

ASSEMBLY COMMITTEE OF THE WHOLE MINUTES

August 08, 2022 at 6:30 PM



Assembly Chambers/Zoom Webinar/YouTube Livestream

Immediately following adjournment of the Special Assembly Meeting <https://juneau.zoom.us/j/95424544691> or 1-253-215-8782 Webinar ID: 954 2454 4691

A. CALL TO ORDER

Deputy Mayor Maria Gladziszewski was absent so Mayor Weldon presided and called the Assembly Committee of the Whole meeting to order at 6:38p.m.

B. LAND ACKNOWLEDGEMENT

Ms. Hughes-Skandijs provided the following land acknowledgment: We would like to acknowledge that the City and Borough of Juneau is on Tlingit land, and wish to honor the indigenous peoples 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: Christine Woll, 'Wáahlaal Gíidaak, Carole Triem, Greg Smith, Michelle Hale, Wade Bryson, Alicia Hughes-Skandijs and Mayor Beth Weldon.

Assemblymembers Absent: Maria Gladziszewski

Staff Present: City Manager Rorie Watt, Deputy City Manager Robert Barr, City Attorney Robert Palmer, Municipal Clerk Beth McEwen, Deputy City Clerk Diane Cathcart, Port Director Carl Uchtyl, Port Engineer Erich Schaal, Tourism Manager Alix Pierce; Police Chief Ed Mercer, Deputy Chief David Campbell, Fire Chief Rich Etheridge

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

E. AGENDA TOPICS

1. Dock Electrification

Port Director Carl Uchtyl provided information to update the Assembly on the progress to electrify the two cruise docks that are owned by CBJ. Mr. Uchtyl stated that there are many things moving with respect to the federal infrastructure grants. The intent of his memo in the packet was for the Assembly to give staff direction on how to proceed on seeking grants with respect to dock electrification. Mr. Uchtyl explained that in order to electrify the dock, one of the foundational pieces is to purchase a new transformer and those currently have a three-year advance order timeline. As such, he stated that they need to know “immediately” how to proceed so they can put that order in for the transformer as soon as possible. Mr. Uchtyl spoke of the Docks & Harbors team efforts working with the federal lobbyist and the Alaskan Congressional delegation on trying to get grant funds to Juneau towards the dock electrification project. Mr. Uchtyl then proceeded to answer questions from Assemblymembers related to the design for one dock only – the Alaska Steamship Wharf, which is the one closest to Marine Park. He also spoke to the possible use of revenue bonds to fund the project (as opposed to General Obligation bonds).

Ms. Triem asked about the proposal to use revenue bonds for this project and if they would be from the same source as our current revenue bonds and if this would just be like a refinancing to issue more bonds.

Mr. Watt explained that our debt at this time is on the Port Development Fee and they would look at using the Port Development Fees again. He said that Mr. Rogers would have to do some work to figure out the stream of payments and meeting the required reserves for existing debt. It could become Marine Passenger Fees used instead of Port Development Fees but they would look at both options.

Mayor Weldon asked Mr. Watt to explain, in general terms, the differences between Revenue Bonds and General Obligation Bonds. Mr. Watt explained that General Obligation (G.O.) Bonds require a vote of the citizens to obligate the municipality to pay back debt. He said that we generally see G.O. Bonds for Capital Improvement Projects (C.I.P.s) such as the New City Hall G.O. Bond question that they put on the ballot. He said it can be for parks projects and historically they have used G.O. Bonds for school facilities and other city infrastructure projects. He explained that revenue bonds are slightly different as they are backed by a durable revenue source and in this case, that would be Marine Passenger Fees or Port Development Fees and would not necessarily require a vote of the citizens. He explained some of the subtlety involved on when you might do a revenue bond vs. a G.O. Bond.

Mr. Watt answered additional questions from Assemblymembers about the current debt levels and other projects under consideration.

Mr. Uchytel, and Alix Pierce, answered questions from Assemblymembers related to the types of ships that would be able to plug into shore power and also provided projections that approximately half of the cruise ships will be ready for electrification by 2027. Mr. Uchytel have also provided information about the RAISE federal grant that they have applied for as well as another federal grant that they are waiting to hear back about.

Mayor Weldon asked Mr. Uchytel about the replacement of the transformer and if that would take care of the issues with the Princess/Franklin Dock. Mr. Uchytel said that the current Franklin Docks transformer is already 22 years old. He noted that the new transformer would need to be installed at the city-owned docks as that would allow for easier accessibility. That in turn would allow for the transfer of power and it would also allow ships to be on shore power longer.

Ms. Triem asked about the status of the floating berth that was proposed for the Franklin Dock prior to the pandemic. Mr. Watt said that the Franklin Dock owners had been interested in acquiring tidelands from the state at that time, as they did not want a cross-jurisdictional lease. He said that they are not currently pursuing that project.

MOTION by Ms. Hale to direct staff to purchase a load tap changer transformer for use by South Franklin Dock, that they approve, at a high level, the project scope and schedule, and that they request preparation of a revenue bond and she asked for unanimous consent. **Hearing no objection, the motion passed by unanimous consent.**

Mr. Watt noted that staff organized a field trip in July consisting of Mayor Weldon, Assemblymember Triem, and Assemblymember Woll in their capacities as Mayor, Docks & Harbors Liaison, and Juneau Commission on Sustainability liaison. He explained that the purpose of the field trip was to show them the complexity of issues involved requiring approximately \$20,000,000 investment with a myriad of decisions made strategically and timed in concert with other decisions. He said that many people think of it in the simplest of terms and compare it to plugging in an extension cord. Mayor Weldon stressed how educational the tour was and they saw how complicated it really is and all the steps involved in making the connection. She said that from start to finish, it took approximately one hour to one and half hours to accomplish.

Ms. Hale thanked the Docks & Harbors staff and all those who have worked on these issues. Mayor Weldon thanked Mr. Uchytel, Mr. Schaal, and Docks & Harbors Board Chair Don Etheridge for being present for this meeting.

2. Police/Fire Radio System

Police Chief Ed Mercer recounted a story about an incident that occurred when he was on the Sitka police department when he was responding to a call and lost his radio while in pursuit of a suspect and the ramifications of that on their dispatch team and the other officers on patrol.

Chief Mercer and Deputy Chief Campbell shared a PowerPoint presentation regarding the current CBJ Radio system, which is an analog system that was installed in 2006-2008 and was deemed at end of life in 2014. At this time, they are not able to find parts to replace or keep the current system going. He said that in 2020, they were able to get a federal grant that allowed them to do a radio study to evaluate their current system and provide ideas and suggestions on how to best move forward. The study provided them with data and recommendations for improved interoperability and moving CBJ into the next generation that would have a supportable configuration for 15+ years.

Chief Mercer shared photos of the current towers and radio systems that are subject to weather and eroding conditions. He noted that the radio study identified that there is a lack of coverage with only 57% radio coverage inside a typical wood frame residence and only 49% radio coverage in commercial buildings. He spoke to having used an encrypted system in the past and the benefits of using an encrypted system if they are looking at alternatives.

Chief Mercer outlined the consequences if CBJ does nothing and the current system and components will break at some point. The current circuit does not have enough bandwidth for CCFR and JPD to work concurrently on an incident response.

The Radio Study Options provided three options:

1. CBJ Stand alone analog system for \$15,385,000
2. CBJ Stand alone digital system for \$17,436,000
3. Coordination with the State's Alaska Land Mobile Radio (ALMR) digital system for \$13,590,000

Chief Mercer said that option 3 is the main option that they are looking at, both from a fiscal viewpoint but also due to the partnership, it provides them in working with the State ALMR system. It would also allow them to capitalize on the existing towers/sites with select CBJ sites being upgraded and added to the existing ALMR system. It would provide for greater radio coverage and building penetration as well as increased interoperability and allow for expansion to other CBJ agencies.

With respect to how to pay for this option, they have \$500,000 in general fund appropriation for project planning, design and initial construction, there is an anticipated additional \$2,000,000 in temporary 1% Sales Tax funding anticipated. Chief Mercer said that would leave a funding gap of \$11,000,000 and it would be their intention to continue to look for grants such as the Homeland Security Grants and other opportunities to fund this project. Chief Mercer said that he and Erin Kalwara were available to answer questions.

Ms. Hale thanked the Chief for his presentation and especially sharing his story of his time in Sitka. Ms. Hale asked in light of the \$11 million gap, if the goal is to get started on the early stages even though there is quite a bit of money still to raise to complete the project. Chief Mercer said they are currently moving forward and doing what they can using Homeland Security Grants.

Ms. Triem said her question may be more for the city manager or others but she was rather shocked to read that the current system in place was only expected to have an 8 year lifespan and that this new system looks like it may have up to 15 years. She asked if that is what we need to live with in the current technology world and if so, do they need to put money away annually for any/all technology replacements that will be needed in the future.

Mr. Watt said he is generally horrified by technology costs whenever he sees them. He said that it does not matter what technology systems they are. He said that we continue to struggle on the hardware and on the software side of things and that; we do not know how long vendors will be supporting those things at the time we are buying them. He said that we could guess when we buy technology how long it will last and remain supported. There are constant shifts of ownership and mergers with technology companies deciding which elements they will continue to support and which ones they will not. He said that when they looked at the 1% of Sales Tax list, he instructed them to look at IT as a new type of infrastructure cost that will be necessary to meet the demands of the world we are currently living in.

Mr. Barr added two things; one is that they are looking at implementing a new IT funding mechanism to address ongoing costs as that has become apparent that it will be needed as they work through the IT strategic plan

process. He said the other thing is with respect to joining the ALMR system, the State Troopers, like us, tend to be in the business forever so there will be some economy of scale benefit.

Chief Mercer answered additional questions from Assemblymembers about the possibility of expanding the ALMR radio system to other CBJ departments but those departments would need to do a subscription for use of that system and would also need to be upgraded from analog radios to the new systems. He discussed the encryption process and when those would be used. In answer to questions about the cost to accommodate our small population and mountainous terrain, he did say that would have an impact on funding due to the need for more towers.

Mr. Smith asked Chief Mercer about the balance between officer and public safety vs. transparency of police actions. Chief Mercer explained about the use of encryption and said that everything that they do in the communications center is recorded. If there is a public information request, it is recorded and they can review and provide that information as requested.

3. Staffing Update (Verbal Report)

Mr. Watt provided an update to the Assembly about vacancies and the difficulties in hiring employees everywhere and what that means here at CBJ. He said this is somewhat of a speech to encourage the Assembly to temper their enthusiasm about taking on big new projects or bandwidth and the ability to juggle multiple projects at a time. He said that CBJ is running approximately 20-30 job postings at this time; some of them include multiple positions. That is the most any of us have seen vacant at one time for quite a few years. He said that while the Assembly may not see a lot of turnover in directors when they look out at the audience during meetings, he and Mr. Barr are constantly working with staff to try to prioritize needs and what services may need to be reduced temporarily such as reducing bus routes/schedules. He said that the HR Department is generally swamped with trying to respond to and fill positions. He then provided an example of Lands Manager Dan Bleidorn who, when tasked with the Telephone Hill project, explained he was already working on 28 other projects. Mr. Watt then explained how smaller projects may affect larger projects and that staff's current bandwidth is somewhat limited. Mr. Watt also shared that Parks and Recreation Director George Schaaf is looking at the hundreds of hours of staff time taken up in supporting their committees and boards. He stated that Mr. Schaaf would be proposing some changes to some of the Parks & Recreation affiliated boards and committee and that will be coming before the Assembly for consideration.

Ms. Hale asked if it would help recruitment if they were to encourage the State Legislators to look at reinstating defined benefits programs. Mr. Watt discussed the different levels of PERS Tiers and how much or little those impacts may have on retaining current employees and recruiting new employees. He agreed that it might be helpful for all local governments if the state changed back to a defined benefit program.

Ms. Woll asked about the new positions that were added to the Municipal Clerk's office. Mr. Barr reported that they just had a new Admin. Assistant start that day and that the second Deputy Clerk position has been advertised. Ms. McEwen confirmed that the second Deputy Clerk position closed at 4:30p.m. that day.

Ms. Triem said she will temper her expectations and she thanked all CBJ staff and commended for the work they do and said she would love to work at CBJ as an employee if she was not already serving as an Assemblymember.

F. ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at 8:00p.m.