan. The funds appropriated are exempt from the requirement that loans be for "the purpose of capital acquisition" under CBJC 57.05.045(a). The funds appropriated are exempt from the requirement that the loan term "shall not exceed five years" under CBJC 57.05.054(b). A repayment plan will be established by the City and Borough. The properties specially benefitted will have up to 10 years for repayment of funds at a 4.78 percent interest rate.

Ms. Hughes-Skandijs objected to Amendment 5. She said the proposed 60/40 split is closer to the 50/50 split than the 75/25 split, but residents in the affected area are already unsatisfied as they see a 50/50 split as the city not doing enough. She recounted the landslide events around the Borough and said those folks are in the same situation as the flooded residents as there was a terrible event that disrupted their life, but not to the magnitude

as those who were impacted by the flood. She said the 50% would show that the city recognizes the damage and potential future damage.

Ms. Adkison said she's more partial to this proposal than the 75/25 split. She agrees with Ms. Hughes-Skandijs about the magnitude of this disaster, as this is an issue that affects the entire city. She believes the 50/50 split is better so that the whole borough is paying more towards the project.

Ms. Woll voiced her support of the amendment. She recalled that, at the last public meeting, she said that if the city could bear the whole cost, it would. She was also worried because the Assembly was taking a large portion of the city's savings to address emergencies. While the city is in a better financial place, there are still many needs in the city. The amendment is doable in making the project affordable for homeowners without jeopardizing the future. She wanted to let folks know the Assembly is trying to afford this.

Ms. Hall said she supports the amendment, and she saw the suffering from the flood. She knows the city has many commitments but feels this amendment strikes a balance. She stressed that the magnitude of this, and the fact it will happen again, is reason for the Assembly to recognize how many homes were affected and how many more could be if members do not act.

Mr. Smith said he is empathetic with homeowners but will be voting no on the amendment. He advised that this is phase one of the project and there have been talks to preserve funds for a larger solution. He is concerned about the increase in water and wastewater rates, since the proposed rates for the next five years will raise costs for every household by \$100 a month. He is not going to support this as the city already has many needs and costs. He addressed comments about the Assembly previously spending \$16 million in one-time funds, that spending included \$6 million for public safety communication infrastructure, \$2 million for the Juneau School District, \$2 million for the Affordable Housing Fund, \$1 million dollars of the restricted budget reserve, \$500,000 for a ladder truck for Capital City Fire and Rescue, and \$400,000 for childcare.

Mayor Weldon also objected to the amendment. The city has said it would pay anything extra and so is having to guess how much this will cost. If it is over the cost, the city will take the brunt, and if there are grants, the funding will be split with homeowners. Further, the city has already spent \$5 million to \$6 million on flooding.

Mr. Steiniger explained that his frustration with the LID process has been the inability to look at the broader number of homes that would be protected by the barriers. The city only has the inundation maps to have to defend the project in a court challenge, but this approach puts the cost burden on a certain set of people. He'd be curious what the cost savings would be if 20% more homes were included in the LID. He said that his amendment to do a 60/40 split is not meant to be precedent setting, but rather, it would be the Assembly trying to care for the limitations of the process.

Mr. Smith said he did not make that comment about precedence earlier.

Roll Call vote on Amendment 5:

Yeas: Mr. Steininger, Ms. Hall, Mr. Kelly, Ms. Woll, Mr. Smith

Nays: Ms. Adkison, Ms. Hughes-Skandijs, Mayor Weldon

Motion passes: 5 Yeas 3 Nays

Mayor Weldon asked Attorney Wright if there was any further action needed on the original motion. Attorney Wright responded no, the main motion will come back to the Assembly, as amended, at the February 3 meeting.

The Assembly took a break from 9:31pm to 9:39pm

21. Ordinance 2024-01(b)(T) An Ordinance Appropriating \$2,500,000 to the Municipal Compost Facility Capital Improvement Project; Grant Funding Provided by the United States Environmental Protection Agency.

This ordinance would appropriate a \$2,500,000 grant from the United States Environmental Protection Agency (EPA) to the Municipal Compost Facility CIP. This Congressionally Directed Spending (CDS) grant was secured

through the Consolidated Appropriations Act in federal fiscal year 2023. This funding would contribute toward the planning, design, site preparation, and construction of basic infrastructure for organics diversion recovery. Future composting activities will increase local organics diversion efforts without the need for long-haul overseas transportation to the lower 48 states No local match is required for this funding.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hughes-Skandijs to adopt Ordinance 2024-01(b)(T) and asked for unanimous consent. *Hearing no objection, the motion was adopted by unanimous consent.*

22. Ordinance 2024-01(b)(U) An Ordinance Appropriating \$125,000 to the Manager for the Parks and Playground Major Maintenance Capital Improvement Project; Grant Funding Provided by the Alaska Department of Natural Resources.

This ordinance would appropriate \$125,000 to the Parks and Playground Major Maintenance CIP. This funding would contribute toward work at Sigoowu Ye Park. The project work includes the demolition and removal of existing playground equipment and furnishings, installation of new playground equipment; and site improvements such as lighting, sidewalks and landscaping. The local match requirement will be provided by previously appropriated funds in the Parks and Playground Major Maintenance CIP.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Woll to adopt Ordinance 2024-01(b)(U) and asked for unanimous consent. *Hearing no objection, the motion was adopted by unanimous consent.*

23. Ordinance 2024-01(b)(V) An Ordinance Appropriating \$653,520 to the Manager for the Lemon Creek Multimodal Path Capital Improvement Project; Grant Funding Provided by the U.S. Department of Transportation, Federal Highway Administration.

CBJ has been awarded a \$653,520 Reconnecting Communities Pilot (RCP) grant from the Federal Highway Administration. This grant would support for the planning, design, and community engagement for the installation of a non-motorized pathway in the Lemon Creek community. This project would provide safe, convenient, community centric non-motorized access within the community. A local match requirement of \$163,380 will be provided by previously appropriated funds in the Lemon Creek Multi Modal CIP.

The Public Works and Facilities Committee reviewed this request at the July 15, 2024 meeting.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Adkison to adopt Ordinance 2024-01(b)(V) and asked for unanimous consent. *Hearing no objection, the motion adopted by unanimous consent.*

24. Ordinance 2024-01(b)(W) An Ordinance Appropriating up to \$3,000,000 to the Manager for a Loan to Tower Legacy II, LLC for Creekside Apartments; Funding Provided by the Affordable Housing Fund.

In July 2024 the CBJ Assembly made \$4,000,000 available for use by for-profit and non-profit organizations, public and regional housing authorities, and tribal governments interested in the creation of affordable and workforce housing in the City and Borough of Juneau. On November 4, 2024, The LHED Committee reviewed funding recommendations and forwarded this project to the full Assembly for approval.

This ordinance appropriates \$3,000,000 to the Creekside Apartments project.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Clerk's Note: This item was removed from the Agenda during the Manager's request for agenda changes.

25. Ordinance 2024-01(b)(X) An Ordinance Appropriating up to \$1,000,000 to the Manager for a Loan to BroKo Holdings, LLC for 220 Front Street; Funding Provided by the Affordable Housing Fund.

In July 2024 the CBJ Assembly made \$4,000,000 available for use by for-profit and non-profit organizations, public and regional housing authorities, and tribal governments interested in the creation of affordable and workforce housing in the City and Borough of Juneau. On November 4, 2024, The LHED Committee reviewed funding recommendations and forwarded this project to the full Assembly for approval.

This ordinance appropriates \$1,000,000 to the Front Street project.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Mr. Steininger to adopt Ordinance 2024-01(b)(X) and asked for and asked for unanimous consent.

Ms. Woll objected for a comment. She said this project was ranked #2 with a proposal of \$1.1 million. The committee recommended that the funding be \$1 million because that would be \$4 million in total that the Assembly appropriated towards the fund. She believes the city has the funding within the Affordable Housing Fund to fund this project fully at \$1.1 million. If this passes tonight, she will be following up with an amendment to add \$100,000 to the project loan. She removed her objection.

Hearing no further objection, the motion was adopted by unanimous consent.

MOTION by Ms. Woll to direct staff to prepare an ordinance that would add \$100,000 to the loan with funding provided by the Affordable Housing Fund. *Hearing no objection, the motion passed by unanimous consent.*

26. Ordinance 2024-36 An Ordinance Amending the Uniform Alaska Remote Sellers Sales Tax Code.

Ordinance 2024-36 implements housekeeping amendments to the Alaska Remote Sellers Sales Tax Commission (ARSSTC) uniform code recently passed by the ARSSTC board. These amendments were developed through a workgroup of member jurisdictions, including representation by CBJ staff from both the Finance and Law departments. In FY 2024, CBJ collected \$4.5M in sales tax revenue through ARSSTC from sales where the seller is located outside of our jurisdiction.

The Assembly Finance Committee reviewed this ordinance on November 6, 2024.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hall to adopt Ordinance 2024-36 and asked for unanimous consent. *With no objection, the motion was adopted by unanimous consent.*

27. Ordinance 2024-37 An Ordinance Amending the Uniform Sales Tax Code Related to Definitions, a Temporary Sales Tax Registration, and Deposits by Nonresidents.

Ordinance 2024-37 clarifies and supports the sales tax code as a result of common questions and compliance concerns that have arisen over the years. The definitions that are added or amended are intended to provide clarity to the merchants, and in some instances, to put CBJ in better alignment with the Alaska Remote Sellers Sales Tax Commission (ARSSTC) uniform code. In addition, a section is added to create an “itinerate” sales tax registration which will ease the burden on small businesses based outside of Juneau that may come to town for short periods of time.

The Assembly Finance Committee reviewed this ordinance on November 6, 2024.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Mr. Kelly to adopt Ordinance 2024-37 and asked for unanimous consent. *With no objection, the motion was adopted by unanimous consent.*

28. Ordinance 2024-41 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Mendota Park Parcel 1B, Located on Davis Avenue, from D10 to D15.

This rezone request would facilitate the addition of eleven (11) units to this lot. The neighboring Alaska Department of Corrections is concerned that increased density would result in development closer to the common lot line, for which mitigation would be challenging due to terrain. While rezone conditions are limited to health and safety, the development will require a new or updated Conditional Use Permit. The lot had been rezoned D15 but was downzoned due to intersection concerns at Davis Avenue and Glacier Highway. Since then the intersection has been signalized.

The Planning Commission heard this [proposed rezone](#) at its regular meeting on October 22, 2024; and recommends the Assembly approve the proposed rezone.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Mr. Smith to adopt Ordinance 2024-41 and asked for unanimous consent. *With no objection, the motion was adopted by unanimous consent.*

29. Ordinance 2024-42 An Ordinance approving the City and Borough’s participation in proposed refinancings by the Alaska Municipal Bond Bank of the Bond Bank’s various General Obligation Bonds that provided funds to purchase various revenue bonds of the City and Borough, under loan agreements between the City and Borough and the Bond Bank; and authorizing revised schedules of principal and interest payments on the City and Borough’s bonds, in accordance with the loan agreements, if the Bond Bank successfully refinances its bonds.

This ordinance would authorize the issuance of up to \$13.5 million in bonds to refund (refinance) the 2014A Port, 2015 Harbor, and 2021 Port bonds. The original bonds were sold through the Alaska Municipal Bond Bank and financed harbor improvements, seawalk construction, and cruise ship berth enhancements. As a result of lower market interest rates, this refunding is estimated to result in a total savings of approximately \$700,000 over the remaining life of the bonds.

The Assembly Finance Committee reviewed this request at the November 6, 2024 meeting.

The City Manager recommends the Assembly take public testimony and adopt this ordinance.

Public Comment

None.

Assembly Action

MOTION by Ms. Hughes-Skandijs to adopt Ordinance 2024-42 and asked for by unanimous consent. *With no objection, the motion was adopted by unanimous consent.*

N. UNFINISHED BUSINESS

None

O. NEW BUSINESS

None

P. STAFF REPORTS

30. Mendenhall River Glacier Lake Outburst Flooding (GLOF) Local Improvement District Frequently Asked Questions 12.16.24

IMPORTANT NOTE: This is a draft FAQ reflective of the proposed Ordinance 2024-04. It will be updated to reflect amendments made by the Assembly on December 16th and be posted on the website and sent with the certified mailing to the preliminary assessment roll.

Manager Koester explained that a FAQ is being worked on for the project. She has received feedback about adding sections, like what a person could do if they support the LID. Not turning in an objection to the LID means that household supports the project. People have also asked for clarification about the written objection, which she said it is important that the city has the objector's information to count their objection, so including things like parcel number helps.

Ms. Woll sought confirmation that there will be FAQs for the LID and another for the barriers. Manager Koester answered yes, one will be on the LID and another will be on the HESCO project.

Q. ASSEMBLY REPORTS

Mayor's Report

Mayor Weldon spoke on the recent Alaska Municipal League conference and thanked members for attending. She informed members of an ask by staff to create a policy about amendments in packets. The typical process is bringing amendments in the Red Folder, but some have tried to make amendments on the spot. The question is whether members think draft Amendments should go in the packet. She explained that the pros are that the public gets to see them ahead of time and makes it clear to staff while the cons are that members may change their mind on the Amendment.

Ms. Hughes-Skandijs said having amendments in the packet does allow the public to see it and gives them the opportunity to come out if they are for, or against it. She said everyone processes things at different speeds and she herself processes things slowly, so it is helpful to see things ahead of time. She would prefer to see amendments in the packet with the allowance that, if a member developed an amendment and brought it to the meeting, it would work fine. Mayor Weldon said bringing an amendment to the meeting would not be excluded from consideration.

Ms. Woll concurred that having amendments in the packet is better but if the assembly gets information on the day of and hasn't had time to process it, then it should get in the practice of holding an at-ease so members can have time to process the proposed amendment.

Mr. Kelly said he agreed with Ms. Hughes-Skandijs and Ms. Woll, as people process information at different speeds. Regarding members changing their mind about an amendment, there's no rule that says the member has to move an amendment if it is in the packet. He said it is important that the public know what members are thinking, even when they don't go through with it.

Ms. Adkison agreed with Ms. Woll and Ms. Hughes-Skandijs.

Mr. Steiniger expressed his concern about public perception in the scenario where there is a packet of amendments, and a member brings up an amendment that is wildly different from the others and hasn't been seen by the public. This sets an expectation that whatever is published in the packet is going to be brought up during the meeting. He stated that he does tend to procrastinate and does not know if he'd even have all his amendments thought out the weekend before a meeting. He'd prefer not to have amendments in the packet.

Ms. Hall said it is helpful to see amendments ahead of time.

Mayor Weldon agreed with Mr. Steiniger because members do indeed change their minds, and it can be confusing for the public. She said they do not need a formal vote.

Manager Koester said her interpretation is that if a member wants to publish an amendment in the packet, staff can facilitate that, but no member is obligated to do so. Mayor Weldon said that was correct.

Attorney Wright advised that, to get it in the packet on time, it needs to be submitted by the end of business on Wednesday.

Committee Reports

Committee of the Whole (COW) Chair Smith reported that the COW, prior to the retreat, got a mid-year financial update by Finance Director Flick, as well as updates from the Visitor Industry Director and Huna Totem about the proposed Aak'w Landing project. The next COW meeting is January 27, 2025.

Mayor Weldon said she was just reminded about the retreat. Members will see the changes to the implementing actions they discussed at the retreat in the next Committee of the Whole packet. Direction was also given to the City Manager and Finance Director regarding the budget.

Assembly Finance Committee (AFC) Chair Woll said the AFC met in a joint meeting with the COW prior to the retreat. The next AFC meeting will include Eaglecrest, capital legislative priorities, and retreat follow-up.

Public Works & Facilities Committee (PWFC) Chair Hughes-Skandijs reported that PWFC met on December 2 and discussed closeouts and transfers and reviewed the draft CIP legislative priorities list. Assembly members have until December 20 to submit their prioritizations before it is reviewed at the Assembly meeting on January 6. Public comment was taken on the DZ playground proposal, the funding of which was amended down from \$1.73 million as the city frequently does playground work for about \$500,000. The PWFC also looked at the proposed uses of Marie Drake and Floyd Dryden. The next meeting is January 27.

Human Resources Committee (HRC) Chair Adkison informed members that the HRC has been working on whittling down some of the city's boards and commissions, so the Assembly will be seeing resolutions on those reductions over the next few months. ***Chair Adkison forwarded the following committee appointments for Assembly approval; all appointments were adopted by unanimous consent.***

MOTION to appoint Justin Shoman to the **Local Emergency Planning Committee (LEPC)** media seat 6 for a term beginning January 1, 2025 and ending December 31, 2027.

MOTION to re-appoint Emily Haynes and Wayne Coogan to the **Board of Equalization (BOE)** for terms beginning January 1, 2025, and ending December 31, 2027.

MOTION to appoint Lindsey Woll to the **Systemic Racism Review Committee (SRRC)** for a term beginning immediately and ending June 30, 2027.

Lands, Housing and Economic Development Committee (LHEDC) Acting Chair Weldon reported that she chaired the LHEDC meeting on December 2. They discussed the parcel rezoning that was on this agenda. They also reviewed seven rezoning requests by the city, six of which were approved. LHEDC also heard four requests for CBJ land and approved two. The Christmas tree policy was also discussed. The next LHEDC meeting is January 27.

Ad Hoc Title 49 Rewrite Advisory Committee Chair Smith reported that the committee met twice, the first being introductory. A first wave of amendments to CBJ Code Title 49 were presented. The group is on pause as staff work on another wave on amendments. He informed members that there is a Title 49 rewrite webpage that has a webform where people can share their own issues.

Liaison Reports & Assembly Comments

Ms. Hughes-Skandijis reported that the **Juneau Commission on Sustainability** held a retreat, and the **Airport Board** met during the Alaska Municipal League (AML) conference. She commented that CBJ staff were very well represented at the AML conference.

Ms. Woll reported that the **Planning Commission (PC)** met a few times and said there will be rezones that will be up for public hearing at the next meeting, which are the six of the seven rezone requests that were approved. The PC is also changing some of its rules of procedure, like having a seasonal start time. She has had a lot of emails go to her spam box, so advised members to make sure to look in there.

Ms. Adkison reported that the **SRRC** did not meet due to lack of quorum, and the **LEPC** also met during AML so she could not attend.

Mr. Steininger said the **Eaglecrest Board** got a preview of an upcoming financial report. He said the **Parks & Recreation Advisory Committee (PRAC)** forwarded language to the Assembly about commercial use of parklands.

Ms. Hall relayed that the **School Board** met during AML and will be meeting again on January 14. The **Juneau Commission on Aging (JCOA)** will meet tomorrow, and she relayed that JCOA Chair Debroah Craig wants to know if members have seen the JCOA annual report and would be interested in member comments.

Mr. Kelly reported that he attended his first Southeast Conference Solid Waste Committee conference in November. Their next meeting will be in January 2025.

Mr. Smith reported that the **Juneau Economic Development Council (JEDC)** did not meet. The Docks & Harbors (D&H) Board had a retreat where they discussed CIP proposals. He reminded members that the Airport Manager has announced her retirement. There is only one current Airport Board member who went through the last recruitment process 10 years ago. He attended the board meeting and their committee of the whole meetings, and he asked that there be involvement by city staff and an Assembly member. He is asking that the Assembly propose a hiring committee structure, as well as suspend the rules since the code give the Airport Board the authority to hire and fire the Airport Manager.

MOTION by Mr. Smith to suspend the rules to immediately appoint a hiring committee to update the Airport Manager position description, recruit, select, and hire the Airport Manager. The hiring committee shall consist of: The Assembly Airport Liaison, the City Manager, the Deputy City Manager, and two members of the Airport Board selected by the Airport Board, only one of whom may be a tenant, as defined by CBJ Code 05.01.010 and asked for unanimous consent. *Hearing no objection, the motion was adopted by unanimous consent.*

Presiding Officer Reports

None.

R. ASSEMBLY COMMENTS & QUESTIONS

S. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

T. EXECUTIVE SESSION

MOTION by Mr. Smith for the Assembly to recess into Executive Session to discuss pending CBJ litigation, specifically a candid discussion of the facts and litigation strategies with the municipal attorney. Further, that the Assembly enter Executive Session to discuss subjects that could tend to prejudice the reputation or character of any person, specifically to discuss the City Manager evaluation and compensation and asked for unanimous consent. *Hearing no objection, the motion was adopted by unanimous consent.*

The Assembly recessed into Executive Session at 10:23pm and returned at 10:54pm.

31. Litigation Update

Following a return from Executive Session, Mr. Smith reported that the City Attorney updated the Assembly on current litigation.

32. City Manager's Evaluation

MOTION by Ms. Woll that, effective July 1, 2024, City Manager Koester shall be paid an annual salary of \$214,217.95, and on September 9, 2024, Ms. Koester's salary shall increase to \$221,715.58. Additionally, in recognition of her outstanding performance, Ms. Koester shall be paid a lump sum payment of \$2,000 and that the Mayor be designated to finalize the performance evaluation approved by the Assembly with Ms. Koester, on behalf the Assembly, and asked for unanimous consent. *Hearing no objection, the motion was adopted by unanimous consent.*

U. SUPPLEMENTAL MATERIALS

V. ADJOURNMENT

There being no further business to come before the Assembly, the meeting was adjourned at 10:56pm.

Signed: _____

Elizabeth J. McEwen,
Municipal Clerk

Signed: _____

Beth Weldon
Mayor