

**ASSEMBLY STANDING COMMITTEE
COMMITTEE OF THE WHOLE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
June 27, 2016, 6:00 PM.
Municipal Building - Assembly Chambers**

Assembly Work Session - No Public Testimony

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

A. June 21, 2016 Committee of the Whole Minutes

IV. AGENDA TOPICS

A. Process Discussion regarding Manager and Attorney Evaluations

B. Child and Adolescent Mental Health Unit (CAMHU) Update

C. Aquatics Board Update

D. Sales Tax on Food

E. Informational Item - DRAFT Energy Plan

An update on the Energy Plan will be presented at the 7/25/2016 COW. A draft of the plan can be found at this link:

http://www.juneau.org/clerk/boards/Sustainability/energy_plan.php

V. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

**ASSEMBLY STANDING COMMITTEE
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THE CITY AND BOROUGH OF JUNEAU, ALASKA
MINUTES**

June 21, 2016, 6:00 PM.
Municipal Building - Assembly Chambers

Special Meeting of the Committee of the Whole Public Hearing and Worksession

I. ROLL CALL

Deputy Mayor Jesse Kiehl called the meeting to order at 6:00 p.m. in the Assembly Chambers.

Assemblymembers Present: Mary Becker, Jamie Bursell, Maria Gladziszewski, Loren Jones, Jesse Kiehl, Ken Koelsch, Jerry Nankervis, Kate Troll and Debbie White.

Assemblymembers Absent:

Staff present: Rorie Watt, City Manager; Amy Mead, Municipal Attorney, Mila Cosgrove, Deputy City Manager; Laurie Sica, Municipal Clerk.

II. APPROVAL OF AGENDA

Hearing no objection, the agenda was approved as presented.

III. APPROVAL OF MINUTES

A. June 6, 2016 Committee of the Whole Meeting Minutes

Hearing no objection, the minutes of the June 6, 2016 Committee of the Whole meeting were approved.

IV. AGENDA TOPICS

A. Ordinance 2016-23 An Ordinance Amending the City and Borough of Juneau Code to Add a New Title on Equal Rights.

Chair Kiehl thanked everyone for attending. He asked those testifying to provide their name and neighborhood, and he asked the audience to refrain from applause or comments on people's testimony. He said that written comments continue to be submitted.

The following people spoke in support of adoption of Ordinance 2016-23:

Mark Hutter
Ivan Baily
Willie Anderson
Art Roach
Rev. Melissa Engel
Elliott Tibbets
Father Gordon Blue
Sara Boesser
Jennifer Mannix
Kristen Bomengen
Rev. Sue Bahleda
Shirley Dean

Lin Davis
Marty Phelan
Justin Parish
Jennifer Fletcher
Kim Kiefer
Jeff Rogers
James Hoagland
Alavini Lata
Judy Crondahl
Sherry West
Representative Sam Kito
Millie Ryan
Karen Sewill
Cindy Boesser
Royce Snyder
Patty Ware

Brenda Bowers spoke in favor of the ordinance and suggested that the policy include the term "gender expression" in addition to sexual orientation and gender identity.

Tom Williams said he appreciated the public hearing and he opposed the ordinance in total. He was concerned that the ordinance requires landlords to accept certain types of payments that they may not want to accept, and was concerned about the language of accepting "any lawful payment," such as a government voucher. It give sexual orientation equal standing with religion and familial status and duplicates federal and state statutes, which is unnecessary and causes additional administrative costs to ensure businesses comply with this language.

Mr. Kiehl thanked everyone for their comments and said that the comment period is still open. This is the time for committee work and questions for staff. This ordinance will likely be scheduled for the Committee of the Whole work session in July.

Ms. White asked about the concern regarding housing. She asked if "lawful source of income" meant forcing landlords to accept Section 8 housing vouchers. Ms. Mead said that she would research this to understand if this would be an enforceable section of the ordinance, as Section 8 required a landlord to enter into a contractual agreement with AHFC.

Ms. White said Ms. Bower's testimony suggested there may be some protected classes omitted from the ordinance.

Ms. Gladziszewski had similar questions about "lawful source of income." She said the policy section was clear, but asked if it was necessary to outline in 12 pages and if the ordinance may conflict with other laws in an unintended manner.

Ms. Troll said the ordinance is an important statement to make and asked if there was a way to shorten and simplify the ordinance for ease of understanding and enforcement. Regarding the suggestion of adding the words "gender expression," she suggested that could be fixed by stating on page 11-12 that "gender identity" means "a person's gender related self-identity choice, regardless of the assigned sex at birth."

Ms. Becker said she also has a question about "lawful source of income" as now that marijuana sales were legal, as a landlord she would not want to be forced to take money from people who had lawfully raised money through drug sales. She asked for information on Representative Cathy Munoz bill on this topic related to this ordinance and enforcement of issues if the state law was adopted. Ms. Mead said the ordinance identified a prohibited act and gave private citizens the right to seek enforcement of a violation by bringing suit against a violator directly to court. The state law in Title 18 requires a complaint to be filed with the State Human Rights Commission before being filed in court. She said she would provide the Assembly with a table of comparison of the ordinance to state law.

Ms. Becker said she would like to know how adoption of the ordinance might affect education and the rights of schools to establish programs, such as any limitation on girls in boy's schools, for example.

Mayor Koelsch asked if there was any class left out of the definition. Mr. Kiehl said in one model act there were references to obesity separate from disability and he elected not to include that. He believed ADA provided sufficient coverage and treating it as a separate class is not needed.

Mayor Koelsch asked how a complaint was handled. Ms. Mead said it would be handled through a civil action in court. The burden of proof was upon the person bringing the suit and by the preponderance of the evidence to prove a violation and the remedies were outlined in the ordinance. A judge in court would make a ruling and apply sentencing. The ordinance provided for a deadline of 300 days from the act to file in court.

Ms. Gladziszewski said on page 5, line 24, there is a reference to rental units and the phrase "interior of the premises" and asked for an explanation of why the word interior was included.

Ms. Becker asked what the resolution of winning in court could be. Ms. Mead said that was included in 41.05.045 (b) on page 9. The court could order whatever relief that it deemed appropriate.

Ms. Gladziszewski questioned page 7, line 5, a statement that "provisions of 41.05.015 (a) shall not apply." On page 8 of 12, regarding "aiding, abetting or coercing a violation..." she asked for an explanation. Ms. Mead said it referred to being the instigator or forcing an illegal act - helping someone to do an illegal act. Ms. Gladziszewski asked if this was a standard in law. Ms. Mead said she would provide more information on this point. Ms. Troll said this may be a place to simplify, by stating only "an act forbidden under this chapter."

Ms. Bursell said for the most part the way the ordinance is written it is on spot. It may be long, but it provides specificity so that it can be utilized in specific situations. She was concerned that if it was simplified too much we would need to rely on interpretation in the future.

Mr. Kiehl said the next COW had a full agenda, the next meeting after that is July 25.

Mr. Watt said that if and when the Assembly passed the ordinance as is or amended, there would be an effort on staff's part to provide information and education on how to implement this policy. We have a duty to get out into the community to have informal sessions with business owners and landlords. We don't expect them to good readers of municipal ordinances and we can help.

Ms. White said her only concern about the ordinance is potentially requiring a landlord of a small apartment to be in a Section 8 housing arrangement.

Ms. Becker asked if this ordinance would take precedence over the land lord tenant act. Ms. Mead said it was not superceding it but should be read in conjunction with it.

Ms. Bursell asked for more information about the Section 8 housing program.

Ms. Mead said that at the next meeting she would provide a table to compare this ordinance with state statute and the Anchorage ordinance, and a response to some of the questions asked. She said she would investigate ways to simplify the ordinance.

Mr. Keihl thanked the Assembly and people present for the comments.

V. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

None.

VI. ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at 8:33 p.m.

Submitted by Laurie Sica, MMC, Municipal Clerk

Child and Adolescent Mental Health Unit Update

Bartlett Regional Hospital

June 27th, 2016

History

- Beginning in 2004, the Bartlett Board decided to use consultants to discern needs and feasibility of a child focused mental health unit, the first report was presented in 2005.
- Diversified community stakeholders were engaged over several years to discern community need.
- Community surveys in recent years have consistently shown support for a child and adolescent mental health unit.
- In 2012 CBJ citizens voted to appropriate part of the 1% sales tax toward developing a child and adolescent mental health care facility.
- Reports from the Diamond Health Care Corporation (2005, 2009) and the McDowell Group (2015) were completed to determine service need.
- In 2016, Moss Adams was contracted to provide a feasibility analysis.

2016 Significant Events

- Bartlett employed a Chief Behavioral Health Officer with expertise in children's mental health treatment.
- Focus was shifted from an acute short stay model to a center for longer term secure treatment that would include crisis stabilization beds.
- Moss Adams was contracted to conduct a comprehensive feasibility study.

Longer term treatment models were explored

- A Residential Psychiatric Treatment Center “RPTC” provides treatment for mental illness, substance abuse, or other behavioral problems.
- The average length of stay is 3-6 months.
- Many children entering these systems have had trauma exposure, so RPTCs typically focus on trauma informed care.

Current State Need

- Alaska has over 150 of out of state behavioral health placements for children in 2016.
- There are currently 85 residential psychiatric treatment center beds (RPTC) in the state, none in Southeast Alaska.

Additional Significant Factors.....

- Alaska has ACEs Scores (Adverse Childhood Experiences) double that of the nation in 4 categories including: exposure to violence, exposure to drugs and alcohol, hunger, and parental incarceration.
- Persons with ACES scores of 4 or higher are 12 X more likely to complete suicide.
- People with ACES scores above 6 have a 20% average shorter life span.

Source: Alaskan Behavioral Risk Surveillance System BRFSS (2013)

Why This is Important

- Suicide is the 5th leading cause of death in Alaska's adolescents as compared to the 11th cause of death nationally.
- The earlier the intervention, the better the outcomes.
- Accurate diagnosis yields better treatment.

Why This Model Works for Alaska

- The model for treating child trauma has shifted over the past 10 years to a longer term treatment model to develop resiliency and life skills when other interventions have failed.
- Many issues facing Alaskan children and teens involve trauma exposure; trauma informed care is an evidenced based approach to treating children resulting in positive outcomes.
- Outcomes improve when a child's care givers are involved in the process; this includes families, schools, and the medical community.

Key Community Partners

- Parents and families
- Community physicians
- Schools
- State officials
- Law enforcement
- Juneau Youth Services (JYS)
- National Alliance on Mental Illness (NAMI)

What Happens at a RPTC?

- Psychiatric and Psychological treatment
- Activities therapy
- School
- Family therapy
- The practice of newly acquired skills

A RPTC can include crisis stabilization and acute hospitalization can be ordered when additional services are needed.

These facilities feel more “home like” than hospitals and help develop practical life skills.

The Goal of a RPTC is:

- Stabilize the presenting crisis.
- Provide long term treatment strategies that provide healing and allow a child to step down to a lower level of care.
- To get children back home as soon as possible.

What type of children might they treat?

- Children and teens with suicidal thoughts
- Drugs and alcohol
- Trauma exposed children
- Developmental Disabilities (including autism spectrum)
- Children with sexual acting out
- Aggressive acting out
- Ages 4-17 (children are separated by age and gender)

A RPTC is not for children adjudicated as criminal offenders

- Children must be mentally ill, or have other behavioral disorders.
- Outpatient therapies have not been successful.
- A RPTC can, however, collaborate with the juvenile justice system to provide care to those youth with underlying mental health disorders as appropriate.

How it is staffed

Multi disciplinary staff is key.

- Psychiatrists
- Nursing
- Psychologists
- Therapists
- Social workers
- Teachers
- Behavioral Health Assistants
- Support Providers

What makes it different from a hospital

- The facility is home like: children are involved in meal planning, movie nights, and childhood celebrations.
- Residents are encouraged to individualize their rooms and residential units.
- Staff “live” with the children during working hours meaning they eat, assist children with play, help with laundry, and provide nurturance and guidance.

The Benefits

A 28 bed facility with crisis stabilization beds:

- Can help support the needs of our region
- Reduce emergency department visits and law enforcement encounters
- Treat children closer to home more economically
- Encourage community partners to work together to meet the needs of children and their families through joint ventures

Who Runs the Program

A partnering organization could be beneficial due to:

- Corporate economy of scale

- Knowledge of the business

- Demonstrated clinical outcomes

- Lower costs

Bartlett could contract these services out yet remain connected through services including a management fee, providing physicians, and support services.

How to Choose a Partner

- Their clinical outcome data results
- A successful business model with children
- Demonstrated operational competence
- No Eject/No Reject clause

Next Steps

- Continue feasibility study, while assessing operational variables.
- Solicit Letters of Interest from interested partners.
- Evaluate land and facility options.
- Determine Certificate of Need requirements for beds.

Reporting Back

- An update report will be presented to The Assembly in 3 months (September 2016).

Take Away:

- **A RPTC treatment center could significantly contribute to improved behavioral health of children and families in Southeast Alaska leading to healthier communities focused on resiliency.**

City Borough of Juneau

Aquatics Board Annual Report

May 1, 2016

Introduction:

A total of 59% of those voting in the October, 2014 municipal election authorized the Assembly to establish a Board of Directors for Juneau's municipally-owned and operated aquatics facilities.

On April 6, 2015, the Assembly passed an Ordinance establishing a 7-member Aquatics Board with the proviso that the Board sunsets on May 28, 2018. The ordinance empowers the Board to exercise all powers necessary and incidental to the operation and maintenance of the municipally- owned aquatics facilities according to the best interests of the public and in a sound business manner with the exception of hiring and firing personnel.

On June 7, 2015, the Assembly appointed members to the new Board. Ritchie Dorrier, Tom Rutecki and Gregory Williams were named to terms expiring on June 30, 2016. Max Mertz and Pat Watt were named to terms expiring on June 30, 2017. Joe Parrish and Beth Weldon were appointed to terms expiring on June 30, 2018.

The Board now approaches the end of its first year, with three of its members ending their terms. We are satisfied that we have done the necessary spade work to establish a cohesive group, with a common focus and diverse skills. Good progress has been made during this first year although there is still much to do to fulfill the charge given to the Board by the Assembly.

Aquatics Board Meetings during FY 2016

- Since it was appointed, the full Board has met 12 times, with numerous additional committee meetings held.
- At its first meeting the new Board heard from the Mayor and City Manager, and received guidance from the Director of the Law Department.
- At its second meeting, the Board held an organizing meeting, and elected Max Mertz as Chair, with Tom Rutecki as Vice-Chair. It created a set of initial committees to begin organizing and planning its work (Finance, Marketing; Operations; and Board Development (Governance)). After achieving several Committee goals, to reduce the demands on Board members of service on multiple Committees, the Committees were collapsed into a monthly working session of all Board members prior to each monthly regular Board meeting.
- Meetings are announced to the public through the Clerk's calendar and meeting locations alternate between downtown (City Hall) and the Valley (Dimond Park Pool and Mendenhall Library) so as ensure easy access to the public.
- At the third Board meeting, a crossover discussion with the Chair and members of the former Aquatics Facilities Advisory Board took place, for the new Board to gain ideas and insight from its predecessor Board.

- In addition to its regular Board meetings, all seven Board members, Mr. Duncan, and Ms. Jackson, participated in a day-long Retreat on October 18, 2015. Aside from learning to be comfortable working with each other and aquatics management, at the retreat the Board:
 - Adopted a simple and catchy mission statement: ***“Our job is to get everyone into fun, well managed and accessible pools now and in the future”***;
 - Defined the Board’s customers (pool users, aquatics staff, the Assembly, and Juneau taxpayers);
 - Considered the difficulties that might lie in the future and may have to be addressed;
 - Clarified the differing roles of board and staff;
 - Adopted a set of strategic goals for the Board’s first year;
 - Set forth a series of tasks for each of the Board’s existing Committees.

Aquatics Board Accomplishments

As its’ first priority, the Board participated with the new Parks and Recreation Director, Kirk Duncan, in interviewing candidates for the new Aquatics Manager position. Immediately afterwards, Mr. Duncan appointed Julie Jackson to the position effective July 20, 2015. Since her hiring, Ms. Jackson’s priorities have been recruiting, hiring, training staff; team building; and identifying administrative and program areas that need improvement.

Additionally, the Board has:

- Developed and adopted Rules of Procedure (Bylaws) for Board meetings.
- Conducted a skills inventory of current Board members with an eye to the potential for future appointment changes. The goal is to ensure the Board always has the requisite knowledge, skills, and abilities to do its job.
- Focused on its priority goal of increasing pool use, with associated increased revenues:
 - Analyzed available data and prepared a report on historical pools use and user characteristics.
 - Contacted 27 municipally owned pools to learn their fee structure and cost recovery rates.
 - Compared staffing of other municipal pools similar to CBJ pools.
 - Introduced an additional robust scholarship program for anyone who cannot afford to use the pools.
- Initiated an overall "pool system" mindset (instead of thinking of aquatics as two separate pools) to eliminate confusion, competition, and redundancy.
 - Developed and adopted a Fees and Charges Policy (see attached);

- Investigated, developed and planned a new rate structure to encourage and reward user loyalty and increase pool usage. This involved reaching out to members of the public and other interested parties. The fee structure became effective in January, 2016, and has a dramatic reduction in the number and complexity of fees for pool use.
- Began consideration of additional sellable products to increase revenue, including food and beverage items, expanded aquatics classes, more wellness classes, and corporate memberships, etc.
- Made pools management more accessible to the public by serving as a readily identifiable point of contact for specific concerns of the public related to aquatics.
- Strengthened the relationship with the Juneau School District (JSD) by adding a Schools representative to the Board, and ensuring that the School District and Aquatics each have a single point of contact for coordinating school related programs. Collaborated with JSD to bring ASAA Swim and Dive Championships meet to Juneau
- Worked with Glacier Swim Club to identify ideas to increase pool use and bring out-of-town events to Juneau such as Alaska Swimming State Championship meets.
- Adopted a proposed budget for 2016-17.
- Worked with CBJ staff to plan how to separate accounting and financial reporting for aquatics operations from operations of Parks and Recreation as a whole so as to improve accountability.
- Established a scholarship program for low income youth using the Gaguine Foundation funding and other available sources previously established.
- Directed staff to create a draft aquatics marketing plan including switching to a new multi-function Aquatics website (www.juneaupools.org), and making appropriate use of Social Media as well as print and radio advertising.

Financial Results

As mentioned above, the Board adopted a unified pool pricing structure in January of 2016. This allowed guests at the pools to use both pools for one price. This structure dropped the price of the adult annual pass from \$396 to \$249 and the senior annual pass from \$234 to \$169. Similar reductions were made for youth and child annual passes. The public has reacted well with sales for the last six months of the year projected to be up over 40%, and a year-over-year increase projected to be 19%. With increased community awareness of the pools, we are estimating a 28% increase in sales in FY 17.

The focus is to increase revenue and keep a tight control on payroll costs as well as all other costs. The cost recovery for the pools increased from 32% in FY 15 to 37% in FY 16. For FY 17, it was decided that the pools would begin paying for full cost allocation and building maintenance. With these added expenses, the cost recovery target for FY 17 is 31% - without full cost allocation, the cost recovery goal would be 41%.

The table below summarizes these results.

	Swimming pools				
	FY 15	FY 16	FY 16	FY 17	FY 17 Budget
	Actuals	Budget	Projected	Budget	W/O Full Cost Allocation & Building Maintenance
Sales	\$ 582,700	\$ 603,300	\$ 696,200	\$ 888,700	\$ 888,700
Fund Support	\$ 1,240,300	\$ 1,514,500	\$ 1,209,200	\$ 1,988,900	\$ 1,258,900
	\$ 1,823,000	\$ 2,117,800	\$ 1,905,400	\$ 2,877,600	\$ 2,147,600
Personnel Services	\$ 1,178,100	\$ 1,452,100	\$ 1,231,000	\$ 1,463,000	\$ 1,463,000
Commodities and Services	\$ 644,900	\$ 665,700	\$ 674,400	\$ 1,414,600	\$ 684,600
	\$ 1,823,000	\$ 2,117,800	\$ 1,905,400	\$ 2,877,600	\$ 2,147,600
Cost Recovery	32%	28%	37%	31%	41%
Staffing	30.03	27.62	27.62	25.75	25.75

Aquatics Staff Accomplishments

The Board wishes to acknowledge the many positive results in pool operations as a result of Mr. Duncan's and Ms. Jackson's hard work, which are included in the following list of additional aquatics accomplishments.

- Addressed existing operational problems by:
 - Examining the physical conditions of pools and identifying issues to be addressed such as air and water temperatures.
 - Adopting consistent operating hours.
 - Ensuring the hot tub at DPAC is open consistently.
 - Focusing on developing and improving staffing, both in new hiring of staff and requiring existing staff to become more professional in pool operations;
 - Emphasizing a staff attitude of getting to "yes". Doing what the guest wants.
 - Developing a mechanism to gather user input on pools - criticism or praise welcome.
 - Improving communications and providing ongoing customer service training and feedback to aquatics staff.
 - Giving recognition to Aquatics staff for professionalism and efficient response time to emergency situations. Two life guards were recognized by CCFR Fire Chief for CPR in March 2016.
 - As this development was occurring United Pools was retained to provide an outside perspective and consulting services as well as two temporary guards. This was necessary due to lack of knowledge on pool operation on a national level as well as inadequate existing staff. This one-time cost of \$81,000 was needed in order to

maintain continuity and make improvements in pool operations. The contract ended in December of 2015.

- Going out in the community more, UAS days, job fairs, Litter Free sponsor of pool passes for participants.
- Worked with the board on proposing a new fee structure built around a unified pool system, including facility and lane rental fees and procedures.
- Continued support for a Learn to Swim Program for 4th graders: The numbers speak for themselves: 22% of students on first day could not, or would not, swim. By the end of 10 lessons 93% of students could safely jump in and swim to the side of the pool.
- Created a new combined interactive online calendar that includes scheduled activities at both pools.
- Evaluated and purchased a new point of sale system for all Parks and Recreation fee-charging activities. This will be rolled out at the pools by the end of April, and will provide greater accountability and better data about usage.
- Improved the partnership with Glacier Swim Club.

Conclusion

The new Aquatics Board is satisfied that it has made good progress this start-up year in addressing the charge given to it by the Assembly through Ordinance No. 2015-23(b). Much more remains to be done, however, and as the Board begins its second year members believe that continuity in its makeup will be important for keeping the momentum for positive change begun in year one.

The Board is mindful that the Ordinance sunsets the Board at the end of May, 2018. By that time, the Board expects to have had sufficient experience – and results - to evaluate its structure (powers and duties) so that it can recommend appropriate action to the Assembly at the end of FY 2018.

FEES AND CHARGES POLICY

Aquatics Facilities of the City and Borough of Juneau

PURPOSE

The Juneau aquatics facilities adopts sound and consistent policies that serve as tools for evaluating services and establishing appropriate fees and charges. The imposition of fees makes possible expanded aquatics programs and can be justified on the basis that such programs would not otherwise be possible. The goal of this fees and charges policy is to establish a written operating philosophy and consistent policy.

AUTHORITY

Juneau Aquatics Board Resolution.

STATEMENT OF PHILOSOPHY

Create Community through People, Pools and Effective Swim Programs

The underlying principle of the Aquatic's Boards fiscal program is to efficiently offer the most diversified aquatics services possible, ensuring that all citizens of Juneau have equal opportunity and choice in participation by adhering to the following standards:

1. Provide and maintain safe and clean aquatics facilities.
2. Provide the opportunity for individuals to participate in aquatics activities for safety, recreation, fitness and competition programs.
3. Maximize the accessibility of Juneau's aquatics facilities and not discourage, restrict or exclude any user.
4. Establish user fees that are based on established criteria outlined in this policy.
5. Establish a fees structure that is as transparent and easily understood as possible.
6. To provide an objective planning and management tool for assessing the true costs of operating aquatics activities, while still providing opportunities for economically disadvantaged participants.
7. The level of the user fee cost recovery should be sensitive to the "market" for similar services.
8. The Aquatics Board will adopt, publicize, and periodically revise a Fee Schedule in accordance with this policy.

PHILOSOPHIES INFLUENCING RECOVERY RATES

1. User fees to provide cost recovery should consider the CBJ Assembly's budgetary goals and priorities, and address community needs and Aquatics Board objectives. Fees can significantly affect the demand and subsequent level of services provided. Too high levels of cost recovery will negatively impact the delivery of services to

- lower income groups, working against public policy.
2. The use of general governmental revenue to offset user fees is appropriate to support operational needs and provide access to economically disadvantaged and certain age groups.
 3. While a high level of cost recovery may be appropriate for certain services, it may also be impractical or too costly to establish a system to identify and charge separately for such services. Accordingly, the methodology of assessing and collecting fees should be reasonably simple. To the extent feasible, therefore, management will collect user data to assess the effectiveness of rates in meeting the Aquatics Board's fee policies.

SPECIFIC PHILOSOPHIES INFLUENCING PROGRAMS AND FEES

1. Direct Cost recovery for adult programs shall be relatively high.
2. Direct Cost recovery for programs for youth programs, seniors and individuals with disabilities, shall be relatively lower.
3. Where the service/product provides a community benefit and/or encourages certain community goals or functions (such as, but not limited to high school swim team use of the pools), cost recovery levels may be lower or zero.
4. Fees will be set such that repeat usage is rewarded through discounts for the loyal use of the facilities through discounts for multi-visit, monthly or annual passes.
5. There will be a single rate structure for use of Juneau's two pools.
6. Proprietary or commercial group use of aquatics facilities for financial gain or profit shall not be permitted except as approved by Aquatics Director and may be charged commercial, facility rental and permit fees in accordance with this Policy and the Aquatics Fee Schedule.
7. Charitable, non-profit, community-serving organizations, who conduct an event in the aquatics facilities for the purpose of raising funds not sponsored by the aquatics facilities, will be charged facility rental and permit fees in accordance with the Aquatics Fee Policy. Fundraising for aquatics activities or projects will not be required to pay a fee.
 - a. Insurance is required for all community events. The applicant shall provide a certificate of insurance naming CBJ as additional insured and indemnifying the CBJ from claims arising from the event in conformity with the CBJ's existing risk management policies.
 - b. Fees collected by aquatics facilities from these activities will be reflected as revenues of the aquatics facilities.
8. Fees may be reduced or subsidized in order to provide scholarships that advance physical, educational and recreational opportunities for residents - youth before adults - who could not otherwise afford to participate in CBJ-operated aquatics programs.
9. The Aquatics Director has the authority to provide promotional coupons to promote new aquatics programs or resurrect existing ones.

COMPARABILITY WITH BUSINESSES AND OTHER COMMUNITIES

In setting user fees, the Aquatics Board will consider fees charged by other private businesses, communities and government agencies in accordance with the following criteria:

1. Fees reflect the market for similar activities.
2. Fees serve as a benchmark for the cost-effectiveness of the CBJ Aquatics Facilities.
3. Raising revenue shall never be the primary criteria in setting fees.

COST DEFINITIONS

Direct Costs – Pool Facility costs which relate directly to operations and providing aquatics services. Examples include pool facilities personnel and benefits, utilities, minor repair, contractual services, minor equipment and supplies, chemicals and other necessary recurring expenses related to facility operations.

Facilities Maintenance Costs – Pool Facilities costs incurred by the CBJ's building maintenance function that are directly attributable to the aquatics facilities.

Indirect Costs - Costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular program or service. Examples include executive management, financial services, human resources, treasury, or information technology. This includes debt service to cover the cost of capital improvements funded by borrowing.

COST RECOVERY GOALS

These categories and programs are based on philosophical guidelines of the Aquatics Board. Cost recovery goals should be based on the total direct cost of delivering the service. Although excluded from rate recovery, the board and management will work to improve efficiency of facilities maintenance costs to the extent practical. Where feasible, direct costs of operating individual aquatics programs will be allocated to those programs to determine cost recovery levels.

Program rates of recovery will be evaluated at their category level rather than as specific targets for each class or service.

Full Direct Cost Recovery 80-100%

1. Adult Classes and Programs
2. Adult Team Sports
3. Facility and Event Room Rentals

Mid-Range Direct Cost Recovery 40-79%

1. Private Swim Teams
2. Youth Classes and Aquatics Programs
3. Senior Services and Aquatics Programs

Low-Range Direct Cost Recovery 0-39%

1. Outreach and Programs geared towards the economically disadvantaged.
2. Accessibility and Aquatics Adaptive Services

3. Aquatics Safety and Education Classes
4. School Swim Teams Use
5. Direction from the CBJ Assembly and other CBJ objectives (i.e. - serving youth and youth in need, addressing community gaps in service in geographic areas of need)

EVALUATION OF POLICY AND FEES AND CHARGES SCHEDULE

The Aquatics Fee Schedule shall be as concise and easily understood as possible and shall be published on the Aquatics website and at each aquatics facility. The number and variety of fee types shall be minimized so that administration and collection of fees is not impractical or burdensome.

The Aquatics Director shall review annually the Aquatics Fee Schedule and recommend appropriate adjustments to be adopted by the Aquatics Board. The Aquatics Fee Schedule shall be reviewed by staff during the spring for implementation at the beginning of the fiscal year - July first..

Documents to reference for developing the Aquatics Fee Schedule include:

1. This Fees and Charges Policy
2. The current CBJ biennial budget.

The Fees and Charges Policy will be reviewed at least once every five years to ensure cost recovery goals are aligned with the CBJ Assembly's and Aquatics Boards' goals.

Adjustment of fees may occasionally be required to conform to adopted state or CBJ code, policy and/or regulation; staff may make such adjustments to ensure that aquatics fees align with these requirements. Staff will make every attempt to implement such fee changes within 30 days.

City & Borough of Juneau
Assembly Committee of the Whole
Grocery Foods & General Sales Tax Rate Changes
June 27, 2016

During the June 6, 2016 COW meeting it was requested that Finance staff provide information regarding potential sales tax changes.

Item #1 - Merchant Feedback

Several of the larger grocery store merchants were contacted by CBJ Sales Tax staff for their feedback on a possible sales tax rate reduction on grocery items based on the SNAP definition of food.

All of the stores were confident the change could be made to their system, but there was a chance that customers would need to separate their carts by tax rate until the POS system was updated. All qualifying food items would need to be coded with the new tax rate and that would be fairly labor intensive.

Two stores were very negative about the changes, said that there had been too many changes lately and that the CBJ needs to quit complicating things for merchants and the community. The senior change (effective January 1) was costly to implement, and they are not excited about another possibly costly change to their POS system. One store stated they spent \$20,000 to update their POS system for the senior exemption changes.

Item #2 - Revenue Neutral Grocery Item Rate Changes

Following is an analysis of multiple levels of grocery item sales tax exemption / rate changes. Several possible grocery tax rates are listed with the accompanying estimated revenue losses and the associated general sales tax rate to keep the grocery changes revenue neutral.

Grocery Item Tax Rate	Estimated Revenue Loss	General Rate needed for Revenue Neutral change
4%	\$1.06 million	5.14%
3%	\$2.12 million	5.28%
2%	\$3.18 million	5.42%
1%	\$4.24 million	5.56%
0% - fully exempt	\$5.3 million	5.70%

To summarize the above table, for every 1% reduction in the sales tax on grocery items, non-grocery items would need to be taxed an additional .14% for the changes to remain revenue neutral.

Item #3 - Possible New Exemptions allowing for a Revenue Neutral 6% General Sales Tax

Estimated Revenue Gain from 6% General Rate:	\$8.6 million
<i>Possible New Exemptions</i>	<i>Estimated Revenue Loss</i>
Grocery Foods*	\$1.06 million - \$6.36 million*
Residential Electricity	\$1.2 million
Residential CBJ Water / Sewer	\$490,000
Residential Trash Collection	\$270,000
Total:	\$3.02 million - \$8.32 million

**If the general tax rate was increased to 6%, the revenue lost from fully exempting food would be greater than presented in the Item #2 data. The revenue loss would still be \$1.06 million per 1% exempted.*

The Sales Tax office feels it is important to note that the above possible new exemption categories (grocery foods, electricity, CBJ Water/sewer) are stable sources of sales tax revenue in that they are not items or services that are purchased outside CBJ or via the internet.

Removing these stable revenue sources, which account for approximately 20% of CBJ annual sales tax revenue would make CBJ more reliant on less stable categories of sales such as sales in the tourism industry and goods that could also be purchased online, tax free.

Item #4 – Effect of Increased General Tax Rate on Senior Hardship Sales Tax Rebates

Current Senior Hardship sales tax rebate amount is \$325 per qualifying individual (*not all seniors qualify for the rebate as there are income limitations*). The rebate amount is based on an estimated \$6,500 spent annually on non-tax exempt items.

A 6% general sales tax rate is a 20% increase from the current 5% general sales tax. As a result, the Senior Hardship Sales Tax rebate would need to increase by \$65.00 (20% of current rebate amount) for the rebate program to stay consistent.

Previous Hardship rebate program estimates projected a cost of \$640,000. This \$640,000 cost should theoretically increase by 20% (\$128,000) if the general sales tax rate was increased to 6%.



Community Development

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DATE: June 6, 2016

TO: CBJ Assembly
Committee of the Whole

FROM: Beth McKibben, Planning Manager

SUBJECT: Juneau Community Energy Plan

An update on the Energy Plan will be presented at the 7/25/2016 COW. A draft of the plan can be found at this link:

http://www.juneau.org/clerk/boards/Sustainability/energy_plan.php

We are providing the draft plan at this time so that the Assembly and public has time to read the draft prior to the next meeting.