

# SPECIAL ASSEMBLY MEETING 2024-05 **DRAFT** MINUTES

February 23, 2024 at 11:45 AM

Assembly Chambers/Zoom Webinar



<https://juneau.zoom.us/j/91515424903> or 1-253-215-8782 Webinar ID: 915 1542 4903

## A. CALL TO ORDER

Mayor Weldon called the Special Assembly Meeting to order at 11:46a.m. in the Assembly Chambers located at 155 Heritage Way.

## B. LAND ACKNOWLEDGEMENT

Assemblymember Paul Kelly provided the following Land Acknowledgement: We would like to acknowledge that the City & 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. ROLL CALL

**Assemblymembers present:** Mayor Beth Weldon, Deputy Mayor Michelle Hale, Wade Bryson, Alicia Hughes-Skandijs, 'Wáahlaal Gidaag, Christine Woll, Paul Kelly, Ella Adkison

**Assemblymembers absent:** Greg Smith

**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, Finance Director Angie Flick, Budget Manager Adrien Wendel, Assessor Mary Hammonds; JSD Superintendent Frank Hauser, JSD Chief of Staff Kristen Bartlett

## D. AGENDA TOPICS

### 1. CONSENT AGENDA

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

***Assembly Request for Consent Agenda Changes – None.***

#### **Assembly Action**

**MOTION by Mr. Bryson to approve the Consent Agenda and asked for unanimous consent. Hearing no objection the Consent Agenda was approved by unanimous consent.**

### 2. Introduction: Ordinance 2023-14(b)(AD) An Ordinance Providing for a One-Time Loan in FY24 to the Juneau School District for up to \$4.1 Million Dollars.

In 2024 the Juneau School District suddenly discovered a current year structural deficit of approximately \$9.5 million dollars as a result of years of insufficient state funding, over projecting enrollment, and financial mismanagement. The Board of Education took immediate action to make cuts to the 2024 budget; however, the magnitude of the deficit is too great to address through cuts in the current school year. This ordinance, along with a companion general fund ordinance, appropriates approximately \$4.1 million dollars from the restricted budget reserve as a loan to enable the school district to complete the current school year. These funds will be used to pay for instructional costs while the companion general fund ordinance will be used to pay for non-instructional costs.

Due to when this issue became apparent and the timing requirements associated with the CBJ, JSD, and DEED budget/review processes, decision making and public input has been necessarily expedited. The Assembly and Board of Education have each held numerous public meetings in recent weeks. The Assembly has expressed a desire for additional opportunity for public testimony and the Board of Education has expressed a desire for certainty on the outcome of these ordinances. A cover memo outlining options to reconcile these two needs is included.

**The City Manager recommends the Assembly choose one of the three options for public input on this ordinance as outlined in the cover memo and set it for public hearing at the next Regular Assembly meeting.**

**3. Introduction: Ordinance 2023-14(b)(AB) An Ordinance Providing up to \$3,922,787 to the Juneau School District for Non-instructional Costs for FY24.**

In 2024 the Juneau School District suddenly discovered a current year structural deficit of approximately \$9.5 million dollars as a result of years of insufficient state funding, over projecting enrollment, and financial mismanagement. The Board of Education took immediate action to make cuts to the 2024 budget; however, the magnitude of the deficit is too great to address through cuts in the current school year. This ordinance, along with a companion loan ordinance, appropriates approximately \$3.9 million dollars from the general fund to enable the school district to complete the current school year. These funds will be used to pay for non-instructional costs while the companion loan funds will be used to pay for instructional costs.

Due to when this issue became apparent and the timing requirements associated with the CBJ, JSD, and DEED budget/review processes, decision making and public input has been necessarily expedited. The Assembly and Board of Education have each held numerous public meetings in recent weeks. The Assembly has expressed a desire for additional opportunity for public testimony and the Board of Education has expressed a desire for certainty on the outcome of these ordinances. A cover memo outlining options to reconcile these two needs is included.

**The City Manager recommends the Assembly choose one of the three options for public input on this ordinance as outlined in the cover memo and set it for public hearing at the next Regular Assembly meeting.**

**4. Introduction: Ordinance 2024-01(b)(A) An Ordinance Providing up to \$1,650,405 to the Juneau School District for Non-instructional Costs for FY25.**

In 2024 the Juneau School District suddenly discovered a current year structural deficit of approximately \$9.5 million dollars as a result of years of insufficient state funding, over projecting enrollment, and financial mismanagement. The Board of Education took immediate action to make cuts to the 2024 budget; however, the magnitude of the deficit is too great to address through cuts in the current school year and will continue to be challenging in FY25. This ordinance appropriates approximately \$1.65 million dollars from the general fund to support JSD in FY25 by covering non-instructional facilities maintenance costs in FY25 as CBJ and JSD plan for the potential transition of these services to CBJ.

Due to when this issue became apparent and the timing requirements associated with the CBJ, JSD, and DEED budget/review processes, decision making and public input has been necessarily expedited. The Assembly and Board of Education have each held numerous public meetings in recent weeks. The Assembly has expressed a desire for additional opportunity for public testimony and the Board of Education has expressed a desire for certainty on the outcome of these ordinances. A cover memo outlining options to reconcile these two needs is included.

**The City Manager recommends the Assembly choose one of the three options for public input on this ordinance as outlined in the cover memo and set it for public hearing at the next Regular Assembly meeting.**

**Mayor Weldon** asked Manager Koester to provide information about the public testimony options for the above ordinances as outlined in her memo in the packet.

**Manager Koester** explained that the memo outlines three separate options for the Assembly to receive testimony related to the ordinances that were introduced on the Consent Agenda. Those three options are as follows:

1. No changes, public testimony and final introduction at regular Assembly meeting on March 4
2. Public testimony for the 2.26.24 COW and public hearing and final adoption at the regular Assembly meeting on March 4
3. Public hearing at the March 4 regular Assembly meeting and public hearing and adoption at special meeting on 3.11.24 before the COW

**MOTION** by Mr. Kelly to hold public hearing at the March 4 Regular Assembly meeting and to hold a public hearing and adoption at a Special Meeting to be held on March 11, 2024.

Objection by Ms. Woll for a question and comment.

Ms. Woll said she is concerned about the lack of comment that the Assembly has received so far and said that she is not surprised because the public has had its attention focused solely on the consolidation options at the School Board level. She said the public has been showing up in large numbers to those meetings and she is concerned that we get the word out and these ordinances will have a significant impact on our community. She asked what the plans would be to get that notice out there and asked if we could use the School District and their channels of communication to help get the word out since they obviously are able to reach their public demographic.

Manager Koester said that CBJ staff will be working on a press release and will work in partnership with Superintendent Hauser and his staff. She also said that in addition to the information about how to provide public testimony, she will also ensure that the press release states that this is related to one-time funding as that is a key distinction that she wants to ensure the public is aware because these are fund balance funds.

Objection by Ms. Hale to the motion as she feels they should be going for Option # which has the public testimony being taken at the February 26 COW meeting. She said the reason for that objection and timing is that the school district is seeking some certainty and it is a hard place that the school district and school board has been in. She said that those channels mentioned by Ms. Woll could be employed to get the word out about testimony being taken at a February 26 COW so that the ordinances could be passed by March 4.

Objection by Ms. Hughes-Skandijs for purposes of a question. She said that if March 12 is the hard stop deadline for the school board, she would also prefer Option 2 for the same reasons that Ms. Hale provided. She asked for clarification if March 12 is the hard stop deadline.

Mayor Weldon noted that she is looking at Superintendent Hauser and it is her understanding that they would like to have the final answers/information by March 5 or 6 to be able to do the follow-up work they need to prepare for their board meeting on March 12. She noted that Superintendent Hauser was nodding his head that her information was correct.

Mr. Kelly shared the concerns that this is pushing things close to the deadline. He said that he thinks it warrants two opportunities for public testimony but he thinks that having public testimony on Monday, February 26 is too soon to try to get on people's calendars. He said that he thinks they will have more public testimony and more meaningful public testimony if they wait until March 4 for the first time to take public testimony.

Ms. Woll said that the packet makes a distinction between public testimony and public hearing but they are primarily the same thing. Ms. Woll said that Monday, February 26 would be fairly fast to try to get the word out. She said that she would support Option 2 and objects to Option 3 provided we do a lot to get the word out about both opportunities.

Mr. Bryson said he is in favor of Option 2 and not Option 3. He said that we have been in similar situations before with very important community topics have warranted holding special public testimony opportunities which have not netted very much, if any, additional public testimony. He said that if they push it back, it would make it harder on the school district. He said if they hold testimony on Monday, February 26 and then have the second testimony on March 3, he doesn't believe it will change significantly. He said that individuals could testify via Zoom if they couldn't make it to the meeting in person.

Mayor Weldon said that she also objected for the same reasons given by the other members who were objecting.

***Mr. Kelly withdraw his initial motion and made a new motion.***

***MOTION*** by Mr. Kelly to hold public testimony as outlined in Option 2 and asked for unanimous consent. *Hearing no objection, the motion passed by unanimous consent.*

Manager Koester commented that she knows that the School Board had unprecedented attendance at their School Board meeting the night before and she will consult with Superintendent Hauser about looking at alternative venues/methods to ensure accommodations for all those who may wish to attend.

**E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS – None.**

**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 BEFORE 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](mailto:BoroughAssembly@juneau.gov).

**F. ADJOURNMENT**

*There being no further business to come before the body, the meeting adjourned at 12:02p.m.*

Signed: \_\_\_\_\_  
Elizabeth J. McEwen  
Municipal Clerk

Signed: \_\_\_\_\_  
Beth A. Weldon  
Mayor