



# ASSEMBLY COMMITTEE OF THE WHOLE MINUTES

February 23, 2026 at 6:00 PM

Assembly Chambers/Zoom Webinar

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## A. CALL TO ORDER

Mayor Weldon called the Assembly Committee of the Whole to order at 6:10 p.m. on Monday, February 23, 2026.

## B. LAND ACKNOWLEDGEMENT – Led by Ms. Hall

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

## C. ROLL CALL

**Assemblymembers Present:** Mayor Beth Weldon; Alicia Hughes-Skandijs; Christine Woll; Paul R. Kelly; Ella Adkison; Neil Steininger; Maureen Hall; and Nathaniel “Nano” Brooks.

**Assemblymembers Absent:** Deputy Mayor Greg Smith

**Staff Present:** City Manager Katie Koester; Deputy City Manager Robert Barr; City Attorney Emily Wright; Municipal Clerk Breckan Hendricks; Engineering & Public Works Director Denise Koch; Engineering & Public Works Deputy Director Nate Rumsey; Communications & Engagement Director Ashley Heimbigner; and Meeting Technician Kevin Allen.

**Others Present:** Meilani Schijvens, Rain Coast Data; and Brett Nelson, Natural Resources Conservation Service (NRCS).

## D. APPROVAL OF AGENDA - *Approved by Unanimous Consent*

## E. APPROVAL OF MINUTES - *Approved by Unanimous Consent*

### 1. 2026-01-26\_Assembly-COW\_Minutes - Draft

## F. AGENDA TOPICS

### 1. Update on GLOF Enduring Solution and Phase 2 Flood Fighting

Engineering & Public Works Director Denise Koch provided an update on work with the U.S. Army Corps of Engineers (USACE) regarding an enduring solution to glacial lake outburst floods (GLOF) from Suicide Basin.

Director Koch summarized findings from a December USACE charrette that included federal agencies, consultants, scientists, and local partners. She reviewed the increasing magnitude of

recent GLOF events: the 2023 event reached approximately 34,000 cubic feet per second (CFS) and impacted about 30 homes; the 2024 event reached approximately 42,000 CFS and impacted about 300 homes; and the 2025 event reached approximately 51,000 CFS. Phase 1 HESCO barriers were largely successful in protecting the areas they were designed to protect during the 2025 event. However, staff estimated that without those barriers 750–1,000 homes may have been impacted. Modeling conducted by USACE and partners indicates a potential worst-case scenario peak flow of approximately 118,000 CFS when combined with other hydrologic factors such as extreme precipitation.

Director Koch stated that inundation modeling at that magnitude suggests flooding could extend beyond the areas impacted in 2024 and potentially affect portions of the Mendenhall Valley, including crossing at Riverside Drive and Mendenhall Loop Road, the Dredge Lake area, the Mendenhall Wastewater Treatment Plant, and portions of the airport area.

Director Koch summarized long-term mitigation alternatives discussed during the charrette, including a lake tap, dams, levees/floodwalls, and relocation. Relocation could affect up to approximately 2,855 properties under a worst-case scenario and was not considered a viable option from CBJ's perspective. Participants in the charrette generally identified a lake tap, a gravity-fed tunnel draining Suicide Basin at approximately the basin inflow rate, as the preferred alternative because of its effectiveness in reducing GLOF risk, lower relative cost, shorter timeline, and reduced operational complexity compared to other options.

Deputy Director Nate Rumsey provided an update on near-term flood-fighting measures. While the Phase 1 HESCO installation and emergency response during the 2025 GLOF were largely successful, the event revealed the need for additional reinforcement, repairs, and raising of the barriers to address seepage, overtopping risk, and debris impacts. Engineering and Public Works plans to strengthen and elevate portions of the Phase 1 system. Deputy Director Rumsey reported that USACE has contracted with Sealaska Construction Solutions for Phase 2 HESCO installation, which will extend protection along additional portions of the river and is anticipated to begin in mid-March, weather permitting.

Manager Koester reported that following the charrette, USACE had directed work to proceed on the lake tap alternative in preparation for a technical report due in May 2026. However, during a recent meeting with USACE headquarters, that direction was rescinded and staff were instructed to conclude work evaluating all five alternatives while continuing to support flood-fighting efforts. Manager Koester described the change as unexpected and concerning, noting that the revised approach could significantly extend the timeline for an enduring solution. She reported that CBJ has contacted Alaska's congressional delegation and that a meeting with the Assistant Secretary of the Army for Civil Works had been scheduled to discuss the change in direction.

Ms. Adkison asked for clarification regarding the shift in USACE direction. Manager Koester stated that USACE indicated it remains supportive of an enduring solution but is no longer pursuing the accelerated timeline that had been discussed.

Mr. Brooks asked whether Phase 2 funding remained in place and whether flood-fighting infrastructure could evolve into longer-term mitigation measures. Manager Koester confirmed that USACE will fully fund Phase 2 HESCO installation.

Ms. Hughes-Skandijs asked whether differing community perspectives on potential solutions could have influenced the federal shift. Manager Koester responded that while community alignment is helpful, she did not believe local differences alone would account for the significant change in direction.

Ms. Woll commented on the magnitude of the flood projections presented and asked whether the new modeling altered short-term response planning. Deputy City Manager Barr stated that the updated information reinforces the need to strengthen Phase 1 barriers and continue flood-fighting efforts, but noted that only a long-term solution can address extreme scenarios.

Mr. Brooks also asked about geotechnical work for the lake tap concept. Manager Koester stated that geotechnical investigation would be a necessary next step and that CBJ has submitted a congressional funding request to support that work.

Manager Koester encouraged community members to support a unified approach in advocating for an enduring solution and noted that CBJ continues to coordinate with federal, tribal, and state partners.

***[The meeting recessed from 7:15 p.m. to 7:31 p.m. The Mayor invited members of the public to ask questions of staff during the break.]***

## **2. NRCS EWP Program and View Drive Resident Interest**

Director Denise Koch provided an overview of the Natural Resources Conservation Service (NRCS) Emergency Watershed Protection (EWP) Program and the potential buyout of properties on View Drive that have experienced repetitive flooding from glacial lake outburst floods (GLOF). Director Koch noted the difficulty of the topic, as it involves residents' homes and livelihoods.

Director Koch explained that the NRCS program allows voluntary buyouts in areas subject to severe and repetitive flooding. NRCS identified View Drive as a potential project area and prepared a preliminary damage survey report estimating a total project cost of approximately \$25 million. The program would fund 75% of the project, requiring a 25% non-federal cost share. Purchased properties would be placed in permanent conservation easement, requiring demolition of structures and restoration of the land.

Director Koch reported that after NRCS presented the program at the October 30 [Special Assembly Committee of the Whole], 2026 meeting, CBJ requested a waiver of the 25% cost share, which was denied. The Assembly Finance Committee subsequently directed staff to conduct a non-binding poll of View Drive residents to gauge interest in whether property owners were responsible for the cost share.

Director Koch reported that 14 of 18 property owners responded. Most indicated they would not participate if required to cover the 25% share. Two respondents expressed potential interest. However, only one property has experienced severe and repetitive flooding and would likely meet NRCS eligibility criteria. While the program could proceed with a single property, Director Koch noted that doing so would eliminate economies of scale and increase administrative costs.

Director Koch also explained that the program operates under strict timelines tied to the federal disaster declaration. If CBJ were to proceed, agreements with participating property owners would need to be completed and homes vacated prior to the 2026 GLOF season. She added that even if CBJ did not contribute to the cost share, the City would incur project management and permitting costs estimated in the tens of thousands of dollars per property, with permitting costs not eligible for federal reimbursement.

Mr. Kelly asked whether additional residents might participate if another funding source covered the 25% cost share. Director Koch responded that several residents indicated they could not afford the cost share and suggested they might be more interested if that requirement were removed.

Ms. Woll asked whether residents expressed interest in participating if a funding solution for the cost share could be identified. Director Koch stated that some residents indicated they might reconsider under those circumstances, but no alternative funding source has been identified.

Mr. Brooks asked whether in-kind contributions or a land swap could help meet the 25% requirement. NRCS representative Brett Nelson stated that in-kind contributions may be allowable but are generally limited to materials, equipment, or labor and that a land swap would be unusual and may not qualify.

Ms. Hall asked whether staff could provide additional opportunities for residents to meet with staff to discuss the program. Director Koch stated that staff would be willing to organize another meeting and noted that View Drive residents have been engaged and cooperative throughout the process.

Mr. Steininger asked whether a project could proceed with only one participating property. Director Koch confirmed that NRCS allows single-property projects, although administrative costs would remain similar regardless of project size.

Ms. Hughes-Skandijs asked whether homeowners would need to provide the 25% cost share directly rather than through property value. Director Koch stated that CBJ would need to determine a compliant mechanism for collecting the cost share but that it could not simply be deducted from the buyout payment.

Mr. Kelly asked whether staff would find it helpful if the Assembly directed them to explore additional grant opportunities or creative funding mechanisms. Manager Koester responded

that such efforts would require significant staff time and coordination and may not be feasible given the program's short timeline.

Mayor Weldon asked whether CBJ could assume liability if the City purchased a single property in a flood-prone area. Director Koch responded that while NRCS may not require additional mitigation measures, the City would need to consider liability implications as the property owner.

Director Koch estimated that CBJ could incur approximately \$50,000–\$100,000 per property in non-reimbursable project management and administrative costs in addition to the required 25% non-federal cost share.

**MOTION** by Ms. Woll to direct staff to host a neighborhood meeting with View Drive residents to provide additional information and discuss the program. After brief discussion and **hearing no objection, the motion passed by unanimous consent.**

***[The meeting recessed for a break from 8:13 p.m. to 8:20 p.m.]***

### **3. Telephone Hill RFQ Input**

Manager Koester provided an update on the work staff has been doing on Telephone Hill, highlighting ongoing eviction cases, hazardous materials testing, and preparation for demolition. She explained the purpose of the RFQ (Request for Qualifications) process, emphasizing that it allows for flexibility, focuses on performance and desired outcomes rather than cost, and incorporates incentives to encourage developers to meet Assembly goals. She outlined potential incentives including land at no cost, delayed purchase options, tax abatement, and grants or loans from the Affordable Housing Fund. The Assembly then engaged in discussion regarding RFQ priorities, desired outcomes, and potential developer incentives.

Ms. Woll asked whether questions should focus only on the statement of objectives or the broader project. She expressed support for the flexible approach in the RFQ and emphasized using incentives such as tax abatement, land disposal, and Affordable Housing Fund support to achieve housing goals. She noted that commercial space was not included in the starred objectives but suggested not discouraging developers from including it if it helped the project succeed.

Mayor Weldon suggested lowering the high-density target from 100–150 units to 85–100 units to potentially accommodate mixed-use development. Mr. Steininger proposed making high-density a preference rather than a fixed number and suggested using bands to provide flexibility in scoring. Ms. Adkison expressed a differing view, stating that the 100–150 unit target should remain aspirational and that a separate unstarred bullet for mixed-use could be added without changing the definition of high density. Mr. Brooks noted that lower density could align with incremental infill approaches and reduce demolition costs, but that flexibility should remain in the design of potential projects. Ms. Hall raised concerns about parking and historic architectural elements, suggesting the potential for salvage opportunities while

maintaining reasonable project costs.

Manager Koester explained that contractors would retain ownership of salvaged materials and that parking solutions would generally be determined by developers based on feasibility. Ms. Adkison emphasized that the list should communicate what would make a proposal competitive rather than prescribe exact project design. Ms. Woll agreed and supported offering land at a nominal price and providing Affordable Housing Fund grants or loans, while reserving discussion of the tax abatement program for a future agenda.

Ms. Adkison and Mr. Brooks expressed support for flexible incentives to encourage competitive proposals. Mr. Steininger proposed delaying demolition until after RFQ responses, retaining city funding if required, to maintain flexibility. Mr. Kelly suggested Affordable Housing Fund support be structured as loans rather than grants. Ms. Hall supported deferred or nominal land sales to preserve flexibility. Mayor Weldon summarized support for keeping options open, encouraging competitive proposals, and maximizing housing outcomes with minimal city investment.

**MOTION** by Mr. Brooks to not spend \$5 million on full demolition and instead direct staff to investigate land sales and incremental infill options.

**OBJECTIONS** by Ms. Woll, Mr. Steininger, Ms. Hall, and Ms. Adkison.

**AMENDMENT #1** by Mr. Steininger to delay demolition until after RFQ responses are received, retaining the city's commitment to fund demolition if necessary and maintaining maximum flexibility.

**OBJECTIONS** by Mr. Brooks, Mr. Kelly, and Mayor Weldon. Mr. Brooks objected, citing that the proposed \$5 million demolition was not justified. Mr. Kelly initially objected for clarification but subsequently withdrew his objection. Mayor Weldon objected, explaining that delaying demolition would further postpone the project and noting that no viable alternative infill proposals had been submitted.

**Roll Call Vote on Amendment #1**

Yeas: Steininger and Kelly

Nays: Brooks, Hall, Woll, Adkison and Weldon

**Amendment #1 failed: 2 Yeas, 5 Nays.**

The Assembly returned to Mr. Brooks' main motion. Mr. Steininger maintained his objection, citing inappropriate use of staff resources. Ms. Woll emphasized the cost of inaction amid the urgent housing shortage. Mayor Weldon highlighted past housing investments, including Pederson Hill. In support of his motion, Mr. Brooks reiterated concerns about escalating demolition costs exceeding voter-approved funding.

**Roll Call Vote on Main Motion**

Yeas: Brooks, and Kelly

Nays: Adkison, Steininger, Woll, Hall, and Weldon

**Motion failed: 2 Yeas, 5 Nays.**

Manager Koester recapped the general direction from the Assembly for the RFQ, noting \$5.8 million appropriated for Telephone Hill with just over \$500,000 spent to date. The recap included mixed-use development, 100–250 high-density housing units with at least 20% affordable, flexible land sale or financing options, and age-friendly design for senior housing. Questions about design standards and accessibility were raised. Manager Koester noted further clarification will be provided before issuing the RFQ.

#### **4. Seawalk Procurement and Financing Update**

Manager Koester provided an update on the Seawalk project, noting that approximately \$4 million has been set aside for design and that the total project is estimated at \$28 million, to be funded entirely with marine passenger fees. She explained that the project timeline has been accelerated to coordinate construction with Petro Marine, which owns roughly half of the property needed for the Seawalk and will begin improvements at their adjacent dock in 2027. To facilitate concurrent construction, Manager Koester outlined plans to use a manager's best interest finding to contract directly with Western Marine for this portion of the project, while still ensuring procurement value. She noted that the second half of the project would proceed under the traditional request-for-proposals process.

Ms. Woll asked if the Seawalk project remains a top community priority. Manager Koester responded that the project provides infrastructure valued by both visitors and residents, reduces congestion along the waterfront, and aligns with multiple community priorities.

Mr. Kelly asked about the status of dock electrification funding and how much is available for future projects. Manager Koester responded that the dock electrification fund is significantly larger than the Seawalk project, approximately \$13 million, and that state funding opportunities may supplement these efforts. She emphasized the importance of retaining these funds to maintain regional leadership in dock electrification.

Mr. Steininger asked for estimates of the debt service terms, including repayment duration, interest, and how long it would take to save \$28 million without issuing bonds. Manager Koester responded that the debt would be structured to ensure payments do not compromise other marine passenger facilities and would align with the lifespan of the infrastructure. She explained that saving the full amount without bonding would take longer, as funding has been prioritized for dock electrification, but a detailed analysis could be provided when the ordinance is drafted.

**MOTION** by Ms. Woll to direct staff to draft an ordinance to pursue \$28 million in revenue bonds for the Seawalk project, to be funded by marine passenger fees. ***Hearing no objection, the motion passed by unanimous consent.***

#### **5. Budget Process - How Members Propose Reductions**

Assembly Finance Committee Chair Woll provided an overview of the budget reduction process. Ms. Woll noted that this year's significant operating service reductions are challenging

and that the materials provided serve as a starting point for discussion. She encouraged Assemblymembers to review the information, understand operational impacts, and engage in iterative conversations before formal motions or votes. Mayor Weldon emphasized that Assemblymembers should consult with Manager Koester or Deputy City Manager Barr regarding operational impacts before approaching Finance.

## **6. Results of CBJ Budget Survey**

Communications and Engagement Director Ashley Heimbigner provided context for the Community Compass outreach, noting that following the October 2025 municipal election and December Assembly Retreat, the Communications team conducted surveys and workshops to gather public input on community priorities and budget trade-offs. She highlighted recent workshops at the Filipino Community Hall, upcoming sessions at the Valley Library and Douglas Library, and noted that results will be shared at the April 11 budget meeting and the April 15 community listening session. The outreach included a Community Compass Survey designed with Rain Coast Data to be accessible and representative, supplemented by additional input forms and extensive community engagement through social media, public tabling, and outreach to community organizations.

Ms. Meilani Schijvens of Rain Coast Data presented the survey results, which included 4,400 unique responses with 99% confidence level. Survey questions covered priorities for protecting or cutting municipal services, potential new revenue sources, and community values. Top priorities for maintaining services were streets, roads, bridges, winter maintenance, K-12 education, public safety, water/wastewater/stormwater/solid waste, recreation, trails and parks, Juneau International Airport, disaster response, and arts/culture. Top areas for potential cuts included tourism management/visitor infrastructure, climate change and energy efficiency, economic development/workforce support, housing/land use planning, homeless services, and ports and harbors.

Regarding potential revenue generation, respondents were most supportive of exploring property tax reforms and adjusting underperforming property fees; only 22% opposed any new taxes or fees. Community values highlighted by respondents included making Juneau a place for working-age residents and young families, delivering high-quality core services, maintaining public infrastructure, practicing strong fiscal management, and expanding affordable housing. Overall, 45% of residents reported positive feelings toward the City and Borough of Juneau, 32% negative, and 23% neutral. The most preferred communication channels were the CBJ website, email notices, online news, Facebook, and radio.

Assemblymembers asked clarifying questions regarding survey interpretation, revenue generation responses, and demographic representation. Ms. Schijvens noted survey weighting by generation and geography to approximate community representation, while Ms. Heimbigner noted outreach to local organizations serving low-income populations.

**MOTION** by Mr. Kelly to extend the Assembly meeting until 10:10 p.m. and asked for unanimous consent. ***Hearing no objection, the motion was adopted by unanimous consent.***

The discussion concluded with acknowledgment of the survey's utility for informing budget decisions and upcoming community engagement opportunities.

**G. STAFF REPORTS** - None

**H. NEXT MEETING DATE - MARCH 16, 2026 AT 6:00PM**

**I. SUPPLEMENTAL MATERIALS**

**1. Red Folder Item: Results of CBJ Budget Survey Presentation & Materials**

**Link to Juneau Budget Survey Report:** <https://juneau.org/wp-content/uploads/2026/02/Final-Juneau-Budget-Survey-Report-2026.pdf>

*[Note: APPENDIX: Open Ended Responses\_start on page 48]*

**J. ADJOURNMENT**

*With no further business to come before the Assembly Committee of the Whole, the meeting adjourned at 9:59 p.m.*