

ASSEMBLY HUMAN RESOURCES COMMITTEE MINUTES - DRAFT



February 03, 2025 at 6:00 PM

Assembly Chambers/Zoom Webinar

<https://juneau.zoom.us/j/95241164899> or 1-253-215-8782 Webinar ID: 952 4116 4899

A. **CALL TO ORDER** – *Chair Adkison called the Assembly Human Resources Committee meeting to order in the Assembly Chambers and via Zoom at 6:00 p.m.*

B. **LAND ACKNOWLEDGEMENT** – *read by Assemblymember Bryson*

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

C. **ROLL CALL**

Present: Chair Ella Adkison, Wade Bryson, Neil Steininger, and Maureen Hall

Absent: None

Staff/Others Present: Deputy City Clerk Di Cathcart, City Attorney Emily Wright, Deputy City Manager Robert Barr, Clerk Meeting Tech Kevin Allen, Mayor Weldon, City Manager Katie Koester, City Clerk Beth McEwen, Finance Director Angie Flick, Community Development Department Director Jill Lawhorne, Alaskan Coffee Pot Licensee Jake Mackey, Deputy City Clerk Andi Hirsh, Historic Resources Advisory Committee Members Gary Gillette and Dorene Lorenz

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

E. **APPROVAL OF MINUTES** – *Minutes approved as presented.*

1. **January 6, 2025 Assembly HRC Meeting Minutes - Draft**

F. **AGENDA TOPICS**

2. **Youth Activities Board (YAB) Appointments**

Per [Resolution 2820](#), the Youth Activities Board (YAB) consists of nine members as follows: A Parks and Recreation Advisory Committee member (nominated by PRAC), a Juneau Arts & Humanities Council member (nominated by JAHC), and seven public members, one of which must be 18 years or younger at time of appointment.

Youth Activities Board [Roster](#)

There are two (2) vacant general public seats each with various terms, one beginning immediately and ending August 31, 2025 and the other beginning immediately and ending August 31, 2026.

MOTION: by Ms. Hall to forward to the full Assembly for approval, the recommendation to appoint **Misuri (Missouri) Smyth** to a Youth Activities Board general public seat for a term beginning immediately and ending August 31, 2025 and to a full term beginning September 1, 2025 and ending August 31, 2028 since this term ends within 6-months of appointment; and to appoint **Lindsey Wold** to a Youth Activities Board general public seat for a term beginning immediately and ending August 31, 2026 and asked for unanimous consent. **Hearing no objection, motion passed.**

3. Ordinance 2025-13 Election Code Ranked Choice Voting

Ordinance 2025-13 was for Information only to the HRC members so they can formulate questions and hold discussion at the March 3, 2025 Assembly HRC meeting.

G. OTHER BUSINESS

4. For Reference: State Statute 3 AAC 306.060 & CBJ Code 20.30.020 - Relating to Marijuana License Protests for Local Governing Bodies

5. Recommended Protest of AMCO Marijuana License #25190 - Alaskan Coffee Pot LLC d/b/a Alaskan Coffee Pot

The CBJ Finance Department is recommending protest of the renewal of a retail marijuana store license #25190 for Alaskan Coffee Pot LLC d/b/a Alaskan Coffee Pot. This recommended protest of license #25190 is for the following unpaid 2024 Sales Tax Quarters: 2ndQ \$32,334.37, including penalties and interest, and 3rdQ \$30,023.88, including penalties and interest, for a total due: \$62,368.25 as of January 31, 2025; **4thQ sales tax is due January 31, 2025 and is yet to be paid at the time this packet was published.** Copies of the notice sent to the licensee is included in the Assembly HRC and the regular Assembly meeting packets.

This recommended protest is before the Assembly Human Resources Committee to review and make recommendations to forward to the full Assembly for final recommendations.

The State of Alaska Alcohol & Marijuana Control Office (AMCO) allows local governing bodies a 60-day comment period on all liquor and marijuana licenses throughout the borough. CBJ's comment period to recommend protest or to waive protest ends February 10, 2025.

MOTION: by Mr. Bryson to recommend the Assembly maintain the protest against Alaskan Coffee Pot, AMCO Marijuana License #25190 until 4th Quarter Sales Tax is submitted and paid in full, including any penalties or interest and asked for unanimous consent. **Hearing no objection motion passed.**

H. STAFF REPORTS - None

I. STANDING COMMITTEE TOPICS - for discussion as meeting time allows

6. Boards & Committees Discussion & Updates

1. August 30, 2004 Assembly Committee of the Whole Packet - Airport Audit Report

Chair Adkison outlined that the 2004 Airport Audit Report was included in in the packet because two of the three report findings are still relevant in regard to the current Airport Board.

Ms. Wright walked the committee through those findings. The first one being the majority of the Airport Board have apparent conflicts of interest that remain in place; meaning they either have a conflict of interest or an appearance of a conflict of interest. There are currently four (4) tenants on the Airport Board, vs. the standard up to three tenants which was approved last year by the Assembly due to low board applicant interest from the general public, so that issue remains.

The second finding in the 2004 report was the lack of minutes or the recording of significant actions by the Airport Board Finance Committee which was made up entirely of airport tenants. This finding has since been resolved; the committee keeps excellent records now and while the Chair of the Finance Committee was a tenant she would recuse herself when there were issues of leases.

The third finding was that the Board of Directors have not declared conflicts of interest, which is a major issue. Law has gone back and reviewed past notes regarding the Airport Board and found at least four (4) instances where Law had to step in because of conflicts were significant and board members were not taking appropriate action to recuse themselves, so Law had to take a forceful stance and tell a board member they needed to step

down. This issue has continued on and off since 2,004 but it's absolutely an issue currently that conflicts are not being stated and members of the public or other board members are having to bring up conflicts that they see. So, Law has those difficult conversations, with push-back from the conflicted member, and oftentimes Law has to take a pretty strong stance with the person, letting them know they cannot participate, and if they attempt to they are directly violating the conflict-of-interest rules. It seems to be a structural issue when you have this many tenants on a board. Board members are caring, thoughtful, dedicated members, and they have excellent knowledge of aeronautics and this industry. However, these are issues brought up in this report that continue to exist.

Ms. Adkison asked if we are seeing actual impacts regarding policy or action the Airport Board takes that staff could attribute to a conflict of interest with having so many tenants on the board.

Mr. Barr had the same question Ms. Adkison had so he spent time with Finance and Airport staff to determine if there were impacts to policy and the answer was, it's complicated due to the fact that the Airport budget is a very complicated document. Revenues come from large carriers, small carriers, private operators, and those all come in through a wide variety of revenue lines. So, you have things like leases, fuel flow rates, landing fees and security fees, and many, many different revenue line items, and at the end of the day. All of those fees fund the big cost centers in the Airport which are the terminal, airfield security, and ARF (Airport Rescue Firefighting work). To add more complexity, in addition to the operators that utilize the Airport for their business, there are also Airport concessionaires: rental cars, shops, and food; all of the revenue that comes in from those concessionaires go to offset the Airport's costs.

Mr. Barr continued, all of those revenues go to those different cost centers, and they go to them at different allocations, and different percentages. What that really means is that the more of that concessionary revenue that funds each of those cost centers the less needs to be recouped in operator fees and leases and their line items. So, due to the complexity it would take a significant allocation study and a significant amount of time to really draw you conclusions to a very fine level of detail.

After spending time talking with staff Mr. Barr said the thing that stood out to him the most and had concerns on was the trajectory; the trend line of some of the rate increases over the past two decades that was part of his review. Since 2001, fuel flowage rates for small operators and private aviators have increased over those 20 – 23 years by 267%. For large operators, Alaska and Delta Airlines, those fuel flow rates over the same period by 2,300% on top of an additional landing fee that only large operators pay. He said he hadn't had time to review other rates at a fine level of detail, but lease rates would be the next thing to review. He said, if he had a conflict-of-interest antenna the difference in the significant changes that we've seen to that one particular rate would have raised it.

A couple of other things came up as well while talking with staff that Mr. Barr wanted to bring to the HRC's attention. One was a recent instance of an Airport Boardmember extensively rewriting recent meeting minutes, and an apparent contrivance of what actually happened, and fund balance being used for a variety of years. In the 2001 to 2024 period fund balance has been used to cover budget deficits, which is fine, but not accounting for the appropriate allocation of where that fund balance came from to pay for the different revenues that it was paying for; so once again, it's complicated. Airport fund balance largely comes from operators in specific allocations, and there were a number of years when that same fund balance wasn't being used in the way that Airport allocations are generally apportioned across their cost centers.

Mr. Steininger asked if he was correct that staff concerns come from seeing that, say the Airport is getting 20% of the revenue here, 80% from there, and they should be spending that 80, 20 proportionally on some of these expenditures, but in your review you saw them spend more from maybe the 80% and retaining more of a balance from the 20%. Mr. Barr, correct.

Ms. Adkison, looking into this further would obviously take quite a lot of time. Is that something staff are wanting to look into or planning on looking into.

Mr. Barr responded that his recommendation would be to talk to the Airport Board first, since some of them have been on the Airport Board for a while and have spent much more time on this than he had. So, my initial concern about the fuel flow rates, for example, there may be an explanation that I didn't find in the time I've spent on this; talking with the Airport Board would be one recommendation, and then, depending on the outcome of that conversation a rate study seems like a good path forward. CBJ does rate studies periodically to determine our full cost allocation for internal services; and we've done rate studies to determine how we allocate Marine Passenger Fees. So, a good question for the Airport Board is if they want to do pursue a rate study.

Mr. Steininger, when you saw the way the Airport Board was spending money, was it advantaging a group of rate payers that were predominantly represented on the board. Mr. Barr, yes, that's what it appeared to be to me.

Mr. Bryson asked if this was similar to the problem we've explored on HRC of not having a diversified or large pool of diversified applicants and so we end up with the same traditional user groups, namely the airline industry and if so, is that a problem. Mr. Barr, one of the reasons the Assembly did permit four tenants on the Airport Board was because of challenges with recruitment. So, you are apt to point out that recruiting for our boards and commissions is challenging and part of the complexity of the problem.

Ms. Hall asked how the Airport is doing financially. Mr. Barr responded that he didn't see anything of concern regarding the Airports underlying financial status.

Mr. Steininger agreed that a rate study would be beneficial and wondered at the cost and staff time involved. Mr. Barr said that CBJ would outsource that through the Request for Proposal (RFP) process and wasn't sure how expensive the study would be but there may be firms out here that specialize in Airport rate setting that we could utilize.

Ms. Wright wanted to make sure the committee was aware that, under the conflict-of-interest code, actions taken in violation of conflict of interest are voided hence the importance of highlighting this issue. It is in the boards interest to work with Law ahead of time to see if there are potential conflicts so we can avoid board actions being voided due to not disclosing potential conflicts. Inappropriate actions taken by the board can get CBJ into a lot of hot water with the Federal Aviation Administration (FAA).

Ms. Adkison thanked staff for the updates and noted that it was time to schedule the annual joint Assembly and Airport Board meeting in the near future.

2. Historic Resources Advisory Committee - Discussion Regarding Sunsetting or Restructuring of Committee's Charge

Ms. Adkison commented that at the last HRC meeting we discussed sunsetting the Historic Resources Advisory Committee (HRAC) and since that meeting we have received a letter from HRAC which is included in the packet, and we have Community Development Department staff here, as well as the HRAC Chair to answer any questions from the HRC. Ms. Adkison asked CDD Director Lawhorne up to answer some questions.

Ms. Adkison asked Ms. Lawhorne to outline what a Certified Local Government status is and how do we keep that status as noted in the HRAC letter.

Ms. Lawhorne, a Certified Local Government (CLG) says that the community will commit to preserving its local history, and through the CLG program there are grants that are available if you meet certain standards, do certain restoration, and make certain guarantees over a long-term project.

Mr. Steininger said that the HRAC letter made a couple of recommendations that this committee might consider. Two of them specifically were related to reducing some of HRAC's burden to staff time, could staff speak to that.

Ms. Lawhorne said that CDD does not have the staff time to put towards HRAC. For some historical context, in the last 1990's CBJ had a Design Review Board. The Planning Commission was mostly the same as it is today, and the Design Review Board had regulation they had to follow and design control; so, they had the authority to tell you what a structure should look like within the Downtown Historic District. At some point the Design Review Board

was dissolved, most likely from feedback from the community who, even currently, don't like the extra permitting layers. However, the land use code didn't reflect that change, so we still had HRAC. Where things have gotten blurry over the years is we no longer have regulations, only guidelines. HRAC, as an Advisory Board, can give recommendations but they don't have to be followed, and any regulations or building requirements go through the Planning Commission and or staff as appropriate.

Ms. Lawhorne said that her department has three (3) vacant positions and staff priorities have been the flood and permitting associated with the flood, as well as housing. HRAC members are a passionate group but they to have other personal commitments, so it's been challenging for staff to pull the members together for a meeting or material for a meeting packet and HRAC currently has two vacant seats.

Moving forward, one approach could be, for staff to look at what is HRAC doing, how can we keep our CLG status if that's important to CBJ and then refocus HRAC so it can be a streamline for the permitting piece and let the community dialogue happen over the next year or two through the Comprehensive Plan updating process CDD is about to begin. Is there a community desire to make preservation a priority and if so, look at staffing or a new charge for HRAC or to new members who would have the time to give to a volunteer committee.

Ms. Adkison, so to summarize, CDD doesn't have staff time to devote to HRAC but to keep CLG status CBJ should keep the committee because there doesn't seem to be an appetite to change the Planning Commission make-up but in the future perhaps we will look at changing the charge to better reflect what HRAC is now, without the Design Review Board, through the Comprehensive Plan update process.

MOTION: by Mr. Steininger to direct the City Attorney to draft an ordinance that refines and clarifies the roles and responsibilities of the Historic Resources Advisory Committee with the focus on streamlining the historic review process and establishing a flexible as needed approach to such reviews and asked for unanimous consent.

Hearing no objection, motion passed.

3. Ordinance 2025-17 v. HRC An Ordinance Amending the City and Borough Code Relating to Quasi-Judicial and Appeal Review Boards

Ms. Wright requested additional time to bring Ordinance 2025-17 back to the Assembly Human Resources Committee's March 3rd meeting when it is completed and ready to move forward for Assembly action.

J. COMMITTEE MEMBER COMMENTS AND QUESTIONS - None

K. NEXT MEETING DATE

Monday, March 3, 2025 at 6pm, Assembly Chambers/Zoom Webinar

L. SUPPLEMENTAL MATERIALS - None

M. ADJOURNMENT

There being no further business to come before the committee meeting adjourned at 6:41 p.m.