ASSEMBLY FINANCE COMMITTEE MINUTES

May 14, 2025, at 5:30 PM
Assembly Chambers/Zoom Webinar

https://juneau.zoom.us/j/93917915176 or 1-253-215-8782 Webinar ID: 939 1791 5176

A. CALL TO ORDER

The meeting was called to order at 5:30 pm by Chair Woll.

B. ROLL CALL

Committee Members Present: Chair Christine Woll; Mayor Beth Weldon; Paul Kelly; Maureen Hall; Neil Steininger; Ella Adkison; Alicia Hughes-Skandijs; Wade Bryson

Committee Members Present Virtually: Greg Smith

Staff Members Present: Katie Koester, City Manager; Robert Barr, Deputy City Manager; Angie Flick, Finance Director; Adrien Wendel, Budget Manager, Craig Cimmons, Eaglecrest General Manager

Other Members Present: Mike Satre, Eaglecrest Board President

C. EXECUTIVE SESSION

1. Discussion on Collective Bargaining

Motion: by Mayor Weldon to move that the Assembly enter into Executive Session to discuss matters, the immediate knowledge of which could have an adverse effect on city finances, specifically an update on collective bargaining.

Chair Woll stated that she has a conflict with negotiations related to IAFF and will not participate in any part of the discussion that speaks to that agreement.

Motion passed by unanimous consent.

Break for Executive Session

Mayor Weldon stated that the Assembly met in Executive Session and was not able to conclude the business, so Executive Session will be reconvened after the conclusion of the Finance Meeting.

Motion: by Mayor Weldon to reconvene the Executive Session at the conclusion of the Finance Meeting.

Motion passed by unanimous consent.

D. APPROVAL OF MINUTES

2. May 7, 2025

The May 7, 2025 minutes were approved as presented.

E. AGENDA TOPICS

3. Eaglecrest

Angie Flick, Finance Director, presented the memos regarding Eaglecrest's FY26 budget and future financial outlook and funding options on packet pages 2 and 7, as well as the memo from Eaglecrest Board President Mike Satre on packet page 39. Ms. Flick asked if there were questions from the Assembly or Eaglecrest representatives.

Assemblymember Smith asked why the Eaglecrest snowcat replacement is not being funded by the Fleet Replacement Fund. Ms. Flick responded that in order for Eaglecrest to purchase the snowcat from the Fleet Replacement Fund, they would have had to make annual contributions to afford the purchase, which they have not done in previous years.

Mayor Weldon asked the Eaglecrest board members if they're comfortable going into a deficit. Mike Satre, Eaglecrest Board President, responded that before his time, there was a 10-year period where they did have a negative fund balance. They will have another negative fund balance from 2025 due to it being a terrible snow year. They don't like having a negative balance, but it has been a factor due to operating only in the winter season. Beginning in 2023, Eaglecrest has proposed plans to operate on a year-round basis in the future to generate increased revenues from cruise ship traffic, gondola, and other activities. Knowing this plan, they have forewarned the Assembly that gearing up for summer activities will cause a negative fund balance while working to bring summer operations online. Additionally, they needed to address employee hiring and retention issues by increasing the pay scale to be a competitive employer. The Board is hopeful that the Assembly will be able to support them for a few years as they prepare for expansion to year-round activities leading to increased revenues.

Assemblymember Kelly asked if the deficit goes against the Restricted Budget Reserve, the same source of funds that is used in emergency situations, would the deficit be treated as borrowing from the emergency fund? Ms. Flick answered that per Code, when there is a deficit, they are required to set up a reserve. The reserve could be set up using funds from the Restricted Budget Reserve. This would mean that if CBJ had a significant emergency, the city would not be able to tap into the portion of the Restricted Budget Reserve that had been set aside for the deficit reserve.

Chair Woll asked Mr. Satre if there are big capital expenses anticipated over the next five to ten years and how much are they estimated to be. Mr. Satre responded that staff has identified a little under $2,000,000 in additional capital outside of normal planned CIPs in the near future. Their goal is that year-round operations will put them in a better position to be able to fund these capital expenses. If this is not the case, they will have to make adjustments as their facilities continue to age and need replacing. Chair Woll asked what these large expenses are expected to be. Craig Cimmons, Eaglecrest General Manager, responded that Fish Creek Lodge has a roughly $12,000,000 replacement cost from an estimate that is a couple of years old, new lifts for Ptarmigan run $500,000 to $7,000,000 depending on if replacements are used or new. The two mechanics shops both need replacing, which will be approximately $8,000,000-10,000,000 not including the equipment. Mr. Satre added that these replacements will be required in the future to keep the operation running. This was part of the motivation to go to the Assembly and request getting the gondola, the partnership with Goldbelt, to be able to open year-round with the goal of being self-funding.

Assemblymember Hughes-Skandijs asked about work and costs that will be involved with preparing the infrastructure to accommodate the gondola. Mr. Satre responded that at the time the original agreement with Goldbelt was signed, they were all confident that the $10,000,000 in funds from Goldbelt would be sufficient to construct the gondola and some ancillary buildings, as well. Since that time, the environment has shifted and costs have increased dramatically. They will not have new estimates until later this year after the city engineer finalizes the procurement bid for the gondola construction package.

Mayor Weldon asked about the additional $226,000 requested for FY26 mountain maintenance CIP work. Mr. Satre responded that this is part of the roughly $2,000,000 that staff had identified for upcoming maintenance projects. These were the items that were high priority for this fiscal year. Mr. Cimmons said it's mostly catching up on deferred lift maintenance, plus snow making, building maintenance, including for Fish Creek Lodge where they're currently repairing a building that is meant to be replaced. These are high priority items to keep the operation running.

Chair Woll asked if the additional funding request will get the Black Bear lift operational. Mr. Cimmons responded that the CIP allocation of $350,000 in the proposed budget includes sufficient funding to repair Black Bear.

Assemblymember Kelly asked Ms. Flick if the Assembly could move the reserve out of the Restricted Budget Reserve, if at a later point in time they identified an alternate fund source. Ms. Flick responded that if the Body determined today that they want to use the Restricted Budget Reserve to cover the Eaglecrest deficit reserve, it is possible in the future to adjust where the deficit reserve is held.

Assemblymember Smith asked if it would be appropriate to put a reserve against the Capital Projects Fund, or do they need to select specific projects. Ms. Flick responded that all monies in the Capital Fund have been appropriated, and therefore in order to reallocate these funds for other purposes, the Assembly would need to direct staff which projects to deappropriate funds from.

Assemblymember Hughes-Skandijs asked if there a funding number that would allow Eaglecrest to thrive as a winter operation rather than a year-round operation, without consideration of a future gondola. Mr. Satre responded that the Board has tried to address the question of what it takes to properly pay their staff, what their true capital needs are from a deferred maintenance perspective, and what it will take to run winter operations, as well as what it will take to move them to a year-round operation. Mr. Cimmons added that this is a complicated question to answer. Ski areas are dynamic, and the parts are woven together, meaning if one part isn't thriving, it's going to impact other parts. One large aspect of this issue is pay rates, which are not currently competitive, and this impacts institutional knowledge, retention, recruiting, etc. Additionally, after years of Eaglecrest not having the funds to maintain its facilities properly, now they're at a tipping point and faced with much higher expenses than if the maintenance had been done on a timely basis in the past when it was first needed (due to inflation cost increases). Mr. Satre added that they have not run a scenario where it is a winter only facility, December through the beginning of April. Mr. Cimmons added that they have not run a scenario of altering the operational plan by reducing operations from five to three days open per week, which will make hiring and retaining employees more difficult and decrease revenues. They need to determine a dollar amount and then determine how they are going to operate with the resources available.

Chair Woll asked about a long-term projection for how deep this deficit might go before a gondola starts making money for Eaglecrest and whether there are data points to give more confidence about the long-term projections. Ms. Koester responded that there are many data points, chiefly among them the total cost of the gondola project that needs to be informed by what product is actually going to be built. Different pricing models will also impact future estimates. These numbers are not likely to be available for this budget cycle. Chair Woll asked if the pricing is a data point worth looking at in more detail, or should they just accept the best- and worst-case scenarios that are currently available in the Duncan Fund Balance Model (page 42). Ms. Koester responded that she does not have any better data at this time as pricing decisions will involve negotiations with Goldbelt that haven't happened yet.

Mayor Weldon asked if the $930,000 General Fund subsidy is already established in the budget. Ms. Flick responded that the $930,000 General Fund subsidy is included in the Manager's proposed budget, so if the Assembly were to approve the current proposed budget, then that $930,00 would be transferred from the General Fund to the Eaglecrest Fund for operations. Another option is that if it was decided that the funds would come from a loan or a deficit, the $930,000 could be pulled back from supporting Eaglecrest, allowing room in the proposed mill rate or it could be allocated towards other general fund needs.

Assemblymember Hall asked about the two trail worker positions for Eaglecrest and external funding request for Trail Mix for Eaglecrest hiking and biking trails. Is this something that Trail Mix could do? Deputy City Manager Robert Barr responded that it is something that could be explored. The city partners with Trail Mix on other projects. He is not sure if the cost would be less, but it could be considered. Assemblymember Hall asked if Eaglecrest staff had anything to add. Mr. Cimmons responded that the trail worker positions are year-round positions and do work on patrolling, medical support, avalanche work, etc., so they are not just summer positions.

<u>Motion:</u> by Mayor Weldon to accept the Eaglecrest proposed budget with the removal of the General Fund subsidy and reserve $4,217,400 of the Restricted Budget Reserve.

Mayor Weldon commented that she is trusting staff and accepting Eaglecrest budget as proposed, removing the General Fund subsidy because the City has lost Federal funding of approximately $1,000,000 for FY26.

Assemblymember Adkison commented that she is nervous about holding the Restricted Budget Reserve as there is a lot of uncertainty in funding, potential for a recession, and unlike in the past, if there is a funding crisis, it is doubtful that State or Federal support will be forthcoming.

Assemblymember Hughes-Skandijs stated that the numbers are of such a magnitude that she is not comfortable de-appropriating funds and putting the Restricted Budget Reserve at risk and would feel better about using General Funds for matching.

<u>Objection:</u> by Assemblymember Smith for the purpose of asking a question about the calculation for the needed reserve amount in the Mayor's motion.

Ms. Flick responded that the reserve amount is the expected deficit of $3,287,400 plus $930,000 which is the General Fund subsidy which would make $4,217,400.

Assemblymember Smith removed his objection.

<u>Objection:</u> by Assemblymember Bryson, who expressed concerns about continuing to fund an organization that is not self-supporting and is requesting a subsidy that exceeds their estimated revenue by almost $1,000,000.

Assemblymember Hughes-Skandijs commented that the city subsidizes many projects. However, going into a hole year after year is not sustainable in the long term. She expressed concerns about the future trajectory of the deficit and hold on the Restricted Budget Reserve if the Assembly allows Eaglecrest to go into a negative balance tonight.

Assemblymember Steininger said that his main concern with the motion is the removal of the General Fund subsidy from the existing operating budget for a City run and managed recreational facility. Removing General Fund support takes the City's "skin out of the game." The City subsidizes other recreational facilities that are only used by a small proportion of residents. He is supportive of giving Eaglecrest what they need to resolve staffing issues, but he worries about increasing the growing hole just to allow them to exist.

<u>Objection:</u> by Chair Woll who stated that although there may not be a choice tonight but to let the fund balance go negative, she does not support this as a long-term strategy. She would like to look at the options of using loans rather than the city holding money in reserve that cannot be used in the event of an emergency.

<u>Amendment #1:</u> by Assemblymember Adkison to amend the motion to change the reserve source from the Restricted Budget Reserve to the Unrestricted General Fund.

<u>Objection to Amendment #1</u>: by Assemblymember Smith and Kelly.

<u>Roll Call Vote on Amendment #1 to the Motion</u>
Ayes: Adkison, Hughes-Skandijs, Bryson, Steininger
Nays: Smith, Kelly, Hall, Mayor Weldon, Chair Woll

Amendment #1 failed. Four (4) Ayes, Five (5) Nays.

<u>Amendment #2:</u> by Assemblymember Smith to amend the motion to continue providing the General Fund subsidy to Eaglecrest, which would require $3,287,400 to be reserved in the Restricted Budget Reserve.

<u>Objection:</u> by Assemblymember Bryson.

<u>Roll Call Vote on Amendment #2 to the Motion</u>
Ayes: Smith, Steininger, Hall, Adkison, Hughes-Skandijs, Kelly, Chair Woll
Nays: Bryson, Mayor Weldon

Amendment #2 passed. Seven (7) Ayes, Two (2) Nays.

<u>Amendment #3:</u> by Assemblymember Hughes-Skandijs to amend the motion to accept Eaglecrest budget Option 2 on packet page 8 instead of accepting the budget as proposed.

Assemblymember Hughes-Skandijs expressed that although this option still creates a deficit, it offers a better balance with the reduced FTEs.

<u>Objection:</u> by Assemblymember Kelly for purpose of a question. He asked Ms. Flick where Amendment #3 would leave the deficit.

Ms. Flick responded that the amount that would need to be reserved is $2,986,300.

<u>Amendment to Amendment #3:</u> **by Mayor Weldon to add back the Revenue Coordinator 0.61 FTE position. If this amendment passes, the amount that would need to be reserved from the Restricted Budget Reserve is $3,045,800.**

<u>Objection:</u> **by Assemblymember Hughes-Skandijs and Chair Woll, who were in support of the original amendment.**

<u>Roll Call Vote on Amendment to Amendment #3</u>
Ayes: Mayor Weldon, Kelly, Steininger, Smith, Hall
Nays: Hughes-Skandijs, Adkison, Bryson, Chair Woll

Amendment to Amendment #3 passed. Five (5) Ayes, Four (4) Nays.

Chair Woll stated that this brings us back to the original amendment which was swapping out Option 1 with Option 2.

<u>Objection:</u> **by Assemblymember Smith because removing these positions such as Ski Patrol Supervisor and Equipment Mechanic will hamper operations without making enough of a difference in the dollar amount. Mayor Weldon also objected for this reason.**

Chair Woll and Assemblymember Adkison spoke in support of the amendment.

<u>Roll Call Vote on Amendment #3 as Amended</u> <u>*(to approve Option 2 with the 0.61 FTE for the Revenue Coordinator position added back, requiring $3,045,800 to be reserved)*</u>
Ayes: Hughes-Skandijs, Kelly, Adkison, Bryson, Steininger, Chair Woll
Nays: Mayor Weldon, Hall, Smith

Amendment #3, as amended, passed. Six (6) Ayes, Three (3) Nays.

<u>Objection to Original Motion as Amended:</u> **by Assemblymember Bryson due to concerns that the subsidy will continue to increase year after year, which isn't sustainable for CBJ.**

<u>Roll Call Vote on Original Motion as Amended</u> <u>*(to keep the General Fund subsidy and to accept Eaglecrest Budget Option #2 on packet page 8, with the 0.61 FTE for the Revenue Coordinator position added back in, requiring $3,045,800 to be reserved)*</u>
Ayes: Mayor Weldon, Smith, Kelly, Hall, Adkison, Hughes-Skandijs, Steininger, Chair Woll
Nays: Bryson

The original motion, as amended, passed. Eight (8) Ayes, One (1) Nay.

<u>Motion:</u> **by Mayor Weldon to approve Eaglecrest's $226,000 additional capital request for maintenance issues to be funded by the General Fund.**

<u>Amendment #1:</u> **by Assemblymember Bryson to move the one-time Eaglecrest capital request to the Pending List.**

Amendment #1 passed by unanimous consent.

The original motion, as amended, passed by unanimous consent.

Ms. Flick noted that there is another decision to be made regarding Eaglecrest, and that is their increment of $47,000 of expenditure authority for Eaglecrest's 50th anniversary.

Chair Woll commented that no one made that motion, and therefore the request will not proceed.

Motion: by Chair Woll to direct staff to bring back an analysis of what it would take to transition Eaglecrest staff onto the same pay scale as the City.

Motion passed by unanimous consent.

The Committee took a brief at ease.

4. FY26 Budget Risks (Supplemental Materials)

Ms. Koester stated that there are some very real vulnerabilities in the FY26 budget to consider with their decisions on the Pending List. There are several unknown risks including Medicaid funding, recessions, funding decisions the Assembly will still make for community grants, and sales tax and other major revenue collections. There are two holes in the FY26 budget. One is the Secure Rural Schools funding, which is a payment in lieu of taxes for the loss of tax revenue caused by federal land within municipal boundaries. US Congress failed to pass an extension to this funding, resulting in a $500,000 reduction in FY26 budget. The second hole is Community Assistance funding from the State of Alaska. The State Senate Finance Committee has not recapitalized Community Assistance funding. That fund is structured in a way that if the legislature doesn't put funding into it every year, it tiers down over time, resulting in an estimated $624,000 reduction in CBJ's FY26 budget. These two budget risks reduce CBJ's General Fund revenue by approximately $1,000,000 in FY26.

Assemblymember Steininger asked if the $624,000 is the entire Community Assistance funding.

Ms. Wendel responded that CBJ's FY25 Community Assistance payment was $755,000. In February staff received a letter from the State, stating that the FY26 award would be $624,000. That is the amount included in the FY26 budget. The Alaska Municipal League informed staff of an anticipated $700,000 reduction, so staff can only assume if the reduction is from FY25 that CBJ will see close to $0 in the FY26 budget. Ms. Wendel stated that the letter that was distributed to communities in February was prior to the Legislature's action to not recapitalize the fund.

Assemblymember Steininger responded with his understanding of what's going on with Community Assistance Fund. The legislature isn't recapitalizing it, but changing the way the distribution currently works which is a third of the $70,000,000 balance of the fund, so CBJ won't lose the entire distribution, unless the State has provided notice of something different.

Assemblymember Hughes-Skandijs asked about the Secure Rural Schools funding. Today she received seemingly good news from the National Association of Counties, that Secure Rural School funding was being reauthorized through 2027.

Ms. Flick answered that she sees the email Assemblymember Hughes-Skandijs referenced, however, CBJ has only received $27,000 for FY25, so that makes FY26 distributions less hopeful.

Ms. Flick added that staff has just finished looking at investment returns for the first quarter of calendar year 2025, and returns were not as low as expected.

5. **Pending List – For Action**

CBJ Internal Funding Requests

Chair Woll stated that the intent with the Pending List for action was to address the internal CBJ funding requests first, then Community Grants, in order of the largest ones first.

Ms. Flick referred the Assembly to page 46 of the supplemental packet, which shows the decisions that were made last week.

Pending List Item #5 - Restricted Budget Reserve Contribution

Motion: by Mayor Weldon to approve a $3,300,000 contribution to the Restricted Budget Reserve.

Amendment #1: by Assemblymember Kelly to reduce the $3,300,000 to $1,650,000.

Objection: by Assemblymember Adkison who would prefer to increase the reserve. Assemblymembers Bryson, Smith, and Mayor Weldon objected, as well.

Assemblymember Hughes-Skandijs spoke in support of the amendment to the motion.

Assemblymember Smith asked if it they pass this motion now, and then go through the list, would it be possible to change/reduce the amount later.

The Committee took a brief at ease.

Chair Woll stated that they have been advised by the attorney that once they've made a decision, they cannot go back to that decision later in the evening.

Amendment #2: by Assemblymember Smith to consider the Restricted Budget Reserve contribution at the end of the Pending List.

Objection: by Assemblymember Bryson to Assemblymember Smith's amendment.

Objection: by Chair Woll who suggested suspending the rules rather than moving the Restricted Budget Reserve contribution discussion.

Objection: by Mayor Weldon.

Roll Call Vote on Amendment #2 *(to consider the Restricted Budget Reserve at the end of the Pending List)*
Ayes: Smith, Kelly, Hughes-Skandijs
Nays: Adkison, Hall, Mayor Weldon, Bryson, Steininger, Chair Woll

Amendment #2 failed. Three (3) Ayes, Six (6) Nays.

Roll Call Vote on Amendment #1 (*to reduce the contribution to the Restricted Budget Reserve from $3,300,000 to $1,650,000)*
Ayes: Kelly, Smith, Hughes-Skandijs
Nays: Adkison, Hall, Mayor Weldon, Bryson, Steininger, Chair Woll

Amendment #1 failed. Three (3) Ayes, Six (6) Nays.

Chair Woll stated that this brings them back to the original motion to approve a $3,300,000 contribution to the Restricted Budget Reserve.

Objection to Original Motion: by Assemblymember Hughes-Skandijs because these funds were un-allocated from the City Hall Tenant Improvements budget which will be needed for improvements to the Burns Building. Assemblymember Kelly objected, as well.

Chair Woll spoke in favor of the motion, noting that last year the city needed $2,000,000 to help with the flood, they took it from the Restricted Budget Reserve as that was the only option. Since that time, they have done well with investments. Now there are other challenges including some decisions just made about Eaglecrest, so she is in support of this amount.

Roll Call Vote on Original Motion
Ayes: Mayor Weldon, Smith, Hall, Adkison, Bryson, Steininger, Chair Woll
Nays: Hughes-Skandijs, Kelly

Motion passed. Seven (7) Ayes, Two (2) Nays.

Pending List Item #3 - Tlingit Haida Childcare Tenant Improvements

Motion: by Mayor Weldon to approve $1,000,000 for Tlingit Haida childcare tenant improvements, $500,000 of which would be a grant and $500,000 would be repaid via an increase to the lease rate for the term of the lease.

Objection: by Assemblymember Adkison.

Roll Call Vote on the Motion
Ayes: Mayor Weldon, Smith, Kelly, Hall, Hughes-Skandijs, Bryson, Steininger
Nays: Adkison, Chair Woll

Motion passed. Seven (7) Ayes, Two (2) Nays.

Pending List Item #4 - Dzantik'I Heeni Playground Project Site Preparation

Motion: by Mayor Weldon to keep the Dzantik'I Heeni playground project for $735,000 on the Pending List until a decision is made on a bond ordinance for the School District.

Objection: by Assemblymember Hughes-Skandijs because she's ready to move this project tonight rather than delay it further.

Objection: by Assemblymember Hall because she does not agree with the delay.

<u>Objection:</u> by Assemblymember Kelly for the same reason as Assemblymember Hall and because there are children playing on unsafe playground equipment.

Assemblymember Steininger and Adkison spoke in support of the motion.

<u>Roll Call Vote on Motion</u>
Ayes: Mayor Weldon, Smith, Steininger, Adkison, Bryson
Nays: Hughes-Skandijs, Hall, Kelly, Chair Woll

Motion passed. Five (5) Ayes, Four (4) Nays.

<u>Pending List Item #2 - Streets - Fish Creek Road Eaglecrest Winter Maintenance (Grader Equipment Purchase)</u>

Ms. Koester recommended that a motion to withdraw this increment request be made. When faced with the question of other CIP projects to deappropriate, the Streets Department would like to try to see if the road can be maintained without additional equipment this year. It may mean accelerating the replacement of some of CBJ's other equipment on the fleet replacement schedule. However, that gives staff a year to assess operations and if needed, bring a request back next year.

<u>Motion:</u> by Mayor Weldon to remove the $423,000 for the grader equipment purchase from the Pending List.

Motion passed by unanimous consent.

<u>Additional Pending List Item – Eaglecrest Capital Request</u>

<u>Motion:</u> by Mayor Weldon to approve $226,000 for additional Eaglecrest capital maintenance costs from the General Fund.

Motion passed by unanimous consent.

The Committee took a brief at ease.

External Funding Requests

<u>Pending List Item #12 – JCF - Social Service Grants Increase (Assembly Sponsor: Hall)</u>

<u>Motion:</u> by Assemblymember Hall to approve a recurring $500,000 General Fund increase for the Social Service Grants.

<u>Amendment #1:</u> by Mayor Weldon to make this a one-time increase rather than a recurring one.

<u>Objection:</u> by Assemblymember Kelly.

<u>Roll Call Vote on Amendment #1</u>
Ayes: Mayor Weldon, Adkison, Hughes-Skandijs, Smith, Steininger, Chair Woll
Nays: Kelly, Bryson, Hall

Amendment #1 passed. Six (6) Ayes, Three (3) Nays.

<u>Amendment #2:</u> by Assemblymember Hughes-Skandijs to amend the amount of funding from $500,000 to $250,000.

<u>Objection:</u> by Assemblymember Adkison.

<u>Roll Call Vote on the Amendment #2</u>
Ayes: Hughes-Skandijs, Bryson, Mayor Weldon, Steininger, Hall
Nays: Adkison, Smith, Kelly, Chair Woll

Amendment #2 passed. Five (5) Ayes, Four (4) Nays.

The original motion, as amended, passed by unanimous consent.

<u>Pending List Item #6 - AEYC - Juneau Child Care Apprenticeship Program (Assembly Sponsor: Kelly)</u>

<u>Motion:</u> by Assemblymember Kelly to approve $250,000 of General Funds as one-time funding for AEYC's Juneau Child Care Apprenticeship Program.

<u>Objection:</u> by Mayor Weldon.

<u>Roll Call Vote on Motion</u>
Ayes: Kelly
Nays: Mayor Weldon, Smith, Hall, Adkison, Hughes-Skandijs, Bryson, Steininger, Chair Woll

Motion failed. One (1) Aye, Eight (8) Nays.

<u>Pending List Item #11 - JAHC - Major Grants & Inflationary Increase (Assembly Sponsors: Adkison/Bryson)</u>

<u>Motion:</u> by Assemblymember Bryson to approve $182,263 of General Funds as recurring funding for the Juneau Arts and Humanities Council.

<u>Amendment #1:</u> by Mayor Weldon to make this funding one-time and not recurring.

<u>Objection:</u> by Chair Woll.

<u>Roll Call Vote on Amendment #1</u>
Ayes: Mayor Weldon, Smith, Hall, Hughes-Skandijs, Steininger
Nays: Kelly, Bryson, Adkison, Chair Woll

Amendment #1 passed. Five (5) Ayes, Four (4) Nays.

<u>Amendment #2:</u> by Assemblymember Adkison to reduce the funding amount from $182,263 to $151,000.

<u>Objection:</u> by Mayor Weldon in favor of reducing the amount by more.

<u>Objection:</u> by Assemblymember Hughes-Skandijs.

<u>Roll Call Vote on Amendment #2</u>
Ayes: Adkison, Steininger, Bryson, Chair Woll
Nays: Mayor Weldon, Kelly, Smith, Hughes-Skandijs, Hall

Amendment #2 failed. Four (4) Ayes, Five (5) Nays.

<u>Amendment #3:</u> by Assemblymember Hughes-Skandijs to reduce the one-time amount from $182,263 to $8,080 representing a 4% inflationary increase over the Manager's proposed budget.

<u>Roll Call Vote on Amendment #3</u>
Ayes: Hughes-Skandijs, Mayor Weldon, Smith, Hall, Adkison
Nays: Kelly, Bryson, Steininger, Chair Woll

Amendment #3 passed. Five (5) Ayes, Four (4) Nays.

The Committee took a brief at ease.

The original motion, as amended, passed by unanimous consent.

<u>Pending List Item #15 - Southeast Alaska Food Bank – Strengthening Food Security Through Program Expansion and Collaboration (Assembly Sponsors: Adkison/Bryson)</u>

<u>Motion:</u> by Assemblymember Bryson to approve $150,000 of recurring General Funds for Southeast Alaska Food Bank.

<u>Amendment #1:</u> by Mayor Weldon in favor of reducing the amount from $150,000 to $75,000.

<u>Objection:</u> by Assemblymember Kelly and Chair Woll.

<u>Roll Call Vote on Amendment #1</u>
Ayes: Mayor Weldon, Smith, Steininger, Hall, Hughes-Skandijs, Bryson
Nays: Kelly, Adkison, Chair Woll

Amendment #1 passed. Six (6) Ayes, Three (3) Nays.

<u>Amendment #2:</u> by Mayor Weldon to make $75,000 for Southeast Alaska Food Bank as one-time instead of recurring.

<u>Objection:</u> by Assemblymember Bryson.

<u>Roll Call Vote on Amendment #2</u>
Ayes: Mayor Weldon, Smith, Adkison, Hughes-Skandijs, Steininger
Nays: Bryson, Kelly, Hall, Chair Woll

Amendment #2 passed. Five (5) Ayes, Four (4) Nays.

<u>Objection to Original Motion as Amended:</u> by Assemblymember Hughes-Skandijs.

<u>Roll Call Vote on Original Motion as Amended</u>
Ayes: Bryson, Kelly, Hall, Adkison, Steininger
Nays: Hughes-Skandijs, Smith, Mayor Weldon, Chair Woll

The original motion, as amended, passed. Five (5) Ayes, Four (4) Nays.

<u>Pending List Item #14 - REACH, Inc. - Group Home Heat Pump Installations and 7-Passenger Van Purchase (Assembly Sponsor: Bryson)</u>

<u>Motion:</u> by Assemblymember Bryson to approve $100,000 of General Funds for REACH.

<u>Amendment #1:</u> by Assemblymember Smith to reduce the amount from $100,000 to $50,000 because there are other programs available to provide funds for transportation and vehicles like what is being requested.

<u>Objection:</u> by Assemblymember Hughes-Skandijs.

Assemblymember Smith stated that the program is called the Human Services Transportation Grant and referenced information of them awarding grants from 2023.

<u>Objection:</u> by Assemblymember Hall because she thinks this grant is no longer active and that REACH may be able to seek funding from Heat Smart instead.

<u>Objection:</u> by Assemblymember Kelly for purposes of a question. He asked if there are mechanisms to require how the money is spent and to enforce them.

Mr. Barr responded that there are ways to ensure proper use of funds by using Memorandums of Agreement with grantees with outlined terms and conditions.

Assemblymember Kelly withdrew his objection.

Assemblymember Smith noted that he did a Google search and was able to find information that in FY26, the State has intent to apply for this grant. The page was updated April 30th of this year, so it appears that the grant is still active.

Assemblymember Hall withdrew her objection.

<u>Roll Call Vote on Amendment #1</u>
Ayes: Smith, Mayor Weldon, Hall, Steininger
Nays: Hughes-Skandijs, Adkison, Kelly, Bryson, Chair Woll

Amendment #1 failed. Four (4) Ayes, Five (5) Nays.

<u>Amendment #2:</u> by Assemblymember Smith to add that the grant for the heat pump would only be awarded after REACH has determined the request isn't eligible under Heat Smart funding.

<u>Amendment to Amendment #2</u>: by Assemblymember Steininger to state that the portion associated with the van would only be awarded if it is not eligible for the Human Services Social Services Grant.

<u>Objection to the Amendment to Amendment #2</u>: by Assemblymember Adkison.

<u>Roll Call Vote on Amendment to Amendment #2</u>
Ayes: Steininger, Smith, Hall, Mayor Weldon
Nays: Kelly, Adkison, Hughes-Skandijs, Bryson, Chair Woll

Amendment to Amendment #2 failed. Four (4) Ayes, Five (5) Nays.

<u>Objection to Amendment #2</u>: by Assemblymember Adkison, stating that she does not want to make grant compliance more difficult for nonprofit organizations.

Assemblymember Steininger spoke in support of the amendment as he feels the City should be the funder of last resorts when there are other funds available to meet some of the needs, so it's appropriate to put conditions on grant applicants that they seek other, additional sources of funding.

<u>Roll Call Vote on Amendment #2</u>
Ayes: Smith, Steininger, Hall, Hughes-Skandijs, Kelly, Mayor Weldon
Nays: Adkison, Bryson, Chair Woll

Amendment #2 passed. Six (6) Ayes, Three (3) Nays.

<u>Objection to Original Motion as Amended</u>: by Chair Woll

<u>Roll Call Vote on Original Motion as Amended</u>
Ayes: Bryson, Kelly, Adkison, Mayor Weldon, Hughes-Skandijs, Hall
Nays: Steininger, Smith, Chair Woll

The original motion, as amended, passed. Six (6) Ayes, Three (3) Nays.

<u>Pending List Item #10 - Friends of the Marie Drake Planetarium - Planetarium Upgrade with Auxiliary Portable (Assembly Sponsor: Kelly)</u>

<u>Motion:</u> by Assemblymember Kelly to approve $43,000 of General Funds as one-time funding for the Friends of Marie Drake Planetarium.

<u>Objection:</u> by Assemblymember Adkison for the purpose of a question.

Assemblymember Adkison asked what the purpose of these funds will be.

The Committee took a brief at ease.

Assemblymember Kelly responded that this would be funding for replacing an aging control unit computer in the Marie Drake Planetarium. They would also fund a projector to go into the schools. Some of these costs may be offset with fundraising from other sources.

<u>Amendment #1:</u> by Assemblymember Hughes-Skandijs to increase the amount of one-time funding from $43,000 to the originally requested amount of $78,000.

Amendment #1 passed by unanimous consent.

Objection to Original Motion as Amended: by Chair Woll.

Roll Call Vote on Original Motion as Amended
Ayes: Kelly, Adkison, Mayor Weldon, Hughes-Skandijs, Smith, Hall
Nays: Steininger, Bryson, Chair Woll

The original motion, as amended, passed. Six (6) Ayes, Three (3) Nays.

Pending List Item #9 - Downtown Business Association - Family-Friendly Capital City (Assembly Sponsor: Bryson)

Motion: by Assemblymember Bryson to approve $75,000 of one-time funding from General Funds for the Downtown Business Association.

Assemblymember Steininger declared a potential conflict of interest, noting that his partner sits on the Downtown Business Association Board. He has spoken to the city attorney and was informed that it's okay for him to participate in the discussion.

Amendment #1: by Assemblymember Hughes-Skandijs to reduce the one-time funding for the Downtown Business Association from $75,000 to $37,500.

Assemblymember Smith noted that this amount is close to what they had funded the Downtown Business Association in the past at $40,000, and at this amount, it did not allow for expansion of downtown lighting, so no big Christmas tree downtown, limited promotions for Gallery Walk, etc.

Amendment to Amendment #1: by Assemblymember Bryson to increase the funding amount to $50,000 from $37,500.

Amendment to Amendment #1 passed by unanimous consent.

Amendment #1, as amended, passed by unanimous consent.

Objection to Original Motion as Amended: by Assemblymember Hughes-Skandijs.

Assemblymember Hughes-Skandijs noted that this is an organization that benefits its own members, and other such organizations, such as the Juneau Chamber, manage to fund themselves with member dues, etc. She stated there comes a point when it becomes incumbent on the organization to figure out how to fund themselves independent of a city grant every year.

Roll Call Vote on Original Motion as Amended
Ayes: Bryson, Kelly, Steininger, Adkison, Mayor Weldon, Smith, Hall
Nays: Hughes-Skandijs, Chair Woll

The original motion, as amended, passed. Seven (7) Ayes, Two (2) Nays.

<u>Pending List Item #16 - Trail Mix, Inc. - Eaglecrest Biking and Hiking Trail Construction and Improvement (Assembly Sponsor: Steininger)</u>

Assemblymember Bryson spoke to declare a conflict as his daughter just started working for Trail Mix, so he recused himself from the discussion.

<u>Motion:</u> by Assemblymember Steininger to approve $54,000 of one-time General Funds for Trail Mix.

<u>Objection:</u> by Mayor Weldon.

Mayor Weldon expressed that she loves Trail Mix and they do a great job, but at some point they're going to have to figure out how to start charging people for using the trails at Eaglecrest.

Assemblymember Steininger responded that regarding the question of charging people to use the trail facilities at Eaglecrest, they are currently not charging because they don't have enough product to charge for. This would allow them to have enough product to be able to start charging. They are looking at how to set up a charging mechanism that would be a low burden to staff for enforcement and collection.

Assemblymember Smith asked if this was the whole cost of the project.

Assemblymember Steininger responded that this is four weeks of construction work as well as materials, so it's the full cost of the work that they can achieve in four weeks. They anticipate getting two trails constructed in that time, depending on conditions and challenges.

Assemblymember Smith asked if Trail Mix intends to work with the Mountain Bike Alliance.

Assemblymember Steininger answered that they do intend to work with Mountain Bike Alliance, as that's where the expertise is on trail design and guidance, and there is a partnership there.

Mayor Weldon withdrew her objection.

<u>Objection:</u> by Assemblymember Hughes-Skandijs due to budgetary pressures.

Assemblymember Hall spoke in support of this project because it will jump start Eaglecrest's ability to generate revenue. If they had to go out and hire trail crew to do this work, it would stall the project.

<u>Roll Call Vote on the Motion</u>
Ayes: Steininger, Smith, Hall, Mayor Weldon,
Nays: Hughes-Skandijs, Kelly, Adkison, Chair Woll

Motion failed. Four (4) Ayes, Four (4) Nays.

<u>Pending List Item #17 - United Way of Southeast Alaska – Working Together to Prepare for and Recover from Disasters (Assembly Sponsor: Hughes-Skandijs)</u>

<u>Motion:</u> by Assemblymember Hughes-Skandijs to approve $40,000 of recurring General Funds for United Way of Southeast Alaska.

<u>Amendment #1:</u> by Assemblymember Smith to change the funding from recurring to one-time.

<u>Objection to Amendment #1:</u> by Assemblymember Adkison.

<u>Roll Call Vote on Amendment #1</u>
Ayes: Smith, Kelly, Hall, Steininger, Chair Woll
Nays: Adkison, Mayor Weldon, Bryson, Hughes-Skandijs

Amendment #1 passed. Five (5) Ayes, Four (4) Nays.

The original motion, as amended, passed by unanimous consent.

<u>Pending List Item #8 - Coastal Alaska Avalanche Center - Juneau's Backcountry Avalanche Forecast (Assembly Sponsor: Smith)</u>

<u>Motion:</u> by Assemblymember Smith to approve $24,000 of one-time General Funds for Coastal Alaska Avalanche Center.

<u>Objection:</u> by Mayor Weldon.

<u>Roll Call Vote on the Motion.</u>
Ayes: Smith, Steininger, Hall, Atkison, Bryson, Kelly
Nays: Mayor Weldon, Hughes-Skandijs, Chair Woll

Motion passed. Six (6) Ayes, Three (3) Nays.

<u>Pending List Item #13 - The League of Women Voters Juneau – Capital Students - Capitol Visits (Assembly Sponsor: Smith)</u>

<u>Motion:</u> by Assemblymember Smith to approve $5,000 of recurring General Funds for the League of Women Voters Juneau.

Assemblymember Smith noted that this program gets every Juneau school system 8th grader to visit the Capitol and the courthouse to see the different branches of the Government. It offers important civics lessons. The program is mostly supported by volunteers. They realized that they need someone to implement and facilitate the program and estimated $10,000 per year for this purpose. They are also willing to fundraise for some of the funds, hence the reduction to $5,000.

<u>Amendment #1:</u> by Assemblymember Adkison to increase the amount to $10,000, the original request amount.

Assemblymember Adkison stated that this is truly an excellent program and felt that $5,000 difference is worth it to support this program.

Assemblymember Kelly stated for the record that his fiancé is on the Board of the League of Women Voters, and he has spoken to the city attorney, who doesn't see a conflict.

Assemblymember Smith stated that the League of Women Voters has informed him that they do not need the extra $5,000 so he opposes the amendment.

Roll Call Vote on Amendment #1
Ayes: Adkison, Kelly, Steininger, Mayor Weldon, Hughes-Skandijs, Chair Woll
Nays: Smith, Bryson, Hall

Amendment #1 passed. Six (6) Ayes, Three (3) Nays.

The original motion, as amended, passed by unanimous consent.

Pending List Item #7 - American Legion Auke Bay Post 25 - Centennial Hall Veteran Event Rental Space (Assembly Sponsor: Adkison)

Motion: **by Assemblymember Adkison to move $2,000 of recurring General Funds for the American Legion Auke Bay Post 25 for Centennial Hall veteran event rental space.**

Objection: **by Assemblymember Smith and Hughes-Skandijs.**

Amendment #1: **by Assemblymember Kelly to change the amount from recurring to one-time funding.**

Objection to Amendment #1: **by Assemblymember Adkison.**

Roll Call Vote on Amendment #1
Ayes: Kelly, Steininger, Hughes-Skandijs, Smith, Hall
Nays: Adkison, Bryson, Mayor Weldon, Chair Woll

Amendment #1 passed. Five (5) Ayes, Four (4) Nays.

Objection to the Original Motion as Amended: **by Assemblymember Hughes-Skandijs.**

Roll Call Vote on the Original Motion as Amended
Ayes: Adkison, Mayor Weldon, Kelly, Hall, Steininger
Nays: Hughes-Skandijs, Smith, Bryson, Chair Woll

The original motion, as amended, passed. Five (5) Ayes, Four (4) Nays.

Motion by: **Assemblymember Smith to move notice of reconsideration on the vote for the Social Services Grants increase.**

Motion passed by unanimous consent.

Chair Woll stated that due to the late time, the remaining topics on the agenda would be addressed at next week's Finance Committee meeting. The Committee would now enter back into Executive Session.

Motion: **by Mayor Weldon to move that the Assembly enter into Executive Session to discuss matters, the immediate knowledge of which could have an adverse effect on city finances, specifically an update on collective bargaining.**

Motion passed by unanimous consent.

Break for Executive Session.

6. **Set Mill Rates – For Action**

   This agenda topic will be addressed at the May 21, 2025 Assembly Finance Committee meeting.

7. **Final FY26 Budget Decisions**

   a. **CIP Resolution 3090 – forwarded to the full Assembly on May 7, 2025**

   b. **Mill Levy Ordinance 2025-03**

   c. **CBJ Budget Ordinance 2025-01**

   This agenda topic will be addressed at the May 21, 2025 Assembly Finance Committee meeting.

8. **Information Only**

   a. **Fund Balances – updated May 8, 2025**

F. NEXT MEETING DATE

9. **May 21, 2025**

G. SUPPLEMENTAL MATERIALS

10. **May 7, 2025 Minutes**

11. **Eaglecrest Revenue Model & Additional Information**

12. **FY26 Budget Risks**

H. ADJOURNMENT

The Executive Session was adjourned at 10:45 p.m.