

**SPECIAL ASSEMBLY MEETING
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Meeting Minutes - December 1, 2018

MEETING NO. 2018-35: The Special Meeting - Retreat/Worksession of the City and Borough of Juneau Assembly held in the Bartlett Regional Hospital Administrative Boardroom, was called to order at 8:00 a.m. by Mayor Beth Weldon.

I. CALL TO ORDER / ROLL CALL

Assemblymembers present: Mayor Weldon, Deputy Mayor Maria Gladziszewski, Jesse Kiehl, Mary Becker, Loren Jones, Rob Edwardson, Michelle Hale, Carole Triem, Wade Bryson

Staff present: City Manager Rorie Watt, Deputy Manager Mila Cosgrove, City Attorney Rob Palmer, Municipal Clerk Beth McEwen, Police Chief Ed Mercer, Deputy Chief David Campbell, Fire Chief Rich Etheridge, Programs Manager Tom Mattice, Lands Manager Greg Chaney, Chief Housing Officer Scott Ciambor, Community Development Director Jill Maclean, Finance Director Bob Bartholomew, Library Director Robert Barr, Parks & Recreation Director George Schaaf, Eaglecrest Director Dave Scanlan, Port Director Carl Uchytel, MIS Director Matt Scranton, Engineering/Public Works Director Mike Vigue

II. AGENDA TOPICS

A. Review and Status Update of 2018 Assembly Goals and Priorities

City Manager Rorie Watt provided a high level summary of the approach to addressing the Assembly's goals.

He pointed to his three memos found in the retreat packet which are illustrative of three different stages/approaches to goal fulfillment. The memo on the Housing Action Plan is an outline of the goals that have been set and the variety of steps that have been or are currently underway to work on those issues. The memo regarding the Juneau Renewable Energy Strategy is an aspirational plan that has been adopted but staff is still looking to the Assembly for how to move forward. The memo relating to Tourism/Waterfront Planning shows the journey on how the Assembly adopted the Long Range Waterfront Plan in 2004, has worked on implementing many of the projects within the plan and is asking some new questions on looking at the broader pictures relating to Tourism/Waterfront Planning.

Mr. Watt said that goals generally don't change but rather how we address them and achieve them are where "change" happens and encouraged the Assembly to

consider this as they work on their goals later in the retreat.

Mayor Weldon opened it up for questions from the Assembly and Ms. Hale asked about the goals on upgrading CBJ technology such as the ability for the public to make payments using their credit cards like they do to a business.

Mr. Watt said that while technology upgrades are slow, they are not dead in the water. Technology is very expensive and the failure rate on new technology is incredibly high and the policy questions when implementing government technology changes are more difficult than most think. He said the thousands of transactions for thousands of people during a fiscal year are much more complex and can't quite compare it to a small business using a Square device to collect money from its customers.

Ms. Cosgrove noted that technology upgrades are a high priority as evidenced by the Assembly including 1% of the sales tax revenues for technology. She said they are just about to kick off an upgrade of the financial system online payment portal. She also explained that government cannot do transactions like an Amazon shopping cart, as government has to be more transparent on what they charge. She noted that most governmental agencies in Alaska do charge a fee for credit card processing.

Additional discussion took place between Assembly and staff and Mr. Bryson noted that Visa credit card fees takes 2% out of the Juneau Economy every year.

Mr. Watt said that CBJ's Govern and Lawson technology program launches are a success story that most folks don't know about, they were a big overhaul of the Land and Finance systems and their implementation went very well. He compared that to a very bad case Alaskan scenario that Anchorage dealt with that didn't go well and cost hundreds of thousands of dollars.

Mr. Watt noted that considering the public involvement and transparency involved with any new CBJ program, change at the governmental level does take longer to occur than it would for private enterprise.

B. High Level Fiscal Overview

Finance Director Bob Bartholomew provided a high level fiscal overview of the recent past, the 2-year budget cycle, and some future predictions. He explained the FY20 budget was reviewed and approved during the FY19/FY20 budget process in Spring 2018 but that the FY20 budget will be coming back to the Assembly in the spring for final changes and adoption by June 2019. He also noted that the first

series of revenue and expenditure projections will be provided to the Assembly at the Finance Committee meeting scheduled for December 12, 2018.

During his overview he and Ms. Cosgrove spoke to the Priority Driven Budgeting process that was done in 2016. Additional discussion took place with the Assemblymembers and staff on the merits of the Priority Driven Budgeting process and whether that is a tool they should look at using in the future. While some members were in favor of using the process as a "best practice" communication tool for public involvement, other members felt the extraordinary amount of staff time and effort involved only yielded interaction with approximately 100 citizens and it was not a good value for the time and effort to go through again. The final outcome of the discussion was that ultimately, the Assembly is the decision making body on the budget and while they would not rule this out as a possible future tool to use, they did not choose to pursue that option at this time.

Mr. Bartholomew and Ms. Cosgrove asked members to contact them and they would be happy to provide them with any of the information from the process in 2016.

C. Local Economic Update by Meilani Schijvens

Meilanie Schijvens gave a presentation on "Juneau Alaska's Economy in a Nutshell - 2018" (a copy of which is now uploaded to the online packet materials).

Some of the highlights included Juneau's Report Card for 2017:

- Decreasing Jobs - down 200 jobs
- Decreasing Earnings - down \$9 million
- Decreasing Population - down 450 people

From 2012-2018, 650 state jobs have been lost which equal approximately \$40 million dollars in annual Juneau wages (at an average wage of \$61,000 per person state worker, not including benefits).

When discussing the Juneau demographic population numbers, she explained that population numbers peaked in 2015 and have lost approximately 900 individuals since then. She explained that since those individuals who left Juneau were mostly children and their parents, that would be the equivalent of losing all the kids enrolled at Harborview Elementary School along with their families.

Another set of statistics that is of importance is that of the tourism industry and specifically with respect to the cruise industry passenger numbers. 2010 was the lowest number of cruise passengers within the last decade with 875,593 and there is

an estimate 1.36 million cruise passengers anticipated to arrive in 2019. That represents a 55% increase in the number of passengers 2010-2019 and an increase of 25% from 2017 numbers (1.089 million) to 2019. As of 2016, tourism spending in Juneau was at \$212 million, averaging out to \$188 per visitor and provided an estimate of 21% of all CBJ sales tax revenues in 2016. The average spending per cruise passenger visitor was \$162 whereas the average amounts for ferry passenger equaled \$281 and air passengers equaled \$630.

Ms. Schijvens presentations focused on other aspects of the Juneau economy as well as some of the results of a business confidence survey.

D. 2019 Assembly Goals and Priorities Discussion

Mayor Beth Weldon and Deputy Manager Mila Cosgrove facilitated a goal brainstorming/review/prioritization exercise with the Assembly.

Assemblymembers were split up into groups of three to address the current Assembly goals from 2017-18 and asked whether they wished to keep them as is, change them up, remove them, or add new items. Following the small group exercise, they came back together to consolidate and adjust the wording as the full membership agreed it should be stated and then each member was given 15 dots to vote on the items they felt should be considered top priorities.

Finally, Mayor Weldon explained that any of the items that received at least 3 dots, would remain on the goals list and any that had fewer than 3 dots would remain as placeholder topics but would not make the priorities list.

The process began with the current main 4 goal categories and a 5th category relating to Sustainability was added at the end.

Below are each of the goal categories and implementing actions as well as any new topics that members added.

Goal #1: Housing – Assure adequate and affordable housing for all CBJ residents

Current Implementing Actions under Goal #1:

- A. Increase affordable and workforce housing availability through identifying and implementing strategies from the housing action plan. (1 dot)**
- B. Area Plans: Complete Downtown Area plan, followed by Douglas and Valley area plans (4 dots)**
- C. Finish development of Pederson Hill and begin disposal process. (-0-**

dots; post voting comments: keep this on the list and keep up the good work already begun!)

D. Update the Comprehensive Plan. (moved to Economic Goal #2)

Added, removed and/or restructured present implementing actions:

1. Examine Status of Affordable Housing Commission (3 dots)
2. Prioritize Housing Action Plan strategies (5 dots)
3. Identify next residential development area - CBJ owned land/disposal (3 dots)
4. Improve downtown Housing – Gastineau properties; incentives (5 dots)
5. “B” identify the next plan not necessarily Douglas or Valley (1 dot)

With respect to Goal 1B. CDD Director Jill Maclean provided details of plan dates already in the line up for the next two years: Currently underway is the Downtown Juneau plan being worked on through Blueprint Downtown efforts, next is the Downtown Douglas Overlay District, then eventually the Valley will be next in the line up. Assemblymembers agreed to keep the plan on the current goals list but since this is a one year list, they felt the Downtown Douglas and Valley language should be only listed as a placeholder or comment as being in the que.

Goal #2: Economic Development – Assure Juneau has a vibrant, diverse local economy

Current Implementing Actions under Goal 2:

- A. Solve current Downtown Parking/Investigate Park and Ride System. (see below for changes)
- B. Implement Juneau Economic Development Plan (JEDP) (see below for changes)
- C. Identify route, permit, bid and construct the extension of N. Douglas Hwy. as far as existing funding allows. (see below for changes)
- D. Continue Mining Ordinance Review: Review and possibly revise mining ordinance, review and revise as needed draft lease agreement, review and revise as needed unit agreement. (Remove-completed)
- E. Juneau Access: Support the construction of a road north out of Juneau (Remove-now up to state)
- F. Next Generation Workforce: Support continued education funding, and child care with an emphasis on kindergarten readiness. (see below for changes)
- G. Downtown Revitalization Action Strategies including Gastineau Apartments (see below for changes)
- H. Expand Juneau’s Position as Research Center (Remove-in JEDP and lobbyist has direction)

- I. Identify future industrial land**
- J. Secure the \$22 million of diverted Juneau Access funds for transportation infrastructure projects for the community.**

Added, removed and/or restructured present implementing actions:

- A. Change to: Revisit Downtown Transportation Plan to include the following (also part of Downtown Blueprint) **(5 dots)**
 - 1) Building downtown parking structure
 - 2) Park & Ride
 - 3) Circulator
- B. Change to: Prioritize implementing actions from JEDP **(3 dots)**
- C. Change to: Evaluate next steps & benefits with N. Douglas Road/2nd Channel Crossing **(4 dots)**
- D. Mining Ord. – remove
- E. Juneau Access – remove **(2 dots)**
- F. Complete work of Childcare Committee; Assembly act on recommendations **(4 dots)**
- G. Revitalize downtown based on Blueprint Downtown project recommendations **(-0- dots)**
- H. Expand Juneau's Position as a Research Center (Removed since there wasn't much the Assembly could do other than continuation of working with the lobbyists on this project at a federal level. This item is encompassed within the JEDP.)

New Items:

- 1. Play strong role in Southeast Conference **(-0- dots)**
- 2. Explore means of building a new JACC and CBJ's participation. **(4 dots)**
- 3. Goals for tourism marketing, especially to independent travelers – work with Tourism Juneau, JEDC, & JAHC. **(5 dots)**

Discussion re: Juneau Access being removed from the list - the Assembly passed a resolution in support of Juneau Access and there isn't much more that can be done from the Assembly level, it is now in the hands of the state. One group commented that the Juneau Access project should remain on the list but that it should be pavement to pavement and not just a road extension to another ferry terminal. The other two groups were OK with removing it from the list.

Discussion re: Tourism Marketing - Review CBJ's role in tourism marketing since Travel Juneau receives \$1.3 million annually from CBJ with no CBJ oversight. Look for marketing strategies targeted for regional travel since Juneau is a hub community as well as winter time and other independent travelers.

Goal Exercise #3: Sustainable Budget and Organization – Assure CBJ is able to deliver services in a cost efficient and effective manner that meets the needs of the community

Current Implementing Actions under Goal 3:

- A. Examine both revenues (Tax) and expenditures to assure the CBJ maintains a sustainable budget that meets the community's needs. (1 dot)
- B. Deferred Maintenance/Asset management long term plan (report to COW) (5 dots)
- C. Upgrade CBJ Technology – online payments, website updates (report to COW) (3 dots)
- D. Communications Plan to Keep the Public Informed (report to COW) (2 dots)
- E. 1st Responder recruitment & retention (moved to Goal #4 Public Safety)
- F. Work on business case for consolidated City Hall (report when ready) (6 dots)

Added, removed and/or restructured present implementing actions:

A, B, C, D, E, F, keep – report back to the COW on what might be happening on these.

Moving item E. 1st Responder recruitment & retention to Public Safety Goal #4 category.

Item A should be a best practices item and not a goal.

New Items:

- 1. Protect Budget reserves. (4 dots)
- 2. Examine Sales Tax Structure - Internet Sales Tax & Food exemptions for sales tax (3 dots)
- 3. Look at Boards/Commissions Communications Plan (-0- dots)
- 4. Identify & Minimize economic losses (ie: internet sales, state jobs moving out of Juneau, credit card processing fees) (2 dots)

Revisit 1-4 goals in 6 months.

Goal #4: Community Wellness/Public Safety – Juneau has a local environment that is safe and welcoming for all citizens

Current Implementing Actions under Goal 4:

- A. Partner with non-profits and other government agencies to support efforts to address both homelessness and public inebriate issues in Juneau. (see below for changes)
- B. Partner with non-profits and other government agencies to address Opioid epidemic (see below for changes)

- C. **Develop strategies to respond to the impacts of SB91. (see below for changes)**
- D. **Ensure that Juneau has a functioning local solid waste disposal option into the future. (moved to new Goal #5 Sustainability)**

Added, removed and/or restructured present implementing actions:

A lot of reframing...

- A. Reframe to focus on unsheltered and vulnerable populations (substance abuse & Mental Health) vs. “public inebriate” language **(5 dots)**
- B. Reframe to ask about the Opioids and Meth crisis and to clarify what BRH’s role should be as a community owned hospital **(6 dots)**
- C. Reframe – strategies to deal with impacts to crime (SB91) **(5 dots)**
- D. Move to sustainability future waste issues, SE region issues. (move to new Sustainability Goal #5)

New items:

- 1. Work on Compliance with sidewalks year round including both homeowners and business responsibilities: snow removal cycle, trash removal, litter, and sign ordinances. **(3 dots)**
- 2. Review Public Safety Task Force recommendations (including adding more prosecutors) **(3 dots)**
- 3. 1st Responder recruitment & retention (moved from Goal #3) **(4 dots)**

Discussion took place regarding the need for an ambulance and fire truck to both be deployed when responding to a call, staff reported that is already incorporated within the strategies found in item #3 above that was moved from Goal 3.

New Goal #5: Sustainability

**Juneau Sustainability Definition provided by one of the breakout groups:
“Juneau will maintain a resilient social, economic, and environmental habitat for existing population and future generations”**

The following implementing actions are those in the Sustainability category that the group ultimately voted upon:

- A. **Follow and implement the Juneau Renewable Energy Strategy (JRES) as recommended by the Juneau Commission on Sustainability (JCOS). (4 dots)**
- B. **Develop steps to shift public and private transportation toward renewable energy solutions. (3 dots)**

- C. Investigate what it would take to plug in cruise ships. (3 dots)
- D. Develop steps to reduce fossil fuel use and reduce costs of heating public, private, and commercial buildings. (2 dots)
- E. Develop and implement a CBJ energy management program (5 dots)
- F. Develop and implement/update Climate Change Impacts & Mitigation Plan (3 dots)
- G. Develop plan to increase recycling (3 dots)
- H. Develop solid waste strategy (-0- dots)
- I. Work with AEL&P to create timeline for moving to renewable energy. (-0- dots)

E. Assembly Procedures and Protocols

Ms. McEwen spoke to her memo in the packet on whether the Assembly wished to have staff recommend policies/protocols with respect to the three topic below.

Support was gauged by a showing of hands as to whether the Assembly wished staff to research and bring recommendations back to them through the HRC.

1. Did the Assembly wish to transition into using fully automated packets similar to what BRH & School Board uses or do they wish to continue with the status quo? *Only four members were in favor of pursuing this topic so it did not pass.*
2. Did the Assembly wish to consider developing a Social Media policy for elected officials? *Only two members were in favor of pursuing this topic so it did not pass.*
3. Did the Assembly wish to look at the issuance of one or more city-owned devices upon which members would conduct all city-related business, thereby limiting what might need to be searched during a public records request? *Five members were in favor of pursuing this topic so staff will do some research and provide a report to the HRC on what this might look like.*

Under other discussions on Assembly procedures and protocols, Mr. Kiehl asked what the Assembly's expectations and policies would be with respect to lobbying at the State Capitol by CBJ staff and agencies such as those from the empowered boards. Discussion took place about past practices and that they need to speak with a unified voice and that the main lobbying would be done by the hired lobbyist but that the Mayor and any representatives she invites to join her will go up to the Capitol periodically as Juneau's local ambassador and convey those messages that had already received approval by the full Assembly. Mayor Weldon said that she

would work with Manager Watt on providing guidelines and protocols for any empowered board representatives, staff or board members on lobbying at the capitol. The Assembly asked the Mayor and City Manager to serve as the gatekeepers for any board staff or board members speaking on behalf of CBJ related issues.

Mr. Jones commented on the Assembly's work on its goals and asked that once they have been finalized, he would like to get confirmation and or a status report on whether work on this goals is realistic and doesn't deter from the daily operations of the city. He said that staff is spending 85% of its time running the city and he would hate to see their ability to efficiently run the city detracted by the imposition of these new goals by the Assembly. Mayor Weldon agreed that the Assembly needs to be realistic with its goals and may need to fine tune them when they come back to the Committee of the Whole in a finalized version.

Mr. Watt provided some closing comments about the work of the Assembly and that it is refreshing and rare to have an opportunity to have this type of setting to do business in a less formal/hands on setting. He encouraged the Assembly to think about revisiting this in 6 months and also encouraged them to play strong role at Southeast Conference which is another similar setting where the Assembly can have these types of informal but important dialogues. He compared this to everyone going to Anchorage for Alaska Municipal League. When we go to AML, everyone wonders where the Anchorage representatives are and he said that Juneau has done a similar thing with Southeast Conference. He encouraged members to participate in Southeast Conference which will be held in Sitka in September 2019 and the Mid-Session summit in February held in Juneau.

Mayor Weldon asked the other staff present if they wished to provide any comments.

Lands Manager Greg Chaney noted that while the Pederson Hill project is coming close to completion on Phase I. Additional phases will be brought back to the Assembly for more decisions and later stages.

Parks and Recreation Director George Schaaf invited any of the Assemblymembers to contact him if they wished to arrange a visit to any of the Parks & Recreation or Building Maintenance facilities.

Mayor Weldon thanked everyone for their time and work and said she is looking forward to draft goals coming out of this retreat and for the future discussions on them.

III. ADJOURNMENT

There being no further business to come before the body, Mayor Weldon adjourned the meeting at 1:34 p.m.

Signed: _____
Elizabeth J. McEwen, Municipal Clerk

Signed: _____
Beth A. Weldon, Mayor