

THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - October 14, 2019

MEETING NO. 2019-32: The Regular Meeting of the City and Borough of Juneau Assembly held in the Assembly Chambers of the Municipal Building, was called to order at 7:00 p.m. by Mayor Beth Weldon.

I. FLAG SALUTE

II. SPECIAL ORDER OF BUSINESS: ASSEMBLY REORGANIZATION

Mayor Weldon recognized outgoing Assemblymember Mary Becker for her extraordinary service to the community of Juneau. A copy of Mayor Weldon's remarks are attached as an addendum to the minutes.

The next order of business was the swearing in of the re-elected Assemblymembers. Mayor Weldon noted that Assemblymember Greg Smith was previously sworn in and she invited Mr. Palmer to share the circumstances of Mr. Smith's swearing ceremony. Mr. Palmer explained that this was the first time a swearing in has been done in such a manner. Mr. Smith was sworn using Skype and Facebook Live from his travels in Israel and was conducted by the Municipal Clerk, City Attorney, Deputy Clerk and Mr. Smith on October 10.

Ms. McEwen presented each of the members with their certificates of election. Mr. Palmer then proceeded to swear in re-elected Assemblymembers Carole Triem, Wade Bryson, and Alicia Hughes-Skandijs.

III. ROLL CALL

Assembly Members Present: Mayor Beth Weldon, Loren Jones, Maria Gladziszewski, Carole Triem, Michelle Hale, Wade Bryson, Alicia Hughes-Skandijs, and Greg Smith (telephonically).

Assembly Absent: Rob Edwardson

Staff Present: City Manager Rorie Watt, City Attorney Robert Palmer, Deputy City Manager Mila Cosgrove, Municipal Clerk Beth McEwen, Finance Director Jeff Rogers, Deputy Clerk Diane Cathcart, Airport Manager Patty Wahto, CDD Director Jill Maclean, Code Compliance Officer Nate Watts, CDD Planner Laurel Christian.

Following the roll call of the new Assembly, the Assembly then continued with its reorganization procedures.

Election of Deputy Mayor

MOTION by Mr. Jones to elect Maria Gladziszewski to the position of Deputy Mayor and asked for unanimous consent. *Hearing no objection, the motion carried.*

Mayor Weldon invited Assemblymembers, in order of seniority, to select their seats at the dais.

IV. APPROVAL OF MINUTES

Ms. Hale stated that she provided some minor grammatical corrections of the minutes to the Clerk.

MOTION by Ms. Hale to approve the minutes of the June 3, 2019 and June 24, 2019 Assembly meetings as corrected and asked for unanimous consent. *Hearing no objection, the minutes were approved as corrected.*

A. June 3, 2019 Assembly Meeting 2019-23 Draft Minutes

B. June 24, 2019 Assembly Meeting 2019-25 Draft Minutes

V. MANAGER'S REQUEST FOR AGENDA CHANGES

Manager Watt requested the following two changes to the agenda:

1) Item 3b. "Juneau International Airport Taxiway A, E, D-1, Bid Award" to be moved from the "Consent Agenda" to "New Business" and make it New Business Item B. which would put it after an appropriation that is necessary for that bid award.

2) Public Hearing, Item F. Ordinance 2019-06(B)(d) ***An Ordinance Appropriating to the Manager the Sum of \$4,500,000 in Grant Funding for the Juneau Arts and Culture Center, Funding Provided by the Sales Tax Fund Balance.*** Mr. Watt recommended the Assembly remove that item from Public Hearing and indefinitely postpone that item.

Mayor Weldon asked Mr. Watt if he wanted to explain that recommendation or if Mr. Palmer should provide the explanation. Mr. Watt deferred to Mr. Palmer.

Mr. Palmer explained that the purpose of indefinitely postponing an ordinance would be to kill the ordinance so that it does not come up again without a new process. He stated that a similar but different option would be for the Assembly to "lay it on the table:" that puts it aside for later consideration and it could be pulled back. He said that if the Assembly intends to kill the ordinance so that it doesn't come back, the action to "postpone indefinitely" would be in order.

Mayor Weldon asked for any objection to the manager's recommendations and requested agenda changes. *Hearing none, the manager's agenda changes were approved as requested.*

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

VII. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction

None.

B. Assembly Requests for Consent Agenda Changes

Mr. Jones requested that Bid Award 20-090 be pulled from the Consent Agenda. Mayor Weldon noted that would be the first item taken up following the Consent Agenda.

C. Assembly Action

MOTION by Ms. Gladziszewski to adopt the Consent Agenda as amended and asked for unanimous consent. *Hearing no objection, the consent agenda was adopted as amended.*

1. Ordinances for Introduction

a. Ordinance 2019-13 An Ordinance Amending Ordinance 2018-37 Related to the City and Borough's RecycleWorks Program.

On July 1, 2018, Ordinance 2018-37 authorized an alternative procurement method related to the City and Borough's RecycleWorks program. That ordinance allowed consolidation of recycling, household hazardous waste and future composting programs at the Capital Landfill to realize public convenience and operational efficiencies. Staff is finalizing negotiations for the recycle contract and household hazardous waste lease, but the global recycling market has constricted since July 2018.

This ordinance amends the payment terms of Ordinance 2018-37 to reflect changes in the global recycling market, which would enable staff to execute the agreements with Waste Management. The recycle contract term remains ten years with four, five-year renewal options for a total of thirty years. Waste Management has constructed the new recycling building at Capital Landfill and this new facility will receive, process, bale, and ship recyclable materials from residential and commercial sources.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

b. Ordinance 2019-44 An Ordinance Correcting Certain Customer Classes and Rates for Water and Wastewater Utility Services in Ordinance 2019-31.

Ordinance 2019-31 was recently adopted and increased the water and wastewater utility rates. Shortly after adoption, inadvertent Customer Class and Rate errors were identified in the ordinance. This ordinance corrects those inadvertent errors to be consistent with the intent of Ordinance 2019-31.

The City Manager recommends the Assembly introduce this ordinance, refer it to the Public Works and Facilities Committee, and set it for public hearing at the next regular Assembly meeting.

c. Ordinance 2019-45 An Ordinance Amending the Sales Tax Code Related to the Out of Borough Exemption.

This housekeeping ordinance clarifies the sales tax exemption for out- of-borough sales, which will allow the Sales Tax Office to continue its historic interpretation and application of the exemption. Since its inception, the out-of-borough sales tax exemption has been interpreted to apply when the buyer makes an order from outside the borough and the goods are shipped

outside the borough, regardless of whether the buyer or the seller arranged and paid for the shipping.

The ordinance clarifies and supports that interpretation of the code, which does not change current practice.

The Assembly Finance Committee recommended this change at its meeting on September 25, 2019.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

d. Ordinance 2019-06(G) An Ordinance Appropriating to the Manager the Sum of \$1,000,000 as Funding for Various Capital Improvement Projects at the Juneau International Airport; Funding Provided by Passenger Facility Charge Fees.

This ordinance would appropriate \$1,000,000 to the Capital Improvement Projects (CIPs) listed below.

Terminal Reconstruction \$587,723

Taxiway A, E, D-1 \$412,277

Funding is provided by Passenger Facility Charge (PFC9) collections. It will be used to provide new construction funds for Taxiway Rehabilitation, and Terminal Reconstruction CIPs.

The Airport Board approved this action at its October 8, 2019, meeting.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

e. Ordinance 2019-06(H) An Ordinance Appropriating to the Manager the Sum of up to \$35,292 as Funding for Multiple Training Events for the Juneau Police Department; Grant Funding Provided by the United States Department of Justice, Office of Justice Programs, FY19 Edward Byrne Memorial Justice Assistance Grant (JAG) Program.

The Juneau Police Department has been awarded \$35,292 in grant funding for various training opportunities.

The JPD leadership team has identified the following training opportunities: advanced crime prevention through environmental design, explosive ordnance device, Microsoft boot camp, national incident-based reporting, and report building.

No local match is required for this grant.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

f. Ordinance 2019-06(I) An Ordinance Appropriating to the Manager the Sum of \$1,324,150 as Funding for a Negotiated Wage Increase and an Additional Lump Sum

Payment for Marine Engineers Beneficial Association (MEBA) and Unrepresented Employees; Funding Provided by the General Fund's Fund Balance and Various Enterprise Fund's Fund Balances.

This ordinance appropriates \$1,324,150 in FY20 for the negotiated wage increase, increase to employer contribution to health insurance and additional lump sum payment of \$500 for Marine Engineers Beneficial Association (AFL-CIO) (MEBA) and unrepresented employees. Funding is provided by General Fund's Fund Balance, and the Enterprise Fund Balances of Lands and Resources, Airport, Harbors, Docks, Waste Management, Water, Wastewater, Fleet and Risk.

Resolutions 2859 and 2860 were reviewed and adopted by the Assembly at its meeting on July 22, 2019. Resolution 2859 ratified the labor agreement between the CBJ and MEBA. Resolution 2860 adopted changes to the Personnel Rules to align them with the labor agreement ratified in Resolution 2859.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

g. Ordinance 2019-06(J) An Ordinance Appropriating to the Manager the Sum of \$570,847 as Funding for a Negotiated Wage Increase and an Additional Lump Sum Payment for Public Safety Employees Association (PSEA) Employees; Funding Provided by the General Fund's Fund Balance.

This ordinance appropriates \$570,847 in FY20 for the negotiated wage increase, increase to employer contribution to health insurance and additional lump sum payment of \$500 for Public Safety Employees Association (PSEA) employees. Funding is provided by the General Fund's Fund Balance.

Resolution 2858 was reviewed and adopted by the Assembly at its meeting on July 22, 2019. Resolution 2858 ratified the labor agreement between the CBJ and PSEA.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

h. Ordinance 2019-06(K) An Ordinance Appropriating to the Manager the Sum of \$166,000 as Funding for a Negotiated Wage Increase for International Association of Fire Fighters (IAFF) Employees; Funding Provided by the General Fund's Fund Balance.

This ordinance appropriates \$166,000 in FY20 for the negotiated wage increase, and increase to employer contribution to health insurance for International Association of Fire Fighters (IAFF) employees. Funding is provided by the General Fund's Fund Balance.

Resolution 2870 is being presented to the Assembly at this evening's meeting. If approved by the Assembly, Resolution 2870 would ratify the terms of the tentative labor agreement between the CBJ and IAFF.

The City Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

2. Resolutions

a. Resolution 2864 A Resolution Authorizing the Manager to Apply for and Enter Into a Loan Agreement with the State of Alaska Department of Environmental Conservation Through its Alaska Drinking Water Fund for the Douglas Highway Water Replacement Phase II.

The loan authorized by this resolution would provide partial funding of \$4 million for Phase II of the Douglas Highway Water System Replacement - David Street to Sayéik: Gastineau Community School. This action was reviewed and forwarded to the full Assembly by the Public Works and Facilities Committee at its September 23, 2019, meeting.

The City Manager recommends the Assembly adopt this resolution.

b. Resolution 2866 A Resolution Providing for Interest Rates for the General Obligation Bond Being Issued Through the Alaska Municipal Bond Bank.

On November 21, 2019, CBJ is scheduled to sell, via the Alaska Municipal Bond Bank, approximately \$5.95 million in General Obligation Bonds. This bond sale is the final portion of the \$25 million authorized by the voters in October 2012 and pursuant to Ordinance 2012-44 and Ordinance 2019-21. The proceeds will be used to fund a portion of the Juneau International Airport North Terminal Reconstruction Project.

The final Assembly action, per CBJ Charter, related to these bonds is to prescribe, by resolution, the interest rates and annual principal maturity dollar amounts. Schedule A of the resolution lists the years and amounts when the bonds will mature and sets the maximum interest rates authorized. The coupon rate for all the bonds cannot exceed 5.5%, and the total aggregate interest cost for all bonds is estimated to be 2.1% - 2.6%. The interest cost varies depending on tax treatment.

The Assembly Finance Committee referred this to the full Assembly for adoption at its meeting on September 25, 2019.

The City Manager recommends the Assembly adopt this resolution.

c. Resolution 2867 A Resolution Providing for Interest Rates for the Airport Revenue Bonds Being Issued Through the Alaska Municipal Bond Bank.

On November 21, 2019, CBJ is scheduled to sell, via the Alaska Municipal Bond Bank, approximately \$18.0 million in Airport Revenue Bonds. The issuance of the bonds was authorized by Ordinance 2019-22. The proceeds will be used to fund a portion of the Juneau International Airport North Terminal Reconstruction Project.

The final Assembly action, per CBJ Charter, related to these bonds is to prescribe, by resolution, the interest rates and annual principal maturity dollar amounts. Schedule A of the resolution lists the years and amounts when the bonds will mature and sets the maximum interest rates authorized. The coupon rate for all the bonds cannot exceed 5.5% and the total aggregate interest

cost for all bonds is estimated to be 2.0% - 2.5%. The interest cost varies depending on tax treatment.

The Assembly Finance Committee referred this to the full Assembly for adoption at its meeting on September 25, 2019.

The City Manager recommends the Assembly adopt this resolution.

d. Resolution 2868 A Resolution Authorizing the City and Borough of Juneau to Apply for a Community Development Block Grant from the Alaska Department of Commerce, Community and Economic Development, with St. Vincent de Paul, To Be Used For Renovations to House a Transitional Services Center.

The Assembly Human Resources Committee reviewed the proposal at its meeting on September 16, Project ideas were solicited from the community for a grant from the federal Community Development Block Grant (CDBG) program administered in Alaska by the State Department of Commerce, Community, and Economic Development (DCCED). Grant proposals must be sponsored by a local government and sent to DCCED by December 6, 2019, where the proposals will be reviewed and compete against each other on a statewide basis. A local government has the choice of generating its own project ideas or soliciting ideas from the general public. CBJ has successfully used this method in the past. This year we received two proposals: from Tlingit Haida Regional Housing Authority and from St. Vincent de Paul. Staff's recommendation is to apply on behalf of St. Vincent de Paul. 2019 and made a recommendation to the Assembly to support the St. Vincent de Paul application and submit a CDBG application to the State.

St. Vincent de Paul's proposal is a modified version of last year's CDBG application. The new proposal addresses all of the areas that lost points in the previous competition. In addition, St. Vincent de Paul also requested a lower amount of funding this year. The CDBG funds will be utilized to renovate an existing building into a transitional support services center, which will house services for low to moderate income individuals especially those experiencing homelessness or with disabilities.

Staff recommends the Assembly adopt the attached resolution supporting St. Vincent de Paul's application for the CDBG program.

The City Manager recommends the Assembly adopt this resolution.

e. Resolution 2870 A Resolution Ratifying the Economic Terms Tentative Agreement between the City and Borough and the International Association of Fire Fighters, Local 4303, AFL-CIO.

This resolution would provide Assembly ratification, as required by CBJ 44.10.020, of the terms of the tentative agreement negotiated between the City and Borough of Juneau and the International Association of Fire Fighters (IAFF) for a collective bargaining agreement that will go into effect on July 1, 2019, and expire on June 30, 2022.

The tentative agreement includes economic modifications to the pay plan and to the employer's contribution for health insurance. The total costs of this tentative agreement are estimated to be \$166,000 in fiscal year 2020, \$219,000 in fiscal year 2021, and \$281,000 in fiscal year 2022.

In addition, there are minor operational changes that will increase administrative efficiencies and facilitate a more harmonious and cooperative workplace. An overview of the agreement is included in your packet.

This tentative agreement has been ratified by the IAFF membership and the economic terms are in keeping with Assembly direction.

The City Manager recommends the Assembly adopt this resolution.

3. Bid Award

a. Bid Award - Bid No. 20-090 - Cold Weather Emergency Shelter and Operations

This project would provide facility space, management, and staffing for the CBJ Cold Weather Emergency Shelter for this winter.

Bids on this project were opened on September 19, 2019. Only one bid was received. Results of the bid opening were as follows:

Responsive Bidders	Total Bid
St. Vincent de Paul Society Diocesan Council of Southeast Alaska, Inc.	\$125,000.00
Estimate	\$125,000.00

The City Manager recommends the Assembly award this bid to the St. Vincent de Paul Society for the total amount bid of \$125,000.00.

Public Comment:

None

Assembly Action:

Mr. Jones said that they all received an email earlier in the day about this and that prompted him to ask some questions to the City Manager and Chief Housing Officer Scott Ciambor earlier in the day. Some of his questions included:

- 1) How long was it advertised?
- 2) When was it opened?
- 3) What was the period to bid?
- 4) Where it was to be located: Downtown or Valley?
- 5) If they were using the same criteria as before and whether the Glory Hall and AWARE were going to be involved?
- 6) Was there any connection to the CARES program run by CCF/R?

He also asked how, since it was populated and busy by people downtown, if it was in a valley location, what would be done to assist those persons downtown in getting to the cold weather shelter. He said those answers were found in the packet materials so he wanted to ask the manager to share those answers with everyone during the meeting.

Mr. Watt explained that for two winters we had housed the cold weather shelter in the Public Safety Building which was demolished over the summer. They put out a competitive bid looking for somebody to figure out where it could be housed. As a municipality, we don't have any empty buildings that are appropriate. He said they thought we would get a couple of proposals but in the end, they only received one.

He stated that they did bid package advertising in late August online and in the Juneau Empire newspaper. The bid period was approximately three and half to four weeks. They posted the results at the end of September. He noted that last year, there had been a consortium of Glory Hall and St. Vincent de Paul that had operated the shelter. He said they were not sure if Glory Hall was going to continue interest and in the end, they were not and AWARE staff was not. He said they expect that last year's staff which was primarily from St. Vincent de Paul will be the same staff as this year. In essence, it will be the same operation in a different location. St. Vincent has room in its facility on Teal Street. Mr. Watt said they will use cots that CBJ has in its inventory and they have room in their building that is similarly sized as to what was done at the Public Safety Building.

Mr. Watt noted that they do recognize that transportation for people downtown will be an issue. Teal Street is near the bus line but Mr. Watt said it will likely be necessary to work with St. Vincent for transportation. As a walk up location, it will be differently accessible for downtown patrons but there are also people from all over the borough who need the service and many of those people are already users of St. Vincent's services. They are generally well known to their other programs and their "Navigators." Mr. Watt said that he believes that transportation to and from downtown will be something they will work on.

Mr. Watt said that it is going to be near the CARES program that CCF/R is operating in the St. Vincent's facility. He said he would anticipate that the coordination between those two programs will have some interplay so the services will get appropriate use. He said the contract was for the exact same time period as last year: November 15 - April 15, five months on nights below 32 degrees 11 p.m.- 6:30 a.m. He said they will continue to collect data from the HMIS system and other pieces of information that will help guide development and provision of social services into the future.

Mr. Jones said that did answer most of his questions and part of the data he was wanting to find out was how many persons from downtown vs. valley were served previously and he said he didn't know if that data was collected when the shelter was located downtown. He asked the question if all the persons who used the shelter were homeless. He said that 50-60% used it only one night during the five months that it was open. He said he would be interested in finding out the difference between people who are there one to three nights in a five month period vs. those who might be there 10 or 12. He made some suggestions about collecting some additional data.

Mr. Jones asked where the \$125,000 was coming from. Ms. Cosgrove said that the Assembly approved the funds in the budget cycle last year and she thought it came out of the Housing funds which are part of the City Manager's budget.

Ms. Hale commented that transportation is a key part of this and she asked that staff provide an update on how people will be transported from downtown to the valley and then back again if they want to. She said they are hearing a lot of concern about the possible move of the Glory Hall to the valley and that it is important to find out what that transportation solution looks like.

Mr. Watt said they will provide a staff report on that at a later date.

Mr. Bryson said that Ms. Hale's comments led right into his concerns. He pointed out that the warming shelter hours open after the bus stops running and the warming shelter releases the participants before the buses begin running in the morning. His concern was that they have a warming shelter operating outside of public transportation hours. He said that as the Glory Hall move has become more public, the number one concern from the businesses in the valley that are connected to the sleep off center but now, the warming shelter, the main concern is that they are releasing the population into the valley business community without transportation. He expressed his concerns that this will create a serious transportation issue and possibly a need for additional police service in the area.

Mr. Watt said they will provide additional detail at the next Assembly meeting since the service is not due to begin until November 15.

MOTION by Mr. Jones to approve Bid Award No. 20-090 Cold Weather Emergency Shelter and Operations and asked for unanimous consent. *Hearing no objection, the bid award was approved.*

b. Juneau International Airport Taxiway A, E, D-1 Bid Award

Bids were opened on the project on August 22, 2019. SECON was the sole bidder. The bid protest period expired on August 23, 2019. Results of the bid opening are included in your packet.

The City Manager recommends this bid be awarded to SECON for the total bid amount of \$21,801,430.

This item was take up under New Business - New Item B. per the Manager's Request for Agenda Changes.

4. Other Items for consent

a. AMCO Marijuana License Renewals for the following Licenses: #13222, #13217, #15246, #16213, #12176, #13221, #15245

CBJ received notice of the following Alcohol Marijuana Control Office (AMCO) marijuana license renewal applications [Copies of all documents relating to a license are available upon request from the Municipal Clerk's Office]:

MARIJUANA LICENSE RENEWALS

Marijuana Product Manufacturing Facility, License #13222, ForgetMeNot Enterprises, Inc., d/b/a Southeast Essentials located at: 8505 Old Dairy Road Suite 3, Juneau (60-day comment period ends Friday, October 18, 2019)

Retail Marijuana Store, License #13217, ForgetMeNot Enterprises, Inc., d/b/a Glacier Valley Shop located at: 8505 Old Dairy Road Suite 1, Juneau (60-day comment period ends Friday, October 18, 2019)

Retail Marijuana Store, License #15246, Borealis Mountain, Inc., d/b/a Thunder Cloud 9 located at: 5310 Commercial Blvd 2B, Juneau (60-day comment period ends Tuesday, October 15, 2019)

Retail Marijuana Store, License #16213, Alaskan Kush Company, LLC, d/b/a Alaskan Kush Company located at: 159 S Franklin Street, Juneau (60-day comment period ends Tuesday, October 15, 2019)

Standard Marijuana Cultivation Facility, License #12176, Taku Horticulture Company, LLC, d/b/a Taku Horticulture Company, LLC located at: 1758 Anka Street Building B Suite A1, Juneau (60-day comment period ends Friday, October 18, 2019)

Standard Marijuana Cultivation Facility, License #13221, ForgetMeNot Enterprises, Inc., d/b/a Green Valley Enterprises located at: 8505 Old Dairy Road Suite 2, Juneau (60-day comment period ends Friday, October 18, 2019)

Standard Marijuana Cultivation Facility, License #15245, North Star Gardens, Inc., d/b/a North Star Gardens located at: 5310 Commercial Blvd 2A, Juneau (60-day comment period ends Tuesday, October 15, 2019)

CBJ staff from the Police, Fire, Finance, and Community Development departments reviewed these applications for compliance with CBJ laws and regulations and recommends the Assembly waive its right to protest the issuance of these licenses. In the event the Assembly does protest the issuance of a license, CBJ Code 20.30 requires notice, with specificity regarding the nature and basis of the protest, to be sent to the licensee and provides the licensee an opportunity to exercise its right to an informal hearing before the Assembly.

The City Manager recommends the Assembly waive its right to protest the renewal of the following AMCO Marijuana Licenses: #13222, #13217, #15246, #16213, #12176, #13221, #15245.

5. Transfers

a. Transfer T-1022 A Transfer of \$80,000 from the ‘Douglas Highway Water Replacement Capital Improvement Project’ CIP W75-054 to the ‘Salmon Creek Filtration Capital Improvement Project’ CIP W75- 055.

This transfer would move \$80,000 of Water Utility funds from the Douglas Highway Water replacement project CIP to provide the additional CBJ grant match funds needed to complete the remaining work on the Salmon Creek Filter plant improvements CIP.

The additional funding provided by the transfer will cover costs due to the project coming in approximately \$200,000 over the engineer's estimate and unplanned costs that were not eligible for grant funding. The project was partially funded by an Alaska Department of Environmental Conservation (ADEC) Municipal Matching Grant which requires a 40% match. This project is completing the plant upgrade work not completed during the original Salmon Creek Filter Plant project due to budget concerns. The work will bring the Salmon Creek controls and equipment to 21st century technology.

The transfer of \$80,000 of Water Utility funds from the Douglas Highway Water replacement CIP will not impede the completion of the current project, with approximately \$520k of contingency funds remaining to cover any additional work and/or unforeseen conditions in the project.

The Public Works and Facilities Committee reviewed this request at its July 29, 2019 meeting.

The City Manager recommends the Assembly approve this transfer.

VIII. PUBLIC HEARING

A. Ordinance 2019-38 An Ordinance Amending Ordinance No. 87-28 Vacating the Reversion Clause Relating to the Conveyance Agreement and Quit Claim Deed for Property Located at 1968 Lemon Creek Road, Further Described as Lot 20, Block D, Glacier View Subdivision.

Ordinance 87-28 authorized the CBJ to convey property to JAMHI Health and Wellness, Inc. so it could provide housing for people receiving mental health services. Ordinance 87-28 included a reversion clause that required title to revert back to the CBJ if JAMHI ceased to use the property.

JAMHI requests that the reversion clause be removed because it is considering selling the property and using the sale proceeds to provide better community housing and support services in more suitable locations in town. The CBJ has not identified another public use for this property and due to recent State funding reductions, allowing JAMHI to retain and sell this property would be a simple way for CBJ to provide support to help the program relocate to better locations.

At its August 26, 2019, meeting, the Lands Committee unanimously passed a motion of support to remove the reversion clause.

The City Manager recommends the Assembly adopt this ordinance.

Mr. Bryson stated that he may have a possible conflict of interest due to ownership of a nearby piece of property and asked to consult with the City Attorney on the matter.

Mayor Weldon provided a brief at ease so Mr. Bryson could confer with the City Attorney.

Mr. Palmer stated that after discussing the matter with Mr. Bryson, he believes there is a conflict of interest as Mr. Bryson owns property either adjacent to or one lot away from the subject property and there could be a financial conflict of interest depending on what happens with this.

Mayor Weldon excused Mr. Bryson from considering this matter.

Public Comment:

None

Assembly Action:

MOTION by Ms. Hughes-Skandijs to adopt Ordinance 2019-38 and asked for unanimous consent. *Hearing no objection, the motion carried.*

Mr. Bryson was invited to come back in the room.

B. Ordinance 2019-39 An Ordinance Amending the Official Zoning Map of the City and Borough to Change the Zoning of Lot 1, Glacier Lands Subdivision, Located Near 561 Montana Creek Road, from D3 to D5.

The Planning Commission, at its regular meeting held on August 13, 2019, recommended that the Assembly approve a request to rezone approximately

17.34 acres from D3 to D5. The Planning Commission found that the proposed rezone to D5 substantially conforms to the Urban Low Density Residential designation of the land use maps of the Comprehensive Plan and Title 49. Furthermore, the proposed rezone is consistent with the Comprehensive Plan vision, policies and its implementing actions, standard operating procedures, and development guidelines, which support increased residential densities when appropriate infrastructure is in place to serve the development.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment:

None

Assembly Action:

MOTION by Mr. Bryson to adopt Ordinance 2019-39 and asked for unanimous consent. *Hearing no objection, the motion carried.*

C. Ordinance 2018-1 (AQ) An Ordinance Appropriating to the Manager the Sum of \$2,322,800 to Fund the City and Borough of Juneau's Fiscal Year 2019 Public Employee Retirement System Contribution; Funding Provided by the Alaska Department of Administration.

This ordinance would appropriate \$2,322,800, which is the State's FY19 5.58% on-behalf PERS benefit rate paid for CBJ. Funding is provided by the Alaska Department of Administration, which was authorized by passage of HB286 during the 2018 legislative session.

This is a housekeeping ordinance to properly account for this on-behalf payment and has no impact on the CBJ's finances.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment:

None

Assembly Action:

MOTION by Ms. Triem to adopt Ordinance 2018-1 (AQ) and asked for unanimous consent. *Hearing no objection, the motion carried.*

D. Ordinance 2018-1 (AR) An Ordinance Appropriating to the Manager the Sum of \$2,176,791 to Fund Bartlett Regional Hospital's Fiscal Year 2019 Public Employee Retirement System Contribution; Funding Provided by the Alaska Department of Administration.

This ordinance would appropriate \$2,176,791, which is the State's FY19 5.58% on-behalf PERS benefit rate paid for Bartlett Regional Hospital. Funding is provided by the Alaska Department of Administration, which was authorized by passage of House Bill 286 during the 2018 legislative session.

This is a housekeeping ordinance to properly account for this on-behalf payment and has no impact on BRH's finances.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment:

None

Assembly Action:

MOTION by Ms. Hale to adopt Ordinance 2018-1 (AR) and asked for unanimous consent. *Hearing no objection, the motion carried.*

E. Ordinance 2018-11(AT) An Ordinance Appropriating to the Manager the Sum of \$2,200,000, as Partial Funding for Bartlett Regional Hospital's Fiscal Year 2019 Operating Budget; Funding Provided by Hospital Revenues, and Hospital Fund's Fund Balance.

This ordinance will appropriate an additional \$2,200,000 to Bartlett Regional Hospital for FY19 operations. BRH experienced increased patient activity that required both additional staff and supplies. This appropriation is being funded from FY19 hospital revenues in excess of the budget of \$1,700,000 and Hospital Fund's fund balance of \$500,000.

The Bartlett Finance Committee was informed of the year-end operating expense authorization shortfall, and the need to obtain Assembly budget authorization, at its September 30, 2019, meeting.

The City Manager recommends the Assembly adopt this ordinance.

Public Comment:

None

Assembly Action:

MOTION by Mr. Jones to adopt Ordinance 2018-11(AT) and asked for unanimous consent.
Hearing no objection, the motion carried.

F. Ordinance 2019-06(B)(d) An Ordinance Appropriating to the Manager the Sum of \$4,500,000 in Grant Funding for the Juneau Arts and Culture Center, Funding Provided by the Sales Tax Fund Balance.

This ordinance would appropriate \$4,500,000 in grant funding for the JACC. At its June 15, 2019, meeting, the Assembly Committee of the Whole approved funding for the JACC grant. Direction from the Committee was to use funds from the 2017 voter approved 1% sales tax. Since the sales tax funds will be received during the next four years it is necessary to initially use fund balance and then reimburse the fund as revenues come in.

On August 19, 2019, the Assembly amended the grant conditions and then adopted Ord. 2019-34(c)(am), which authorized an advisory ballot proposition for grant funding to the New JACC. Consistent with the amended grant conditions in Ordinance 2019-34, the Assembly requested an amendment so the grant conditions in this ordinance would be consistent with Ordinance 2019-34. Accordingly, the Manager has proposed version 2019-06(B) (d). Because version (c) was introduced and Charter 5.3 does not allow substantive amendments to an ordinance at introduction, the Assembly would need to make the amendments depicted in version (d) and then consider adopting version (d).

At the election on October 1, 2019, the voters recommended not providing this grant.

The City Manager recommends the Assembly indefinitely postpone this ordinance.

This item was removed from public hearing and postponed indefinitely per Mr. Watt's recommendation under Manager's Request for Agenda Changes at the beginning of the meeting.

G. Ordinance 2019-06(D) An Ordinance Transferring \$147,000 from the Juneau Renewable Energy Strategy (JRES) Implementation Capital Improvement Project, to the Manager for the Purpose of Providing a Grant to HeatSmart.

This ordinance would transfer \$147,000 of Areawide Street Sales Tax funding from the JRES Implementation CIP D12-083 to the Mayor & Assembly's budget, providing a grant to HeatSmart, a newly organized non-profit established to assist Juneau households reduce energy costs. The program would provide critical data and experience needed to successfully accelerate heat pump usage in Juneau.

The Assembly Committee of the Whole approved this action, and forwarded it to the Assembly for action at its August 26, 2019, meeting,

The City Manager recommends the Assembly adopt this ordinance.

Public Comment:

Mr. Doug Woodby spoke on behalf of Renewable Juneau which is a local non-profit that advocates for and educates on renewable energy solutions. He spoke in support of the ordinance. There is a companion program separate from HeatSmart and that is the Juneau Carbon Offset program. He distributed a business card to all the members and explained that there is a QR code on the card that takes you to a smart phone app related to Juneau Carbon Offset program. It is a complementary program that allows individuals and companies to donate to offset their carbon footprints. The donations come through the Juneau Community Foundation which makes grants to lower income households to be able to afford the installation of heat pumps.

MOTION by Ms. Gladziszewski to adopt Ordinance 2019-06(D) and asked for unanimous consent.

Objection by Mr. Jones who stated that while he applauds the goal, by moving the money from the areawide sales tax CIP process and moving it to the Assembly grant process they are setting up a separate process outside the regular budget process that is reviewed by the Assembly Finance Committee. He said that in the next few weeks, the Financial Sustainability review will be underway and he encouraged members to look closely at the various Assembly grants in their budget. This ordinance moves it from a one time CIP to becoming part of the ongoing Assembly grants towards operating funds.

Ms. Hale stated that as the former liaison of the Juneau Commission on Sustainability (JCOS) she had discussed this as well as outside of JCOS. Ms. Hale said that she felt that due to her inexperience as a new Assemblymember, it may have created some confusion on how it might be funded so it missed the inclusion in the grant cycle during the regular budget process. She said it is not the intent of anyone to do this again, that it just happened this one time.

Mr. Bryson asked if there was a different funding mechanism that could address Mr. Jones' concerns. Mr. Watt suggested that as the Assembly works on their Financial Stability process leading up to the Assembly retreat, if this is going to be an ongoing grant, that the Assembly considered it in the Assembly grant process rather than through the CIP portion of the budget.

Mr. Smith asked if this funding is taking away any money from any other designated projects or if it will it be affecting the city fund balance.

Mr. Watt said that it depends on how you look at it. The money was in the CIP for implementation of the JRES and this does accomplish some of the goals of the JRES. He also explained that all expenditures that get money from our general fund are connected so yes, it will also affect the city's fund balance.

Ms. Triem spoke in support of this ordinance and said that she doesn't agree with the characterization that this is a grant outside the regular process. She said this is one way to

accomplish the goal to implement the JRES which they set at the Assembly retreat last December. She said they have discussed other uses for those CIP funds and they are doing other things with those funds that are not Assembly grants.

Roll Call Vote on Ordinance 2019-06(D)

Yeas: Gladziszewski, Bryson, Hale, Hughes-Skandijs, Triem, Smith, Weldon

Nays: Jones

Motion passed 7:1.

H. Ordinance 2019-06(E) An Ordinance Appropriating to the Manager the Sum of \$25,402,903 as Funding for the Juneau International Airport Taxiways A, E, & D-1 Capital Improvement Project; Funding Provided by the Federal Aviation Administration Airport Improvement Program Grant.

This funding is provided by a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grant and covers 93.75% of the project. Matching funds in the amount of \$1,693,277 (6.25%) will be provided by Passenger Facility Charge (PFC) collections; \$1,281,000 was appropriated at the August 13, 2018 meeting, and the remaining \$412,277 will be temporarily funded with a transfer of airport revolving funds at the next meeting and reimbursed later from an amendment to PFC9 collections.

The project will rehabilitate Taxiway A pavement, realign Taxiway E, and relocate Taxiway D-1, replace the remaining section of the Jordan Creek culvert as required by the EIS Record of Decision, as well as improve drainage and replace lighting.

The Public Works and Facilities Committee (PWFC) reviewed this action at its April 8, 2019 and September 23, 2019, meetings.

The Airport Board approved this action at its September 10, 2019, meeting,

The City Manager recommends the Assembly adopt this ordinance.

Public Comment:

None

Assembly Action:

MOTION by Mr. Bryson to adopt Ordinance 2019-06(E) and asked for unanimous consent.

Mayor Weldon objected for purposes of asking a question. She said that there are different numbers from the bid amount and the amount in this ordinance. Mr. Watt said there is a portion of these funds within the bid award but that it might be best to address those questions when they discussed the bid award under New Business. Mayor Weldon agreed and removed her objection.

Hearing no objection, the motion carried.

IX. UNFINISHED BUSINESS

X. NEW BUSINESS

A. Renewal of AMCO Marijuana Licenses #10026 & #10050 for Rainforest Farms, LLC - Protest Recommended

The following marijuana license renewal applications are being recommended for protest by the Finance Department/Sales Tax Division.

Retail Marijuana Store, License #10050, Rainforest Farms, LLC, d/b/a Rainforest Farms, LLC located at: 216 2nd Street, Juneau (60-day comment period ends Tuesday, October 15, 2019)

Standard Marijuana Cultivation Facility, License #10026, Rainforest Farms, LLC, d/b/a Rainforest Farms, LLC located at: 5763 Glacier Hwy., Juneau (60-day comment period ends Friday, October 18, 2019)

On September 26, 2019 Rainforest Farms LLC was notified by the City Clerk's office via certified mail & email that the Finance Department was recommending protest of Rainforest's two marijuana license renewals based on a sales tax balance due of \$25,122.24 as well as the unremitted taxes, penalties & interest that were due with its delinquent July 2019 sales tax return.

That same day, Rainforest Farms LLC submitted its July 2019 sales tax return, establishing an updated total balance due of \$34,808.74. This updated balance due quote was emailed to Rainforest Farms LLC on September 26, 2019.

The City Manager recommends protest until the licensee's tax accounts are brought into full compliance.

Mr. Jones stated that he has discussed this subject with the City Attorney. He explained that he is a member of the State Marijuana Control Board and this licensee has other matters before the board and he declared a conflict of interest so that he doesn't end up with a conflict at the state board. Mayor Weldon excused him from the room and consideration of this item.

Mr. Smith said that he knows owners of this business and due to other work on a different marijuana license he wanted to declare a possible conflict of interest but that he felt he could act on this in a neutral and impartial manner. He said that he had conferred with the City Attorney on this matter and the City Attorney advised him to declare it on the record and state if he could consider this item in a neutral and impartial manner, which is what he felt he could do.

Mr. Palmer asked if the Mayor would request any public objection to Mr. Smith considering this matter. Mayor Weldon asked if there was anyone in the public who objected to Mr. Smith considering this matter. *Seeing and hearing none, she deemed that Mr. Smith could continue to hear this matter.*

Public Comment:

Mr. Aaron Bean, a resident of Sitka, requested that this be held in Executive Session. He stated that things that he needs to say would tend to prejudice individuals and would potentially cost the corporation money.

Mayor Weldon stated that these items are not generally held in executive session but she asked the City Attorney to provide his opinion on the matter. Mr. Palmer explained that the Charter give the Assembly discretion on how to proceed on this. The Assembly may recess into executive session to consider “any matter, the immediately knowledge of which would adversely affect the finances of the municipality or would defame or prejudice the character or reputation of any person provided that the general subject matter for consideration is expressed in the motion calling for such session.”

Mr. Palmer said that he is not aware of this topic in Juneau’s history or a similar sales tax protest type of item being held in executive session. He said that doesn’t mean they can’t be but it would potentially set up a precedent they may not wish to start. He said that sales taxes are public funds held in trust for the taxpayers of Juneau and that is a very public item. He explained that this would be more similar to a developer coming before the Planning Commission on a permit type of request rather than comparing it to something such as a personnel action that would be taken relating to a city employee, specifically the City Manager or himself. He said this would be similar to an adjudication of a business item, not a personnel item that is more similar to a Human Resource type matter.

Mayor Weldon asked what the will of the Assembly is with respect to hearing this in executive session.

Ms. Gladziszewski said that this is just about whether or not the city is going to protest the renewal of the license to the MCB. She said that they have information before them that suggests they should. She said that she didn’t know what they would hear in executive session that would change that fact.

Mr. Bean stated that a) the facts are not correct and b) he would like to provide information to the city before they forward any recommendations to the board. He said if it is not in executive session, he will attempt to summarize what information he could speaking on his own behalf but that would be limited. He would prefer to discuss it in executive session as he cannot disclose dialogue between the business, himself and the city without tending to defame the corporation, its owners and himself. He would like the body to have all the information as it pertains to this objection.

Mayor Weldon asked Mr. Palmer if his opinion had changed after hearing Mr. Bean’s concerns. Mr. Palmer said it did not change his opinion. Mayor Weldon then asked if any of the Assembly changed their opinion on holding it in open session.

Ms. Gladziszewski asked for Mr. Palmer to repeat the Charter language related to defamation of character. Mr. Palmer re-read the Charter language shown above. He stated that it appears that Mr. Bean’s concerns relate to persons and the corporation and Mr. Palmer stated that whether or not they wished to consider a corporation a person, this matter is related to the sales tax debt of the corporation.

Mayor Weldon ruled that they would hear the proceedings in public session for now and if there was additional information needed for clarification they may decide to recess into executive session later. She then invited Mr. Bean to proceed with his testimony.

Mr. Bean stated that he resides in Sitka and has asked and will continue to request this matter be heard in executive session as there is confidential information about the business that he doesn't feel he can share publicly. That said, he doesn't have a lot of other things that he can say publicly. They have been doing everything in their power and working with the municipality and they have confessed judgement on a large sum of money prior to this to try to get things moving. He said that at the very least, for the purposes of forwarding any objection, he asked that the two licenses be separated as the sales tax is related directly to the retail business and the cultivation license is not involved. He said there is an ongoing process to separate the two licenses and he reiterated that he would like to provide them with more information but doesn't feel he could in open session. Mr. Bean said he does have a power of attorney for the corporation so he can speak on their behalf.

Ms. Triem asked what Mr. Bean's connection to the business is and if he is an owner.

Mr. Bean said he is not an owner but he does hold a power of attorney and he is in the process of transferring the retail license to his corporation.

Mr. Bryson asked if Mr. Bean's corporation is purchasing both Rainforest Farms licenses. Mr. Bean answered that they are only purchasing the retail License #10050 and not the cultivation license.

Ms. Hale said she had a question which may be best answered by the City Manager. She said that Mr. Bean is requesting the cultivation license not be protested and she asked if there is no debt owing for the cultivation license.

Mr. Bean said that to best of his knowledge, there are no taxes owing for the cultivation facility which is a separate license but that the entity itself has officially not transferred.

Mr. Watt asked the Mayor to complete the public comment portion and then he would ask Mr. Rogers come up and answer any questions related to this matter following public testimony.

Mr. Smith asked Mr. Bean if CBJ does go through with this protest what kind of time would this do to the transfer process.

Mr. Bean said that he didn't see it would change the time but this body would be moving forward without 100% of the facts protesting to a license that doesn't meet any guidelines on the cultivation license. He said it could potentially delay the transfer of the retail license to WCC which is Mr. Bean's corporation.

Ms. Gladziszewski asked if CBJ protested the license renewal what effect that would have on the process of transferring the retail license. Mr. Bean said that if CBJ protested, they would be doing so a) not knowing all the details and b) it would create a problem as it would take some time to address the liability that is trying to be addressed. He said that no one is objecting to the fact that the tax is owed, It is definitely owed. He said that if there is a protest forwarded, it

would potentially prolong what has already been going on. He also stated that there is nothing prohibiting the Assembly from writing a letter to AMCO at anytime to protest a renewal or transfer of a license and that this is not the only time the matter will be coming before them for consideration.

Ms. Hughes-Skandijs asked how long WCC has been involved with this license. Mr. Bean said WCC has been involved since March of this year and he clarified that there are two different licenses. Ms. Hughes-Skandijs asked Mr. Bean about his statement that there is no question the taxes are owed, just that there is additional information relating to the licenses. Mr. Bean said that was correct but he didn't feel comfortable going into any more detail in open session.

Mr. Mike Skarcelli a resident of Juneau said he was speaking as a member of WCC, vice-president, but also as an individual and also asked for this discussion to be held in executive session due to possible defamation of the character of individuals involved. He pointed out that whether a corporation is a person or not, isn't the only issue since they also sign the license as individuals. He said that their business consisting of Mr. Bean and himself comes through and helps businesses which are struggling. He has signed a COJ and he now has skin in the game. They need this opportunity to create capital and do business in Juneau. They employ 10 people in Juneau, paying them good salaries and living wages. He said that not all the facts are correct and he requested executive session to discuss this in more detail. He said as an alternative, they would request to meet with them to come with new terms to help move this matter forward.

Ms. Gladziszewski said she is confused by all the entities. She asked if they signed a COJ for the amount currently owing at \$34,808.74 or something else? Mr. Skarcelli said that they signed a COJ for prior taxes owed in 2018. He said that prior to 2018, he didn't even know that Rainforest existed. Mr. Gladziszewski then asked if his company had signed a COJ for the last debt that was owed and not this debt currently owing. Mr. Skarcelli said that in terms of restructuring and moving forward, they had entered into a business agreement which he was not comfortable going into much detail on. He said that in terms of the \$34,808.74 amount, there are some issues that came up with that amount and they have had some discussions with the licensees and CBJ Sales Tax Administrator Clinton Singletary.

Mr. Smith asked Mr. Skarcelli if there is a plan to pay off the sales tax owed. Mr. Skarcelli said they do have a plan and they would be willing to sit down with the City Manager or Assembly and go over that plan.

Mayor Weldon asked if any other members had questions for Mr. Skarcelli; hearing none, she closed public testimony and opened it up for Assembly questions of staff.

Mr. Bryson said that it is now past the deadline for the August sales taxes to be due and is soon coming up on September sales taxes coming due. He asked if the August sales taxes have at least been filed in a timely fashion and that amount remitted. Mr. Watt asked Mr. Rogers to come forward to help answer questions.

Mr. Rogers said that he did not have the answer to Mr. Bryson's question. Mr. Bryson then asked if we have a COJ, doesn't that come with a voluntary payment plan. Mr. Rogers said that COJ

was for quarterly payments and the last two quarters for 2018, that COJ was for a little more than \$70,000 with a \$2,400/month payment plan. He stated that they are current on payment plan but not current on taxes through June 30 and also for July.

Ms. Hughes-Skandijs asked the manager or attorney if they could speak to the viability of protesting at a different step in the process since it is up against the deadline. Mr. Palmer explained that the local governing body has a 60 day timeframe in which to protest or waive its protest of a license renewal or transfer. He noted that both licenses have those protest periods ending within the next day or more and the Assembly would need to take action on any protest at this meeting. He stated that while they have had similar issues relating to liquor license protests come before the Assembly, this has not happened much relating to marijuana licenses. He noted that there is a COJ in place for almost \$80,000 from prior quarters and since then, roughly \$34,000 owing on current taxes.

Ms Triem asked about the code section under which the protest is being recommended and read from packet page 235 citing CBJC 20.30.020(a)(3). Mr. Palmer confirmed that was the most relevant section.

Ms. Hale asked Mr. Rogers if the \$2,400/monthly payments from the previous COJ were current. Mr. Rogers said that he understood that they are. Ms. Hale said that although the COJ payments were being paid, the current taxes accruing were not being remitted. Mr. Rogers said he didn't know who was paying the monthly payments on the last COJ but that those payments were being made. He then stated that the current sales taxes accruing were not being paid.

Ms. Hale said there is debt from 2018 and it is being paid off and that there is debt continuing to accrue for 2019 and she said that Mr. Bean and Mr. Skarcelli have requested to share additional information with the Assembly and she would be interested in hearing more about this.

Mr. Palmer stated that while the debt from the COJ is being paid off, the debt before them is new. Additional discussion took place regarding the timing of the comment periods for the two licenses as well as other options for debt collection/repayment. Mr. Palmer explained the process of the protest before the MCB. He also explained the processes for CDD potentially taking action on the CBJ marijuana license and then he explained the process for civil litigation related to collecting debt.

Members then discussed the de-coupling of the state license action from the CBJ marijuana license to try to collect the outstanding taxes owing through forcing a COJ and all the potential options before them. Additional discussion took place regarding the timing of the protest period and action before the Assembly. They also discussed the potential of de-coupling the two licenses to be handled separately, one as the retail license and the other as the cultivation facility. Mr. Rogers explained that they are applying the same standard in this instance that they have applied to previous similarly situated liquor license protests in which one entity owned multiple businesses and licenses and since they were all owed and filed by one entity, then all licenses under that entity were subject to that business' tax status.

Mayor Weldon asked if the license was allowed to transfer, would the outstanding debt also be transferred or would the current debt owing not be paid. Mr. Palmer said that somebody, other than the city will be responsible for paying those. He said he doesn't know who it is and he explained that it has been a moving target for both the city and for AMCO as to what has happened since March. It is a little unclear based on what was said tonight by the two representatives from WCC as to who is paying this debt and who is responsible for this debt.

Additional discussion took place regarding the timing of the next steps by CBJ and AMCO as well as the process that has been going on with the staff review and attempts at resolution prior to it coming to the Assembly for action.

MOTION by Ms. Gladziszewski that the City protest both of these licenses until they are brought into compliance, either by full payment or by entering into a confession of judgment. For the retail license the protest would be as of end of the day on October 15 unless the account is brought into compliance or a COJ entered into. For the cultivation license, the protest would be made by the end of the day on October 17 unless they come into compliance or a COJ is entered into.

Additional discussion took place regarding that a protest is removed whenever the licensees come into compliance, staff would notify AMCO that the protest is lifted.

Mr. Smith objected to motion and spoke in favor of either protesting both at once or not protesting the AMCO licenses but to rather to try to resolve the issues as it related to their CBJ marijuana licenses.

Ms. Hale also noted objection to the motion and spoke in favor of using the CBJ marijuana license process rather than protesting the state license process.

Mr. Bryson spoke in favor of the motion. He said that this business knew last year that they had sales tax issues and they are still moving backwards the more time goes by. He said they have failed in their duty to remit the taxpayers money, which is not their money but held in trust, to the city.

Ms. Gladziszewski agreed with Mr. Bryson's comments and said that the business has had staff trying to work with them for the past 60 days to try to resolve the issues and they aren't even here at the meeting and it is another entity attending.

Mayor Weldon also spoke in support of the motion and said that sales taxes are not a business' money, it is the taxpayers money and as a business that is the first thing that should be paid. She appreciates the gentlemen who did attend this meeting but that the current owners did not attend and she was concerned about the outstanding debt and what might happen if the sale of the business and transfer fell through from some reason.

Roll Call Vote on the motion to protest:

Yeas: Gladziszewski, Bryson, Hughes-Skandijs, Triem, Weldon

Nays: Hale, Smith

Motion carried 5:2

Mr. Jones was invited back to the room to rejoin the meeting.

b. Juneau International Airport Taxiway A, E, D-1 Bid Award

Bids were opened on the project on August 22, 2019. SECON was the sole bidder. The bid protest period expired on August 23, 2019. Results of the bid opening are included in your packet.

The City Manager recommends this bid be awarded to SECON for the total bid amount of \$21,801,430.

This item was removed from the Consent Agenda and taken up under New Business - New Item B. per the Manager's Request for Agenda Changes.

Item B – Airport Bid Award Juneau International Airport Taxiway A, E, D-1 Bid Award

Mayor Weldon asked about the big difference between the estimate of \$17.7 million and the amount of the bid award at \$21 million. Airport Director Patty Wahto explained the process that it goes through including the line by line review that is done by the FAA. Mr. Jones also asked about the differences in the amounts between the ordinance, the bid award and where those monies are going that are the difference. Ms. Wahto went into some detail with breakdowns of how much is included in contract administration, inspections and other issues specific to airport projects, especially as they relate to safety issues, which are not encountered in other types of projects.

XI. STAFF REPORTS

A. Annexation Update

Mr. Watt stated that he was contacted by the Hoonah City Manager notifying him that they had filed an annexation with the Local Boundary Commission (LBC) for initial review of the proposed Xunaa Borough. He explained that there is no need for Assembly action tonight, but that he wanted to advise the Assembly about the proposal from Xunaa and show the maps of their proposal vs. CBJ annexation maps. He explained that there will be a lot of process amongst our Southeast neighbors regarding the two petitions.

Mr. Palmer and Mr. Watt displayed the maps to show how the Xunaa map overlaps the neighboring boroughs including the small amount that overlaps the annexation map proposed by CBJ. Mr. Palmer noted that the maps were included in the red folder and also posted to the online meeting packet. Mr. Watt explained that the lighthouse is in the overlapping portion of the CBJ/Xunaa map, and the lighthouse association was advised of this development. He noted that both applications will be before the LBC before long and he anticipates a lot of process in the future.

Members asked about Funter Bay and the City of Gustavus being excluded from both the Xunaa and CBJ annexation maps. Mr. Palmer explained that the Xunaa map didn't include the southern

watershed but did include Funter Bay in its area on the northern watershed. Looking at the Xunaa map, the City of Pelican, City of Tenakee Springs, and City of Gustavus are excluded.

XII. ASSEMBLY REPORTS

A. Mayor's Report

Mayor Weldon reported that with respect to Assembly Reorganization, she had the Assembly Committee/liaison list as well as some task forces that she wished to create. Mayor Weldon distributed copies of the proposed committee/liaison list and said she spoke to all members, for their agreement to serve on the committees or liaison assignments as listed with the exception of Mr. Smith since he had been traveling. Mayor Weldon noted that she also was looking at renaming some of the committee titles and those would be discussed further at the retreat. She stated that the new names will hopefully reflect the work of the committees as it relates to the goals of the Assembly and it would take a change to their rules of procedure if they do formalize the name changes to the committees as shown on the draft list. Mayor Weldon noted that the most significant change from the previous committee structure is to the Joint Assembly/JSD Facilities, CIP, and Maintenance Team to which she is assigning four members of the Assembly to bring it into compliance with the CBJ Charter. The School Board will also select their own members to serve on that committee and Mr. Jones will chair that committee.

MOTION by Ms. Gladziszewski to accept the committee assignments as provided by the Mayor. *Hearing no objections, the list was adopted as presented.*

Mayor Weldon then distributed a handout creating the **Visitor Industry Task Force**. This topic has been discussed for a number of months and Mayor Weldon created a Mayor's task force and the charging document listed the members and their purpose which is broken down into four tasks and she extended the timeframe for the task force to report back to the Assembly by February 28, 2020. The members of the task force led by Carole Triem as the chair, will be Wade Bryson, Kirby Day, Paula Terrel, Dan Blanchard, Meilani Schijvens, Alida Bus, Bobbie Meszaros, Holly Johnson, and Craig Dahl. Mayor Weldon said she had many discussions with community members and worked hard to get a cross section of all sectors of community from a wide variety of perspectives serving on the task force. She asked that copies of the charging document be posted to the website by the next business day.

Mayor Weldon then distributed a handout creating the **Eaglecrest Summer Operations Task Force** which will hopefully combine the efforts of the Eaglecrest Board and Assemblymembers to make sure the two are running in alignment together with respect to Assembly goals and Eaglecrest vision and goals. She distributed copies of the charging document for the task force and noted that the Assemblymembers on the task force are Chair Maria Gladziszewski, and members Carole Triem and Wade Bryson. She also noted that the Eaglecrest Board members who will serve on the task force are Bruce Garrison, Jonathan Dale, and Mike Satre. That task force is due to expire in nine months unless extended by the Assembly.

Mayor Weldon continued with the rest of her report stating that she and Robert Barr attended the "No Small Matter for Child Care" forum in Anchorage and that staff has been hard at work

going through the motions for implementation of the recommendations that came out of the Child Care Committee. She said it was a great experience and also humbling to see other Assemblies from other communities looking to CBJ and how we are approaching the subject and learning from us.

B. Committee and Liaison Reports

Mr. Bryson reported that he attended Mary Becker's retirement party on October 4. He also reported about the PRAC meeting at which they discussed the new cabins coming online including the Eagle Valley cabin. He noted that he attended an ATIA fundraiser for Dan Sullivan, and that he served as the host for Helping Hands fundraiser on October 7 and he served as the parking attendant at the Electric Vehicle Roundup.

Mr. Smith said he was able to attend Ms. Becker's retirement and he said it has been great getting to know her these past few months and he is looking forward to serving on the Assembly.

Ms. Hughes-Skandijs said she has been quite busy including attending the Electric Vehicle Roundup. She was out of town for the Juneau Commission on Aging meeting and due to work commitments she couldn't attend the Downtown Business Association meeting. She did attend opening night of Devilfish at Perseverance Theater, which was very special. She also met with JESS-Juneau Education Support Staff union. She wished everyone a Happy Indigenous People's day.

Ms. Triem said that she attended the Aquatics Board meeting on September 24 and heard updates on pool operations. She is excited to try out the key log rolling in practice for the Petersburg 4th of July competition. She said there will be a class on it starting on October 23 with no additional fee other than regular pool admission fee. She said the board heard from many people on the topic of changes to private lessons. The Parks and Recreation Director gave information about the work they are doing to update regulations and the next Aquatics Board meeting will be the board retreat October 27 at 9:00 a.m. at the Mendenhall Library.

Ms. Triem then reported that the Travel Juneau board met on September 26 and some of the highlights from that meeting were the ATIA conference held and saw record attendance numbers and brought in approximately \$900,000 of estimated economic impact to Juneau. Even though the tourist season was winding down, they saw 1800+ hours of volunteer work during August and September at the visitor kiosks.

Ms. Triem reported that she also attended the PERS/TERS workshop on October 8 hosted by AML and was accompanied by the City Manager, Deputy Manager, and Finance Director and she learned lots. She said that she didn't leave feeling particularly optimistic but the Manager has some big ideas and she is eager to see how those might unfold.

Ms. Hale said that she attended Southeast Conference in Sitka and it was the best one she has attended but also the first one she attended as a municipal representative. She said she will be attending the AML meeting in November and is interested in running for one of the at-large seats on the AML board. She asked that they let her know if that would conflict with anyone else's plans for serving on AML.

Ms. Hale then reported that she has been attending many BRH meetings, including that of their committees rather than just board meetings. BRH is working on a comprehensive plan for the entire facility plan/comprehensive plan. They are doing some strategic planning as well as a community needs assessment and Jensen-Yorba-Wall is working on the campus plan.

Ms. Hale said that JCOS has been working on drafting criteria for a sustainability award that will come to the Assembly for approval and awarding. She said that Mr. Bryson has been involved in some discussions on incentives for not using plastic bags and they are looking at a range of options. She said that the Public Works and Facilities Committee last met on September 23 and will be looking at an LID for paving on River Road at one of their future meetings.

Mr. Jones gave an overview of the Assembly Finance Committee and thanked the Mayor for presiding during his absence. The next meeting will be on November 2. He also gave a brief synopsis of the work coming up for members in advance of those meetings.

Mr. Jones said that he attended the School Board meeting on October 8 at which they said good bye to Dan DeBartolo and Steve Whitney and new members Emil Robert Mackey and Deedie Sorensen were sworn in by Judge Amy Mead. The board elected its new officers – Brian Holst was re-elected president, Elizabeth Siddon was elected as vice-president, and Paul Kelly was elected clerk.

Mr. Jones said that there is a JSD Facilities Committee made up of two members that is meeting on October 25 and that is different from the Joint Assembly/JSD Facilities, CIP, Maintenance Team. He noted that the School Board will hold a retreat on October 26 at JDHS from 8:30-noon and their committee assignments will be announced. November 12 will be their next meeting which he will miss as he will be in Anchorage at the MCB meetings.

Mr. Jones notified Mr. Smith that he will be attending the Planning Commission meeting on October 15. Has said that he has also been following the Downtown Blueprint committee but he will likely miss some of their meeting in November due to schedule conflicts.

Mr. Jones noted that some time in November the AFC or COW will be seeing information about online internet sales which is being coordinated through AML and Mr. Rogers. Mr. Jones said that he is looking at getting a copy of that agreement out to members for signing on but we need to see the details.

Mr. Jones thanked everyone for their comments and thoughts during and following his surgery and he offered great thanks to his wife LaRae for all her care of him!

Ms. Gladziszewski reported that the Committee of the Whole met on September 23 and heard from Meilani Schijvens about Southeast by the Numbers as well as received an update on the subport property and the Long Range Waterfront plan in advance of the creation of the Visitor's Industry Task Force by the Mayor. She heard an update on the status of the chronic nuisance ordinance and said that the next COW meeting is scheduled for October 28.

Ms. Gladziszewski noted that she was out of town attending a niece's wedding and visiting the nation's capital and missed Ms. Becker's farewell party and wished her well and appreciated her

long time dedication as a public servant and her long time service to the community. She also wished everyone a Happy Indigenous People's Day.

B. Presiding Officer Report

None.

XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

XV. EXECUTIVE SESSION

XVI. ADJOURNMENT

There being no further business to come before the Assembly, the meeting adjourned at 10:05 p.m.

Signed: _____ Signed: _____

Elizabeth J. McEwen
Municipal Clerk

Beth A. Weldon
Mayor

Remarks by Mayor Beth Weldon in recognition of outgoing Assemblymember Mary Becker – Oct. 14, 2019

We are here to celebrate one of the most distinguished careers in public service that the Juneau community has ever seen.

Mary Becker is the longest served elected official in Juneau. Ever.

What does serving 18 years of elected office mean?

It means having a professional career of teaching that started in 1966 and morphed into being not only a teacher but a President, Chief Negotiator, Building Rep, Political Action Chair, and Grievance Chair for the Juneau Education Association.

It means campaigning and running for the School Board. And having to do that every three years.

It means being elected and serving on the school board for nine years from 1998-2007. During her time on the School Board, Ms. Becker served as President, Vice President and Clerk.

It means hitting the campaigning trail **again** at a higher level, participating in fundraisers, speaking at forums, answering questionnaires, and walking door to door. And having to do that every three years.

It means being elected and serving on the Assembly for nine years from 2010 to 2019. During her time on the Assembly, Ms. Becker served as Mayor and Deputy Mayor. She has served on all the committees multiple times with her latest committees being Finance, Committee of the Whole, Chair of the Lands Committee and Chair of the School Facility Project Team. She was also Liaison to Chamber of Commerce, Docks and Harbors Board, and the UAS Campus Council.

It means that in addition to her many Assembly committee obligations, Ms. Becker has worked hard to promote Juneau as a Capital City serving on other committees such as the Alaska Committee which is dedicated to keeping and enhancing Juneau as the capital of the State. Ms. Becker made important contacts and allies for Juneau as a member of Southeast Conference, the Alaska Municipal League, the Association of Alaska School Boards Directors, the Alaska Retired Educators Association, and the American Association of Retired Persons.

It means being the only Assembly member that has received from a grateful Lands Committee staff a deed to real property because of her tenure on the Assembly.

It means endless commitment to public service serving on such organizations as Bridge Builders with First Lady Donna Walker, Juneau Clean Indoor Air Committee, Juneau Poetry Out Loud, Kids Voting Board of Directors, League of Women Voters, Olympic Torch Relay Committee, Seward Statue Committee Co-Chair, Social Services Advisory Board Chair, Southeast Alaska Health Education Council, Juneau Rotary and United Way of Southeast Alaska.

It means countless long nights in meetings missing family dinners and special events, missing lunches with friends or family because of meetings, missing fun events or days of sunshine while reading all the documents that are involved in life on the School Board and Assembly, and countless hours spent on the campaign trail to keep her seat in office.

It means receiving loving and understanding from her family for all the time she missed with them. Husband Jim, children Rob, Carolyn, Kristy, and Christine, grandchildren Luke, Ethan, Reid, Madeline, Dori, and Bennett.

It means that she must be exhausted from all of this and deserves a well-deserved rest and vacation without an Assembly packet to read or a city budget to review.

Lastly, it means we owe Ms. Becker our heartfelt gratitude for her years of dedicated service and willing sacrifice. Her tireless work for Juneau is unparalleled and something to strive for by our younger generations.

Thank you, Mary from all of us on the Assembly for all that you have done for the community of Juneau.