

ASSEMBLY COMMITTEE OF THE WHOLE MINUTES - DRAFT

March 11, 2024, at 6:00 PM



Assembly Chambers/Zoom Webinar

A. CALL TO ORDER

Deputy Mayor Hale called the Assembly Committee of the Whole Worksession in the City Hall Assembly Chambers and online to order at 6:05 p.m.

B. LAND ACKNOWLEDGEMENT – *read by Assemblymember Woll*

C. ROLL CALL

Present: Deputy Mayor Michelle Hale, Mayor Beth Weldon, Wade Bryson, Christine Woll, Paul Kelly, Ella Adkison, Greg Smith, and 'Wáahlaal Gídaag

Absent: Alicia Hughes-Skandijs

Staff/Others in Attendance: Acting City Clerk Di Cathcart, City Manager Katie Koester, City Attorney Rob Palmer, Deputy City Manager Robert Barr, Deputy Clerk Andi Hirsh, Tourism Manager Alexandria Pierce, Port Director Carl Uchytel, Port Engineer Matthew Sill, and AEL&P President & CEO Alec Mesdag

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

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

1. February 26, 2024, Assembly COW DRAFT Minutes

F. AGENDA TOPICS

2. Dock Electrification

Tourism Manager Alix Pierce said CBJ Docks & Harbors and Alaska Electric Light and Power Company (AEL&P) signed a Memorandum of Agreement for AEL&P to manage the design process for shore power, expected to take about a year to complete. She said the timeline for starting construction will be based on lead time on ordering some items. She said that staff were continuing to seek funding for these very expensive projects and applying for every grant possible. Ms. Pierce said there was about \$5.7 million in a CIP with an additional \$5 million in the Marine Passenger Fee budget; and that \$10.7 million would be enough for the design phase and to start construction.

AEL&P President and CEO Alec Mesdag walked the Assembly through his PowerPoint presentation. In speaking to dock electrification, he said they needed to swap out a transformer that serves the South Franklin dock, as it currently does not have the ability to make voltage adjustments. Mr. Mesdag walked the Assembly through all the items and infrastructure necessary to connect a cruise ship to shore power. He reminded the Assembly that because the main energy source was hydropower, the availability of energy varied based on weather conditions and that AEL&P prioritized firm customers over interruptible customers. He said that various upcoming projects, like a penstock replacement, could provide additional increased energy from the same amount of water. He said they have about 100 megawatts of hydro capacity when everything is online.

Mr. Bryson asked if the penstock was related to the city water supply. Mr. Mesdag said it wasn't the main supply of drinking water, and the project wasn't scheduled to start until next year. He said AEL&P is planning to replace one-third of the section at a time to be less impactful. He said it was also the water supply for DIPAC Hatchery and AEL&P wanted to complete the work during the time of year when there was the lowest water needed.

Mr. Kelly asked when CBJ would have the ability to supply electricity to three cruise ships at one time. Mr. Mesdag replied that it depended on maintenance needs and temperature. He said that firm customers, like residential

housing, use more electricity when it is cold out. He said they may need to adjust from three ships down to two or one on cold days or when facilities are down for maintenance.

Mr. Mesdag said there were a lot of different projects going on all the time. He said that AEL&P has five different hydro plants, diesel plants, and at any given time crews are moving through and performing regular maintenance on one or more of those plants. He said it was about matching loads and resources to the extent possible and they plan maintenance in conjunction with Greens Creek Mine and other large users to better manage usage.

Chair Hale asked if Docks and Harbors was looking collectively at future power and infrastructure needs on the waterfront, such as the Coast Guard icebreaker or a potential Huna Totem dock. Carl Uchtyl, CBJ Docks and Harbors Director, said this MOA is specifically for the cruise ship docks owned by CBJ but they would be involved in the planning process and would be planning for future uses as well.

3. CWES/Mill Campground – Update from Deputy City Manager Barr

Mr. Barr walked the Assembly through the packet memo, noting this was a challenging topic and that Dave Ringle, St. Vincent de Paul Executive Director (SVDP) was in attendance if there were additional questions related to the Cold Weather Emergency Shelter (CWES). Mr. Barr said in the fall of 2023, the CWES was set up at the CBJ Thane Warehouse and that SVDP staffed the shelter. He said the CWES saw roughly 40-50 clients per night and ran from October to April. He said CBJ anticipated a contract extension with SVDP for the 2024-2025 CWES. Mr. Barr said that staff safety was an issue, because as Juneau's lowest barrier shelter, the population being served presented more behavioral and safety-related challenges.

Mr. Barr talked about the dedicated campground CBJ has managed since the early 2000's. He said when the campground was at the Thane Road location CBJ provided an onsite caretaker and utilized CBJ staff for trash removal. He said due to an unfortunate incident at the campground in 2010, CBJ stopped maintaining a caretaker. He said the campground moved to its current location at the end of Mill Street near Gastineau Avenue after that incident and services were handled through the Parks & Recreation Park Ranger including maintaining platforms, collecting needles and trash, port-a-potties, and end of season clean up.

Mr. Barr said the overall tenor of the campground deteriorated over the last couple of seasons. He said neighbors met with CBJ last season to talk about mitigating the many issues with the current location which AEL&P leases to CBJ. He said during end of season clean-up, 74 tons of solid waste, and 19 gallons of needles were cleaned up, and a handful of transmission poles were discovered to have been burned or cut on. He said expenses related to the campground were \$70,000 last year.

Mr. Barr said rates of homelessness have increased in many places throughout the country and the impact of homelessness was disproportionate, with people of color overrepresented. He said while CBJ has been expanding service, that service expansion has not kept up with the increase of people needing services. He said CBJ spent under \$500,000 in this area in FY13 and in the current fiscal year spending was over \$5 million. He noted that money was representative of Assembly grants to organizations like St. Vincent de Paul, the Glory Hall, Housing First and many others through the Juneau Community Foundation Social Service grant process.

Mr. Barr ran through the four options the Assembly could take, outlined in his memo.

Option 1 was to move the campground next to the CWES on 100 Mill Street, with same scope of services. He said this was the most status quo option. He said this would make the campground easier to access, allowing for more frequent clean ups (once per month instead of end of season only) and more accessible for EMS and service providers. He also said the campground would be significantly more visible and would create a larger public impact, shifting the same concerns from the Gastineau Ave. area to the Rock Dump area.

Option 2 was to discontinue the campground support campers through existing local services. He said this would lead to a greater amount of dispersed camping throughout the borough. He said that operationally CBJ would tolerate illegal camping on public property until safety concerns and/or impediment to typical public use reached a subjective critical point, at which time the camp would be cleaned up and closed. He said this option was likely

safer for some individuals (smaller camps) and less safe for others (harder to reach for EMS). He said they would expect clean-up costs to increase but did not know if the costs would exceed Option 1.

Option 3 was to operate the same as last year. He said this was not the preferred option for staff and CBJ would need to care for protecting AEL&P property.

Option 4 was to operate the CWES year-round as an Emergency Shelter. He said that SVDP did not have the capacity to do this work year-round and that many winter shelter clients would likely choose not to utilize this option in the summer due to rules around use. He said funding was also an issue.

‘Wáahlaal Gídaag asked about timing related to Option 1. Mr. Barr responded that staff would need a decision at tonight’s meeting but felt they could get the campground up and running before the CWES closed.

Mr. Kelly asked if transportation would be an issue. Mr. Barr stated that historically transportation services were only provided during the winter months due to snow, ice, and safety in getting to the CWES.

Ms. Woll asked what public process looked like if the Assembly moved forward with Option 1. Mr. Barr replied that staff would look to the Assembly for a Title 49 exemption due to timing.

Ms. Adkison asked if it would be harder on staff if the campground was not a centralized location. Mr. Barr agreed that yes, under Option 2 there would be more campgrounds in harder to reach locations.

Mayor Weldon asked if under Option 1 the Mill Campground would close and AEL&P would trespass anyone camping in that area. Mr. Barr said that was correct. He said that under Option 1 CBJ would do a bit more clean-up to the proposed area, which would be an added cost and look at paving the location in the future.

MOTION: By Mayor Weldon to direct staff to enter into negotiations with AEL&P for the use of their property at Thane Road and Mill Street for a summer campground and to prepare a code ordinance for introduction at the next regular Assembly meeting authorizing the use of said property in line with Option 1 in the memo and to care for broad public notice to the community and direct notice to the neighboring property owners and asked for unanimous consent. **Hearing no objection, motion passed.**

4. Resolution 2986 A Resolution Repealing and Reestablishing the Assembly Rules of Procedure

This resolution would update the Assembly Rules of Procedure with a number of housekeeping changes, clarify that committees only make recommendations, clarify quorum for four-member committees is three members, and clarify when members may participate remotely.

This item was reviewed by the Assembly Human Resources Committee on March 4, 2024.

MOTION: by Mr. Bryson to move Resolution 2986 A Resolution Repealing and Reestablishing the Assembly Rules of Procedure to the full Assembly for action and asked for unanimous consent. **Hearing no objection, motion passed.**

5. City Hall - Space Planning

City Manager Koester posed two questions to the Assembly; does City Hall need to remain and does the Assembly want to continue exploring lease options. She noted she didn’t need a motion but was requesting feedback from the Assembly on how they would like to move forward once they heard the latest updates related to City Hall and space issues.

Ms. Koester said that CBJ had issued a Request for Information (RFI) and received three responses which the Assembly reviewed at the January Committee of the Whole meeting; Ricker Real Estate for the Burns Building, Dawson Construction for the Bill Ray Center renovation or building a purpose-built facility, and owners of commercial buildings in the valley that lease office and housing space. She said CBJ also spoke with Central Council Tlingit & Haida Indian Tribes of Alaska (CCTHITA) who expressed interest in constructing a purpose-built facility; she said that, and the Dawson Construction request looked too much like a new City Hall, which was voted down at the last municipal election.

Ms. Koester said on February 22, 2024, the Juneau School District adopted its final reorganization plan, which released Floyd Dryden Middle School, the Marie Drake building and School District Administrative Office building back to CBJ effective July 1, 2024.

Ms. Koester then walked Assemblymembers through current troublesome office spaces in the various buildings highlighting changes that have occurred since first discussed at the beginning of the year. The Marine View Building had flooding occur in three office spaces which also damaged some GIS equipment. The Municipal Way building is an active construction zone and becoming very challenging to work in that environment. The current City Hall building continues to have issues. She said CBJ staff continue to look at how to move staff out of Municipal Way and into City Hall or one of the recently released buildings from the School District. The Marine View building lease is up in July and staff will look at moving to a month-to-month lease.

Ms. Koester outlined the pros and cons of each potential building, and overall citizen preferences on whether to keep City Hall in the Downtown area or move to a Valley location. She said it was important to have a central location for people doing business with City Hall, one-stop shopping for payments, permitting, and attending public meetings, as well as a reduction in the number of departments spread out into multiple buildings.

She said the Burns Building, downtown location, currently housed the Permanent Fund Corporation (PFC). She said CBJ could lease part of the building not in use by PFC and that it was a nice facility, 43,000+ square feet available now and an additional 15,000 square feet possibly available in early 2025. She said the Burns Building has a large room and kitchenette that could be utilized as the Assembly Chambers. Parking would be tight but workable and the Burns Building option would also utilize the JSD Administration Building a block away as additional office space. Funds would be needed for outfitting the building with furniture, cubicle style, and sound equipment for the Chambers.

Ms. Koester said that Marie Drake School, downtown location, was 70,000 square feet with very limited parking, which created a challenge for both employees and the public. She said it would take roughly \$16.8 million in basic renovation costs to remove asbestos, replace carpets, furniture, and renovate from classrooms to office space. There is a commons area, with low ceilings, that could be renovated into an Assembly Chambers area.

Ms. Koester said that Floyd Dryden School, valley location, was 75,000 square feet with plenty of parking. She said there was an interior lunchroom area that could be converted into the Assembly Chambers. She said the large building could house most of City Hall and have the gym and other areas open for community events.

Ms. Koester noted that both schools may be better suited for community use, such as childcare or another type of community center and that the Assembly Public Works and Facilities Committee will take up the conversation on what to do with the buildings soon to be turned over from the Juneau School District.

‘Wáahlaal Gídaag commented that parking was one of the biggest issues for her and she didn’t think it was necessary that City Hall be downtown. She said she was leaning towards Floyd Dryden because of all the good parking and that with the consolidation of high schools, parking downtown will get even tighter in the Marie Drake area. She said the public let the Assembly know they don’t want a new City Hall built.

Mr. Smith commented that he didn’t like any of the options for one reason or another. He felt that City Hall should be downtown or in an area that can capture some of the economic activity of City Hall. He said that Floyd Dryden was away from any commercial services in the Valley but does have ample parking for employees and the public, and Marie Drake was further away from the downtown core, with fewer commercial services, and limited parking. He said he was not sure of the community buy-in for leasing the Burns Building if CBJ will now potentially have empty facilities we own, however those buildings have costs associated with them as well.

Ms. Adkison felt that City Hall should be downtown, and that it would affect downtown businesses, tourism, and the city budget. She said it seemed premature to discuss leasing a building when there were facilities CBJ owned vacant. She noted that both schools were not cost-neutral options but was skeptical of the proposed Burns Building lease.

Mr. Bryson stated that he attended the tours of the JSD Administration building, Marie Drake building and the Floyd Dryden building with City Manager Koester and Deputy City Manager Barr. He said removing City Hall from downtown meant that tourism could take over more of downtown, including possibly the current City Hall building. He noted that it would cost just as much to renovate either of the schools as to build a new, purpose-built City Hall which was not what voters wanted. He said there were many great options that Floyd Dryden could be used for, childcare, senior center, community center utilizing the sports facilities at Adair Kennedy Park. He said he preferred the Burns Building lease option because it allowed for more options in the future.

Mr. Kelly agreed that there was no perfect option among these choices. He liked the availability of parking at Floyd Dryden but was not supportive of moving out of downtown. He thought CBJ should own the facility verses leasing. He said his preference was to make Marie Drake usable for employees.

Ms. Woll said that voters did not want to spend \$35 million on a new City Hall. She said she would prefer a downtown location for City Hall but was open to moving to the Valley. She said it was important to make the building a place where people wanted to work, which included having accessible parking options. She said in the short term they needed to get people out of the Marine View and Municipal Way building and into better work environments. She said their long-term options would take a while to figure out.

Mayor Weldon said she leaned towards keeping City Hall and staff downtown to help keep the area economically vital. She noted that some staff would have to commute to the Capitol more often, such as attorneys going to court. She said she favored owning the building, which was why she leaned towards Marie Drake over the Burns Building. She said it was important for the Assembly Chambers to be welcoming to the public, with a good sound system. She said she thought Floyd Dryden was a better facility for community use, and suggested childcare and animal control as potential uses. She thanked CCHITA and Dawson Construction for coming forward with options to do a design build but that it was too close to what the community recently voted down.

Deputy Mayor Hale said she supported City Hall remaining downtown. She said that Floyd Dryden had lots of parking but was in the middle of a residential area with no commercial services to walk to. She said the parking issue at Marie Drake was huge and would impact the general public and staff. She said her preferred choice would be to lease the Burns Building; she said she liked the lower upfront capital cost and noted that the Burns Building solution does not tie CBJ into using the space forever.

Ms. Koester said she would bring back some type of amortization table to the Assembly to look at capital verses operating expenditures, scheduling site visits, and looking at parking solutions. She said it sounded like a parallel conversation for Floyd Dryden community uses needed to happen though the Public Works and Facilities Committee.

G. STAFF REPORTS - None

H. NEXT MEETING DATE

April 15, 2024, at 6pm Assembly Chambers/Zoom

I. SUPPLEMENTAL MATERIALS

City Manager Koester included a slideshow presentation showing the potential City Hall options noted in her memo to the Assembly Committee of the Whole.

J. ADJOURNMENT

There being no further business to come before the Committee of the Whole, the meeting adjourned at 8:08 p.m.