

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

February 12, 2024, at 5:30 PM



Assembly Chambers/Zoom Webinar

A. CALL TO ORDER

Deputy Mayor Michelle Hale called the Special Committee of the Whole meeting to order at 5:33pm.

B. LAND ACKNOWLEDGEMENT

Mr. Smith read the land acknowledgement.

C. ROLL CALL

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

Assemblymembers absent: None

Staff present: Deputy City Manager Robert Barr, City Attorney Robert Palmer, Engineering/Public Works Director Denise Koch, City Clerk Beth McEwen, Deputy City Clerk Andi Hirsh, Lands Manager Dan Bleidorn, Community Development Director Jill Lawhorne, Engineering Associate Nick Druyvestein, Chief CIP Engineer John Bohan, Environmental Project Specialist Dianna Robinson, Tourism Manager Alexandra Pierce, Assistant Municipal Attorney Nicole Lynch, Assistant Municipal Attorney Sherri Layne, Recycleworks Operations Manager Stuart Ashton

D. APPROVAL OF AGENDA – Agenda approved as presented.

E. APPROVAL OF MINUTES

1. **May 22, 2023, Assembly COW Draft Minutes** – Agenda approved with correction for a typo.

F. AGENDA TOPICS

2. Telephone Hill Redevelopment Study Update

Nick Druyvestein, project manager with Engineering and Public Works, gave an update on the Telephone Hill redevelopment study. He said they have been working on public outreach for the last several months, including a public online survey that received over 2400 responses and multiple in-person meetings.

He said the feedback received was that people preferred a denser multifamily housing development and wanted to avoid temporary housing such as a hotel or short-term rentals. He said the survey included four different density housing options and there was not a statistically significant favorability difference between several of the options, but that people preferred the options that had between 60 to 200 units.

Mr. Kelly asked about a no-build option. Mr. Druyvestein said the purpose of the survey was to find out what kind of housing people would prefer if development happened. Mr. Druyvestein said one piece of feedback on the survey was that some people picked Option D (retaining some current homes and adding apartments) as the closest to a no-build option but others chose that option because they were confused about why existing homes would be torn down to build new housing.

Mr. Bryson asked a clarifying question around the legality of the Assembly maintaining the property as-is. Mr. Palmer said that there are code provisions and constitutional standards that require CBJ to rent or lease property at fair market value, with some exemptions like government entities. Mr. Druyvestein noted that the current properties are leased at fair market value but when people move out, the properties have been left vacant.

Mr. Druyvestein said they have been working on a culture and historic review report and an update to the 1984 site and structure survey. He said these two documents are the first major step in a formal Section 106, which would identify factors that contribute to historic significance. Then that document would go to the State Historic Preservation Office (SHPO) for review and concurrence. He said should this process occur, any modifications on Telephone Hill would need to go through SHPO first.

Ms. Hale said the Assembly needed to provide two pieces of information for staff: which option to refine for the development of Telephone Hill and whether to continue further in the Section 106 review process.

Mr. Kelly asked about currently vacant and occupied houses. Mr. Bleidorn said there are currently four vacant units: one 2-unit duplex, one full house, and a part of a duplex. In total there are 6 houses and a five-unit apartment on Telephone Hill.

Ms. Hughes-Skandijs asked for clarification on what refinement meant. Mr. Druyvestein said they would be looking at site preparation, subdivision design, cost estimation, and possible building layout or preliminary floor plans. He said the last portion was included to give them a realistic number of how many dwelling units would be added.

MOTION by Mayor Weldon to have staff proceed with refining design concept C as presented in the survey. In speaking to her motion, Mayor Weldon said that the concept can be refined by comments from the public, such as removing the hotel. She reminded the Assembly that if the houses are left there the people who are currently living in them may not stay in them, as the houses would be sold at fair market value. She said with the land and the view, some of the houses may sell for something like \$900,000.

Clerk's Note: *Design concept C consisted of four mid-rise apartment buildings, two extra floors on the parking garage, and a hotel. It had the highest density housing out of the options presented, with the potential to provide 100-200 new housing units.*

OBJECTION by Mr. Kelly. He said the survey presented was not statistically significant and while here seems to be a preference to have higher density housing, he was hesitant to ask people currently living there to leave. He said he supported the option that filled in new apartment buildings around existing structures.

Ms. Woll asked about the cost estimate. Mr. Druyvestein said there will not be too much variability in the cost estimation, as a primary piece of it is the site preparation and getting the area ready for new buildings. He said this would likely be presented in a unit price. Ms. Hale said the Assembly had discussed selling the property to be developed, not doing the development themselves.

Mr. Bleidorn said that this motion allows staff to gather more information, such as how the properties could be subdivided, what kind of parking would be needed, and road alignment. He said this motion does not lock the Assembly into any course of action.

Mr. Bryson said he would hate for the Assembly to take action that would stop economic growth for a small group of individuals.

Ms. Adkison asked about other significant feedback received. Mr. Druyvestein said there was concern about the configuration and size of new buildings.

Ms. Hughes-Skandijs said she supported the mayor's motion because Juneau's lack of housing was at crisis levels. Ms. Woll agreed with Ms. Hughes-Skandijs and said the Assembly picked the highest density housing option because they are committed to dealing with the housing crisis.

Mr. Kelly asked if staff could look at keeping some of the original housing in the plan. Mr. Bleidorn said no, as any work moving forward would look at the entire site. He said the Assembly would have to provide a motion to work towards preservation if that was what they wanted.

Ms. Hale said the public survey shows that approximately 70% of respondents chose a lower density housing option, between 32-66 units, compared to the highest density housing option of 100-200 units. Ms. Hale said if

they are looking at modifying the current option, they should look at ways to bring in elements of the other options as well. Ms. Hughes-Skandijs said surveys give the Assembly information, but ultimately the Assembly acts as decisionmakers who need to serve the entire community.

Roll Call Vote:

Yeas: Mr. Smith, Ms. Hughes-Skandijs, Mr. Bryson, Ms. Woll, 'Wáahlaal Gidaag, Ms. Adkison, Mayor Weldon, Deputy Mayor Hale

Nay: Mr. Kelly

Motion passed, 8 yeas to 1 nay.

MOTION by Mayor Weldon to consider the Historic Review Process complete.

OBJECTION by Mr. Kelly.

Roll Call Vote:

Yeas: Mr. Smith, Ms. Hughes-Skandijs, Mr. Bryson, Ms. Woll, 'Wáahlaal Gidaag, Ms. Adkison, Mayor Weldon, Deputy Mayor Hale

Nay: Mr. Kelly

Motion passed, 8 yeas to 1 nay.

Mayor Weldon said that she understands the significance of this neighborhood and hoped the Museum or Lands Division would historically or photographically document this.

3. Mendenhall River Glacier Outburst Flood Update

Denise Koch, Engineering and Public Works Director, provided an update about the Mendenhall Glacier Lake Outburst Flood (GLOF). She focused on three topics: natural disaster assistance fund, storm drain overflow, and outside expertise CBJ was seeking to mitigate future potential floods.

She said CBJ does not have a program for natural disaster assistance, but the State of Alaska does. She said Senator Kiehl was working on a bill to increase the individual assistance from \$21,000 to \$50,000 and to add flexibility to allow that assistance to go to condo association owners. She clarified that individual condo owners were currently eligible, but that condo associations were not and therefore had to pay for riverbank armoring without assistance. She recommended that CBJ support this bill.

Ms. Koch said that storm drains did not cause most of the impact of the 2023 GLOF. She said that some storm drains at the time of the August 2023 flood had backflow preventers, but there were eight areas prone to flooding that did not have backflow preventers. She said they are pursuing quotes for materials and installation and think the cost might be in the \$400,000-450,000 range. Ms. Hale asked about funding in the budget. Ms. Koch said there were some funds in the areawide drainage funds CIP, some funds in the budget for glacial flooding, and they were looking into potential grant funds. She said this would not replace the entire storm drains but would retrofit them to prevent backflow. She said the estimate she provided was on the high end.

Ms. Koch highlighted several federal agencies and programs they were working with. CBJ partnered with the Southeast Alaska Watershed Council to submit a Transformational Habitat Restoration and Coastal Resilience Grant from NOAA. CBJ has a proposal in to the US Army Corps of Engineers (USACE), in collaboration with the Alaska Department of Transportation (ADOT) and NOAA, for a flood mapping study that would do predictive modeling.

CBJ requested assistance from USACE for a study under the Emergency Streambank and Shoreline Protection program. She said this program is just for public and nonprofit infrastructure; it would not cover private homes or businesses. She said the first step of this program is a federal interest determination, where the USACE decides if this program would be a good fit and a rough estimate of cost, and does not obligate CBJ to provide funding. She

said if USACE thought GLOF flood prevention a good fit for the program, CBJ would be obligated to a 50% cost share of a feasibility study and 35% of total project costs should it move forward. USACE estimated that it typically takes them 5-7 years to complete these projects and they do not require congressional approval.

CBJ requested assistance from the National Resources Conservation Service (NRCS) under their Watershed Protection and Flood Prevention program for technical and financial assistance. She said this program would benefit both public and private property. She said that no community in Alaska had received funding through this program, so to remedy that NRCS had essentially put out a call for proposals and had received 18 project nominations. This happened before the August 2023 flood, so CBJ was not included in that queue. She said they would be included in the next round of project requests. Ms. Koch said that there was no cost for the first phase of the project, a study, but that future match requirements depended on study results. She said congressional approval is required for projects over \$25 million, which would be likely for any solution on the Mendenhall River. She estimated that the timeline for completion would be at least 7 years.

CBJ has been working with ADOT to get LIDAR mapping of the river. She said this will help in the creation of new inundation maps of the Mendenhall River area which are needed for FEMA flood insurance purposes and updated disaster planning. She said the snow needs to melt before LIDAR can be effective.

CBJ has been working with Team Rubicon, a veteran non-profit group that helps with natural disaster cleanup. They plan to coordinate removal of household and non-natural debris on CBJ land along the river while water levels are low. Mr. Bryson asked about their familiarity with cold water navigation. Ms. Koch said they are a highly trained group and will also receive assistance from Capital City Fire and Rescue.

4. CBJ Transportation Options for Cruise Tourists

Alix Pierce, Tourism Manager, and Ms. Koch presented on transportation options for cruise ship tourists. Ms. Pierce said the idea of a downtown circulator has been present for decades and CBJ currently runs a free bus transit route in the downtown area. She said they used Marine Passenger Fees to commission a study on transportation options. She asked the Assembly to give direction to staff on how to move forward.

Ms. Pierce said the consultants recommended two potential options: the first is a Capital Transit Tripper Service to the Mendenhall Glacier and the second was to create a downtown circulator that included the Downtown Library, the City Museum, and Overstreet Park.

Mayor Weldon asked about the current free service offered. Ms. Koch said that Capital Transit has a ride free zone in the downtown core that starts with the Downtown Library and ends at the Downtown Transit Center (DTC) happening about every 30 minutes. She said everyone is required to exit the bus at the DTC.

Mayor Weldon asked if the proposed circulator would compete with any private entities. Ms. Pierce said the Trolley that currently exists is not a hop-on-hop-off option; she noted that some businesses may be interested in contracting with CBJ should they choose to issue an RFP.

Ms. Pierce said stakeholder outreach included Downtown Business Association members, bus operators who work downtown and at the Mendenhall Glacier, community organizations, and the 2022 resident survey.

Ms. Pierce, talking about cruise ship visitors using public buses to access the Mendenhall Glacier at levels high enough to crowd out locals, said that Capital Transit is a public service who has a duty to serve all customers. She said it is not legal to charge out-of-town visitors a higher pass or deny them service on the bus. She proposed a tripper service, going directly from the DTC to the closest bus stop to the Mendenhall Glacier that would operate during high-volume tourist days. She noted that the Forest Service was not in favor of Capital Transit having a bus stop at the glacier as that would interfere with their permitting system.

Ms. Hale asked if Capital Transit was ready to implement the tripper service for 2024. Ms. Koch said yes. She said they unofficially ran extra trips in 2023 as staffing and money allowed, but that for 2024 they put in a request for Marine Passenger Fees (MPF) to help pay for more consistent service. She said if they do not receive MPF they will

run a similar service as last year. Ms. Pierce said there were sufficient funds in the MPF balance to pay for the beginning of the summer (FY24), and the MPF request was for FY25.

Mayor Weldon asked about staffing. Ms. Koch said the labor market has gotten a little bit better and they've recently been more successful in recruitments.

Mr. Bryson asked about cuts to the Lemon Creek bus route. Ms. Koch said there would be no changes to that route. She said part of the rationale behind those cuts was due to low ridership numbers. She said they try to provide the most resources to the highest number of passengers. Ms. Hughes-Skandijs asked about bus service to North Douglas. Ms. Koch said that route was discontinued due to only having four riders a day.

Mr. Kelly asked if CBJ would need to purchase additional buses. Ms. Koch said the tripper service could be provided with the buses that CBJ already owns. She said that if the Assembly wanted to institute the downtown circulator, they would require more buses. She said CBJ would not be competitive for federal grants for tourism-oriented bus services.

Ms. Woll asked what problem the downtown circulator solved. Ms. Pierce said she did not know if it would help downtown congestion but that it may help redistribute people through downtown more.

Mr. Smith asked about expected costs for either service. Ms. Koch said estimates for the downtown circulator ranged between \$230,000 to \$470,000 based on the level of service provided, but suspected that if they went out for an RFI the quotes would be higher. She noted that the study assumed a higher fare level for the downtown circulator but there were legal questions on whether they could charge different amounts for different routes. She said the tripper service was scalable. She said Capital Transit requested \$900,000 which would allow for service every 15 minutes, 7 days a week, but that could easily be scaled back to service every 30 or 60 minutes. Mayor Weldon asked about flexibility in the tripper service and reducing service to not compete with private companies. Ms. Koch said they could be flexible operationally but expected large numbers of tourists to use the public bus to get to the Mendenhall Glacier. She said in 2023 they documented hundreds of people left at bus stops because of lack of space and that she expected that to continue to be a problem until at least 2026 when the Forest Service might expand their permits. Ms. Pierce said that instead of an express route they could also treat the tripper service as additional buses on the existing route.

Mr. Bryson asked about moving the start of the route somewhere else, like the Federal Building. Ms. Koch said that bus drivers need a place to use the bathroom, eat, and take their breaks, which is the Downtown Transit Center.

MOTION by Mayor Weldon to bring the concept of the capital tripper service, with funding provided by Marine Passenger Fees, to the full assembly and asked for unanimous consent. She said she wanted to get public feedback.

OBJECTION by Ms. Hughes-Skandijs for purposes of a question about timing. **After receiving an answer, she removed her objection.**

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

MOTION by Mayor Weldon to continue discussion on the downtown circulator in the Committee of the Whole and to direct staff to issue an RFI for downtown circulator service for 2025.

OBJECTION by Ms. Hughes-Skandijs. She said the downtown circulator does not seem to match CBJ's mission and that they already provide a free downtown loop.

Mr. Smith said he is interested in revisiting this concept in the Committee of the Whole. Mr. Bryson said that if a private business saw profitability in a downtown circulator, then it would already be in operation.

Mayor Weldon WITHDREW her motion.

MOTION by Mayor Weldon to advertise the current fare free service provided in the downtown area and asked for unanimous consent.

OBJECTION by Mr. Kelly for purposes of a question. He asked if this motion took the circulator completely off the table to which Mayor Weldon answered yes.

Mr. Smith asked staff for their opinion. Ms. Koch said she had concerns about the downtown circulator, whether run in-house or contracted out, as it was a new program. She thought it would be more expensive to run than the consultant believed and would require a subsidy. She said she was not supportive of the downtown circulator.

Mr. Kelly removed his objection.

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

5. Zero Waste

Ms. Koch introduced Dianna Robinson, Environmental Project Specialist, who was hired specifically to address Zero Waste initiatives. Ms. Koch said current initiatives extend the life of the landfill but the bigger question before the community is what role CBJ should play in the future of waste management. She said the community needed to make some decisions in the next couple of years and that to have some level of control would be a big, expensive project, but if the community does not want to make those decisions then the private sector will.

Ms. Robinson reiterated the question of what role does CBJ want to play in the future of trash in our community. She said the landfill has approximately 10-15 years left. She said the community could build a new landfill or invest in an incinerator or thermal solution which would be expensive and timely to implement, or ship waste down south like other Southeast Alaska communities which would also be expensive.

Ms. Robinson summarized the current waste landscape with waste hauling being run by Alaska Waste and regulated by the Regulatory Commission of Alaska (RCA), the landfill being owned by Waste Management (WM) and being regulated by the State Department of Environmental Conservation (DEC) and the Environmental Protection Agency (EPA), and a recycling center, junk vehicles, and household hazardous waste (HHW) being run by CBJ. She said there were other small companies that specialized in some amount of waste removal. She said the Recycling Center diverts an average of about 5-7% of the landfill's annual volume and HHW diverts about 3%. Ms. Robinson said they will be doing a waste characterization study in May which will break down what kind of solid waste is produced.

Ms. Robinson said that RecycleWorks was near capacity and that growing recycling would mean large infrastructure investments in a new recycling facility. She said there was room to grow composting. According to the analysis, Juneau Composts diverted about 250 tons in 2022 (approximately 2% of the waste stream) but an EPA national waste characterization study showed about 22% of all waste was food and 12% were yard trimmings. Ms. Robinson said access to carbon would be a limitation of large-scale composting.

Ms. Robinson said that a zero-waste plan should include creating diversion goals, maximizing existing programs, building new infrastructure or programs, and enacting waste policies. She said all changes must be systemic and enduring. She then provided examples of zero-waste programs in Portland, Oregon and Missoula, Montana. Ms. Robinson said that in 2023 CBJ was awarded \$2.5 million in Congressionally Directed Spending from Senator Murkowski for a municipal composting site. She said this funding will provide a facility design, utilities, an improved road, stormwater drainage, a concrete pad, and a bear-appropriate fence, but not a finished composting facility or equipment. Ms. Robinson reiterated that there is only so much CBJ can do without controlling the public utility for waste hauling or owning the landfill and that all future options such as building a new landfill, running an incinerator, or shipping waste down south will be expensive. She said it will take about 10 years to do any major infrastructure improvements, and the landfill has about 10-15 years of life left at current disposal volumes.

Mr. Byson noted that every change moving forward will cost more than what is currently being paid right now. He said that both Tlingit and Haida Central Council and Goldbelt have expressed interest in businesses related to waste stream diversion. He said that profit margins were what drives commercial recycling.

Ms. Koch said she believes that CBJ needs to spend staff time and money to look at the big picture of what will happen to the community when the landfill is full. She asked the Assembly to direct staff to contract a study about solid waste control and disposal options, to be paid for out of the zero-waste CIP. Ms. Hughes-Skandijs asked for more details. Ms. Koch said she was hoping to hire a contractor to look at different waste control and disposal options, including cost estimates and potential locations, to be presented back to the Assembly to help have future policy discussions. Ms. Koch said this would be a different use of the zero-waste CIP fund, so she wanted to make sure it was approved by the Assembly.

MOTION by Mayor Weldon to direct staff to contract a study for solid waste planning, specifically analyzing solid waste control and disposal options, funding from the zero-waste CIP, and asked for unanimous consent. In speaking to her motion, she wanted to see updated information.

OBJECTION by Ms. Woll. She said this issue was complex and she was not prepared yet to have this discussion. She said she was worried that this effort would take away from dealing with systemic issues in the community regarding reducing the waste stream.

Ms. Hughes-Skandijs asked about the size of the CIP. Ms. Koch said there was an existing zero-waste CIP with approximately \$200,000, with more money being added in the next budget cycle. She estimated that the study would cost approximately \$75,000. Ms. Koch said there was only one CBJ staff member to work on solid waste planning efforts, so this would allow that staff member to work on projects such as municipal composting or a potential tire shredder.

Roll Call Vote:

Yeas: Mayor Weldon, 'Wáahlaal Gidaag, Ms. Adkison, Mr. Kelly, Mr. Smith, Mr. Bryson, Ms. Hale

Nays: Ms. Woll, Ms. Hughes-Skandijs

Motion passed, 7 yeas to 2 nays.

G. STAFF REPORTS

H. NEXT MEETING DATE

I. SUPPLEMENTAL MATERIALS

6. Supplemental Materials: Telephone Hill Reports/Documents as referenced in the 2/12/2024 memo above.

- Telephone Hill Survey Final Results
- Historic Building Survey Update
- Telephone Hill CR Desktop Redacted Final report
- Historic Resources Advisory Committee (HRAC) letter to the Assembly 12/11/2023

7. Supplemental Materials: Juneau Circulator Plan Final Report - February 8, 2024

J. ADJOURNMENT

Having no more business to come before the Assembly Committee of the Whole, the meeting adjourned at 9:30pm.