

**SPECIAL ASSEMBLY MEETING
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

July 20, 2020 5:30 PM

Zoom Webinar & FB Live Stream

Meeting No. 2020-38 Please click the link below to join the webinar:

<https://juneau.zoom.us/j/94684718036> or Call 1-346-248-7799 and enter Webinar ID:
94684718036

I. CALL TO ORDER / ROLL CALL

II. APPROVAL OF AGENDA

A. Instruction for Public Participation

Members of the public wishing to provide public comment during the meeting are asked to call the Municipal Clerk's public testimony request phone line at 586-0215 by 3p.m. the day of the meeting or send an email to City.Clerk@juneau.org and provide their full name, email address, the phone number they will be calling from. **For this meeting, public testimony is only being taken on Ordinance 2020-41.** Testimony time will be limited by the Mayor based on the number of participants. Members of the public are encouraged to send their comments in advance of the meeting to BoroughAssembly@juneau.org.

III. AGENDA TOPICS

A. PUBLIC HEARING: Emergency Ordinance 2020-41 An Emergency Ordinance Requiring a Face Covering in Certain Indoor Settings and Providing a Penalty.

Numerous trusted public health officials have identified that mask wearing is one of the most important COVID19 transmission mitigation measures. These health officials include the Alaska Chief Medical Officer, the Alaska Chief Epidemiologist, and the director of the Centers for Disease Control.

While it would be better if citizens voluntarily wore masks, they are not doing so in sufficient numbers to eliminate community transmission. Mitigation of this disease is critical for the well-being of our citizens, our businesses, our school system and our health care system.

This ordinance would require people to wear a face covering when in a publicly accessible indoor location or an indoor communal area outside the home. There are exceptions for people with disabilities or young children. The substance of this ordinance is nearly identical to Ord. 2020-35, except this ordinance would take effect immediately. This ordinance is very similar to the Anchorage mask

mandate. As this is an emergency ordinance, it requires six votes to pass.

I recommend the Assembly adopt this emergency ordinance.

IV. CONSENT AGENDA

- A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction
- B. Assembly Requests for Consent Agenda Changes
- C. Assembly Action

1. Ordinances for Introduction

- a. **Ordinance 2020-09(C) An Ordinance Appropriating up to \$500,000 to the Manager as a Grant to Airlift Northwest to Support Emergency Air Transport Services in Southeast Alaska; Funding Provided by the CARES Act Special Revenue Fund.**

This ordinance would authorize a \$500,000 grant to Airlift Northwest to support emergency air transport services in Southeast Alaska through retaining the PC 12 Turboprop Plane. This plane is a critical component of Southeast Alaska's healthcare infrastructure, as it can land on shorter runways and therefore better support many smaller communities in Southeast. Airlift Northwest has experienced a 50-70% decrease in flight volume and operating revenue since April, 2020 over prior year. Airlift Northwest is an entity of University of Washington Medicine, and is therefore ineligible for most of the CARES Act funds available to for-profit businesses and traditional nonprofits.

The Assembly Finance Committee reviewed this request on July 8.

The Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

- b. **Ordinance 2020-36: An Ordinance Appropriating up to \$3,000,000 to the Manager for a COVID-19 Nonprofit Sustainability Grant Program; Funding Provided by the CARES Act Special Revenue Fund.**

This ordinance would create a program to help nonprofits due to COVID-19. It designates the Juneau Community Foundation as the grant administrator. The program is intended for nonprofits that provide services to the general public in the community and sets up a tiered approach for grants. Depending on annual revenue, a nonprofit can receive up to \$99,000 under this program.

The Assembly Finance Committee discussed this matter on July 8, 2020.

The Manager recommends the Assembly introduce this ordinance, refer it to the Committee of the Whole, and set it for public hearing

at the next regular Assembly meeting.

- c. **Ordinance 2020-40 An Ordinance Authorizing the Issuance of General Obligation Bonds in the Principal Amount of Not to Exceed \$15,000,000 to Finance Capital Improvements to the Facilities of the City and Borough, and Submitting a Proposition or Propositions to the Voters at the Election to Be Held on October 6, 2020.**

This ordinance would send a bond package to the voters to consider in the municipal election on October 6, 2020. As currently drafted, this ordinance would send one general obligation bond proposition of up to \$15 million for the following types of municipal infrastructure projects:

- Approximately \$5 million for critical repairs to schools, including roof replacements;
- Approximately \$5 million for repairs and capital improvements to municipal parks; and
- Approximately \$5 million for construction of the extension to West Douglas Pioneer Road.

The Assembly Finance Committee discussed this matter on July 8, 2020.

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

V. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

VI. SUPPLEMENTAL MATERIALS

A. RED FOLDER - EOC COVID-19 Update July 20, 2020

VII. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Instruction for Public Participation

MANAGER'S REPORT:

Members of the public wishing to provide public comment during the meeting are asked to call the Municipal Clerk's public testimony request phone line at 586-0215 by 3p.m. the day of the meeting or send an email to City.Clerk@juneau.org and provide their full name, email address, the phone number they will be calling from. **For this meeting, public testimony is only being taken on Ordinance 2020-41.** Testimony time will be limited by the Mayor based on the number of participants. Members of the public are encouraged to send their comments in advance of the meeting to BoroughAssembly@juneau.org.

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

PUBLIC HEARING: Emergency Ordinance 2020-41 An Emergency Ordinance Requiring a Face Covering in Certain Indoor Settings and Providing a Penalty.

MANAGER'S REPORT:

Numerous trusted public health officials have identified that mask wearing is one of the most important COVID19 transmission mitigation measures. These health officials include the Alaska Chief Medical Officer, the Alaska Chief Epidemiologist, and the director of the Centers for Disease Control.

While it would be better if citizens voluntarily wore masks, they are not doing so in sufficient numbers to eliminate community transmission. Mitigation of this disease is critical for the well-being of our citizens, our businesses, our school system and our health care system.

This ordinance would require people to wear a face covering when in a publicly accessible indoor location or an indoor communal area outside the home. There are exceptions for people with disabilities or young children. The substance of this ordinance is nearly identical to Ord. 2020-35, except this ordinance would take effect immediately. This ordinance is very similar to the Anchorage mask mandate. As this is an emergency ordinance, it requires six votes to pass.

RECOMMENDATION:

I recommend the Assembly adopt this emergency ordinance.

ATTACHMENTS:

Description	Upload Date	Type
EO 2020-41	7/16/2020	Ordinance

Presented by: Hale
Presented: 07/20/2020
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA
Serial No. 2020-41

An Emergency Ordinance Requiring a Face Covering in Certain Indoor Settings and Providing a Penalty.

WHEREAS, CBJ Charter 5.4(a) provides the Assembly may adopt an emergency ordinance to meet a public emergency by an affirmative vote of at least six assemblymembers; and

WHEREAS, COVID-19 is a respiratory disease that can result in serious illness or death and is caused by the SARS-Cov-2 virus (“virus”), a new strain of the coronavirus that has not been previously identified in humans and is easily transmittable person to person; and

WHEREAS, on March 11, 2020, the World Health Organization (“WHO”) declared the virus a pandemic; and

WHEREAS, on March 11, 2020, the State of Alaska declared a public health emergency in response to the anticipated outbreak of the virus in Alaska; and

WHEREAS, on March 13, 2020, President Donald J. Trump declared a national emergency in response to the virus pandemic; and

WHEREAS, on March 16, 2020, the Assembly declared a local emergency in response to COVID-19; and

WHEREAS, on March 22, 2020, the City and Borough of Juneau (“CBJ”) received its first positive case of COVID-19; and

WHEREAS, as of July 6, 2020, there have been 45 confirmed cases in the City and Borough of Juneau, including cases classified as caused by community spread; and

WHEREAS, Alaska is experiencing a substantial increase in COVID-19 cases since June and especially during the first week of July (424 active cases on June 30 to 598 active cases on July 5); and

WHEREAS, the Centers for Disease Control and the State of Alaska (Health Alert 10) recommend everyone to wear a cloth face covering when in a public setting where other social distancing measures are difficult to maintain, which can minimize asymptomatic individuals with COVID-19 from unknowingly spreading the disease.

THEREFORE BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU,
ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Face Covering Mandate.

A. Requirement. All individuals must wear a mask or cloth face covering over their nose and mouth when they are indoors in public settings or communal spaces outside the home. This ordinance is subject to the conditions and exceptions stated below.

B. Context. The settings included in this ordinance include, but are not limited to, the public and communal spaces within the following:

1. Grocery stores, pharmacies, and all other retail stores.
2. Restaurants, cafes, bars, and breweries – including food preparation, carry-out, and delivery food operations. There is a limited exception for customers while they are eating or drinking in one of these settings.
3. Buses, taxis, and other forms of public transportation when passengers are present.
4. Personal care facilities.
5. Child care facilities.
6. Communal areas of offices where people from multiple households are present.
7. Elevators and indoor communal spaces in other buildings.

C. Employment. Employers are responsible to make sure employees who are present in the workplace have access to and wear masks or cloth face coverings when in direct contact with customers, members of the public, or other employees. Masks are not required when the only direct contact is between members of the same household or when employees are not near others (within six feet).

D. Exceptions. This Ordinance does not apply to the following categories of people or activities:

1. Any child under the age of 2 years. These very young children should not wear a face covering because of the risk of suffocation;
2. Any child under the age of 12 years unless a parent or caregiver supervises the use of face coverings by the child to avoid misuse;
3. Any child in a child care or day camp setting, although such settings may provide their own requirement for use for children age 2 years old or older;
4. Any individual for whom wearing a mask or cloth face covering would be contrary to his or her health or safety because of a medical condition or mental health condition, and any individual unable to tolerate a mask due to a physical or mental disability;
5. Individuals who are speech impaired, deaf, or hard of hearing, or individuals communicating with someone who is deaf or hard of hearing, where facial or mouth movements are an integral part of communication;

6. Any individual who has trouble breathing or otherwise unable to remove the face covering without assistance;
7. Individuals who are exercising, if mask wearing would interfere with their breathing;
8. Individuals who are incarcerated, in police custody, or inside a courtroom; these individuals should follow guidance particular to their location or institution;
9. Individuals performing an activity that cannot be conducted or safely conducted while wearing a mask (for example, a driver experiencing foggy glasses, a dental patient receiving care, an equipment operator where there is a risk of dangerous entanglement); and
10. Musicians, presenters, ministers, and others communicating to an audience or being recorded, for the duration of their presentation/practice/performance where mask usage impairs communication, and so long as safe physical distancing is maintained.

E. Proof of Medical Reason or Disability. If a person declines to wear a mask or face covering because of a medical condition or disability as described above, this ordinance does not require them to produce medical documentation verifying the stated condition or disability. Businesses may wish to consider accommodating such individuals through curbside or delivery service or by allowing the individual inside without a mask if doing so will not place others at risk.

F. Enforcement Policy. The Municipality reserves the right to use all available enforcement options to assure compliance with this Ordinance. However, employers will not be subject to fines based on non-compliance by customers so long as there is a clearly posted sign informing customers that they are required to wear face coverings. Brief removal of a face covering, such as is necessary to eat, drink, or scratch an itch does not constitute a violation of this ordinance (although hand washing/sanitizing is recommended after such activities). Additionally, violation of this Ordinance does not create grounds for residents to harass individuals who do not comply with it.

G. Violation. A person who violates the face covering requirement of Section 2 shall be subject to a civil fine not to exceed \$25.00, which shall be considered incorporated into CBJC 03.30.070(a); payment of the civil fine shall be accepted in satisfaction of the violation; and the violation shall be subject to CBJC 03.30.070(b)-(c) and 03.30-075-03.30.085.

Section 3. Effective Date. This ordinance shall be effective immediately and expire 90 days after its adoption unless terminated earlier by the Assembly by motion.

Adopted this _____ day of _____, 2020.

Attest:

Beth A. Weldon, Mayor

Elizabeth J. McEwen, Municipal Clerk

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Ordinance 2020-09(C) An Ordinance Appropriating up to \$500,000 to the Manager as a Grant to Airlift Northwest to Support Emergency Air Transport Services in Southeast Alaska; Funding Provided by the CARES Act Special Revenue Fund.

MANAGER'S REPORT:

This ordinance would authorize a \$500,000 grant to Airlift Northwest to support emergency air transport services in Southeast Alaska through retaining the PC 12 Turboprop Plane. This plane is a critical component of Southeast Alaska's healthcare infrastructure, as it can land on shorter runways and therefore better support many smaller communities in Southeast. Airlift Northwest has experienced a 50-70% decrease in flight volume and operating revenue since April, 2020 over prior year. Airlift Northwest is an entity of University of Washington Medicine, and is therefore ineligible for most of the CARES Act funds available to for-profit businesses and traditional nonprofits.

The Assembly Finance Committee reviewed this request on July 8.

RECOMMENDATION:

The Manager recommends this ordinance be introduced and set for public hearing at the next regular Assembly meeting.

ATTACHMENTS:

Description	Upload Date	Type
☐ Ordinance 2020-09(C)	7/17/2020	Appropriating Ordinance

Presented by: The Manager
Introduced: July 20, 2020
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-09(C)

An Ordinance Appropriating up to \$500,000 to the Manager as a Grant to Airlift Northwest to Support Emergency Air Transport Services in Southeast Alaska; Funding Provided by the CARES Act Special Revenue Fund.

WHEREAS, the COVID-19 Grant to Airlift Northwest is necessary due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, the COVID-19 Grant to Airlift Northwest is being initiated by this ordinance and the grant expense was not accounted for in the FY20 or FY21 budget; and

WHEREAS, the COVID-19 Grant to Airlift Northwest expense is incurred during the period that begins on March 1, 2020, and ends on December 31, 2020.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of \$500,000 as funding for a grant to Airlift Northwest to support emergency air transport services in Southeast Alaska.

Section 3. Source of Funds

CARES Act Special Revenue Fund	\$500,000
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Section 4. Effective Date. This ordinance shall become effective upon adoption.

Adopted this _____ day of _____, 2020.

Beth A. Weldon, Mayor

Attest:

Elizabeth A. McEwen, Municipal Clerk

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Ordinance 2020-36: An Ordinance Appropriating up to \$3,000,000 to the Manager for a COVID-19 Nonprofit Sustainability Grant Program; Funding Provided by the CARES Act Special Revenue Fund.

MANAGER'S REPORT:

This ordinance would create a program to help nonprofits due to COVID-19. It designates the Juneau Community Foundation as the grant administrator. The program is intended for nonprofits that provide services to the general public in the community and sets up a tiered approach for grants. Depending on annual revenue, a nonprofit can receive up to \$99,000 under this program. The Assembly Finance Committee discussed this matter on July 8, 2020.

RECOMMENDATION:

The Manager recommends the Assembly introduce this ordinance, refer it to the Committee of the Whole, and set it for public hearing at the next regular Assembly meeting.

ATTACHMENTS:

Description	Upload Date	Type
□ Ord 2020-36	7/16/2020	Ordinance

Presented by: Weldon, Triem
Presented: 7/20/2020
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-36

An Ordinance Appropriating up to \$3,000,000 to the Manager for a COVID-19 Nonprofit Sustainability Grant Program; Funding Provided by the CARES Act Special Revenue Fund.

WHEREAS, the Economic Stabilization Task Force Recommended that the Assembly consider economic support to nonprofit suffering interruptions due to COVID-19 related closures and increases in services; and

WHEREAS, since early March 2020, the State of Alaska issued COVID-19 Health Mandates that reasonably restricted travel, gatherings, close personal interactions, schools, and medical and dental procedures; and

WHEREAS, since early March 2020, the Assembly issued COVID-19 directions regarding travel quarantines (Res. 2886), hunkering down (Res. 2885) and cloth face coverings (Res. 2890); and

WHEREAS, on April 9, 2020, the Centers for Disease Control and Prevention (CDC) renewed the No Sail Order and Other Measures related to cruise ships to prohibit certain cruise ships from transporting passengers to ports in the United States, which caused nearly all the forecasted cruise ship tourism to be canceled; and

WHEREAS, the public health mandates and directions protected the health of the people in the City and Borough of Juneau and nearby communities; and

WHEREAS, COVID-19 has caused severe economic harm to nonprofits in the City and Borough of Juneau because some nonprofits closed or severely limited operations, other nonprofits have had a substantial increase in demand for services due to COVID-19; and

WHEREAS, failing to protect economically vulnerable nonprofits from the severe loss of revenue or severe increases in provided services would result in further adverse impacts to Juneau's economic and social service network; and

WHEREAS, the COVID-19 Nonprofit Sustainability Grant Program is necessary due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, the COVID-19 Nonprofit Sustainability Grant Program is being created by this ordinance and program expenses were not accounted for in the FY20 budget; and

WHEREAS, the COVID-19 Nonprofit Sustainability Grant Program expenses are incurred during the period that begins on March 1, 2020, and ends on December 31, 2020.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Appropriation. There is appropriated to the Manager the sum of three million dollars (\$3,000,000.00) for a COVID-19 Nonprofit Sustainability Grant Program to be administered by the Juneau Community Foundation (Grant Administrator), with funds disbursed by the City and Borough of Juneau, and used consistent with this ordinance. This is an appropriation for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

Section 3. Source of Funds:

CARES Act Special Revenue Fund	\$3,000,000.00
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Section 4. COVID-19 Nonprofit Sustainability Grant Program Terms. The program is subject to the following terms and conditions:

- (a) **Administration.** The Manager is authorized to execute a grant agreement with the Grant Administrator for disbursement of COVID-19 Nonprofit Sustainability Grant Program funds. The Grant Administrator is responsible for assuring the program funds are disbursed only to eligible nonprofits. The Grant Administrator shall be provided a reasonable administration fee of up to \$25,000.00 based on actual expenses. The Grant Administrator shall provide the Manager with program status reports at reasonable intervals. The Manager shall provide updates to the Finance Committee or Assembly. The Grant Administrator shall return all unencumbered monies existing on December 1, 2020, back to the City and Borough of Juneau.
- (b) **Entity types.** Any nonprofit entity is eligible to apply if
 - (1) The entity was registered in Alaska on or before January 1, 2020;
 - (2) The entity is an Internal Revenue Service certified 501(c)3,4,6,7, 19, or 23 nonprofit;
 - (3) The entity had a physical presence in Juneau, Alaska, on February 15, 2020;
 - (4) A substantial purpose of the entity is to provide ~~direct~~ services to the general public in the City and Borough of Juneau. Faith-based nonprofits are eligible so long as they provide services that are promoted and available to the general public without regard to religious affiliation; and
 - (5) The entity has been or will be adversely affected by loss of revenue, program changes, and direct costs between March 1 and December 31, 2020, due to the COVID-19 public health emergency.
- (c) **Grant application.** A nonprofit seeking a grant must apply to the Grant Administrator and may provide the application and supporting documents electronically.

(d) **COVID-19 financial hardship.**

- a. For grants of \$5,000 or less, an applicant will be required to affirm and describe how the nonprofit has been impacted significantly by COVID-19. Further documentation to demonstrate the economic impact may be required in the initial application.
- b. For grants in excess of \$5,000, an applicant must provide verification and additional information about economic impacts between March 1 and December 31, 2020 due to the COVID-19 public health emergency using the form provided. Examples of verification required are: revenue lost (e.g. earned revenue lost due to social distancing, non-earned revenue lost due to decreases in grants, donations, fundraisers not held), increased personnel costs due to COVID-19 because of hiring additional employees or having to contract work out due to lost or shared employees, and direct expenses (PPE, moving to working remotely, COVID-19 related accommodations to ensure mandate compliance, etc.). The Grant Administrator may deem an application incomplete if it lacks sufficient information to reasonably award a grant.

(e) **Assertion of need.** An applicant shall disclose if the entity has applied for or received any other CARES Act grant or forgivable loan. A nonprofit that applied for or received any other CARES Act funding from CBJ, local, state, federal, or tribal governments may be eligible if (1) it provides satisfactory documentation that a nonprofit grant is still necessary to sustain operations and (2) the other grants or forgivable loan amounts do not exceed the amount the entity is eligible for under this program. Foundations, with assets over \$5,000,000 or the foundation arm of a nonprofit are not eligible for this program.

(f) **Sales and property tax compliance.** A nonprofit that is subject to any sales or property tax and has a delinquency as of March 1, 2020, is not eligible for a grant unless the nonprofit first executes a confession of judgment with the City and Borough of Juneau for all outstanding taxes. A nonprofit that is fully compliant with a confession of judgment payment plan is eligible.

(g) **Exceptions.** The Grant Administrator, after receiving direction from the Manager or designee, has the authority to make reasonable exceptions that match the intent of this grant program.

(h) **Maximum grant amount.** The maximum grant amount is determined on a sliding scale and based on fiscal year end 2019 gross revenue (excluding any recorded amount from in-kind donations or volunteer time).

- a. Up to \$5,000 for nonprofits with less than \$25,000 in annual revenue.
- b. Up to \$10,000 for nonprofits with more than \$25,000 and less than \$50,000 in annual revenue.
- c. Up to \$25,000 for nonprofits with more than \$50,000 and less than \$250,000 in annual revenue.

- d. Up to \$50,000 for nonprofits with more than \$250,000 and less than \$1,000,000 in annual revenue.
- e. Up to \$99,000 for nonprofits with more than \$1,000,000 in revenue.
- (i) **Gross revenue verification.** Gross revenue is verified by fiscal year end 2019 IRS Form 990 or audited financial statements. For those nonprofits who have neither of these, an unaudited statement for the fiscal year end 2019 will be acceptable. For nonprofit with gaming income, gross revenue will exclude payment of prizes and expenses. For those nonprofits serving areas outside of Juneau, gross revenue is based on their gross revenue for programs in Juneau.
- (j) **Grant Application Period.** The initial grant application period shall be completed within a time period defined by the Manager and Grant Administrator, but no later than thirty days following adoption of this ordinance. If after the initial grant application period there is still funding available, the Manager may direct the Grant Administrator to reopen the application period for a first come first served basis.
- (k) **Initial Priority.** All applications will be reviewed after the application period (not first come first served). The Manager is authorized to direct the Grant Administrator to proportionally allocate available funding if demand is greater than funding available. Any unallocated funds will be returned to CBJ by December 1, 2020, which are intended to be reprogramed.

Section 5. Effective Date. This ordinance shall become effective upon adoption. However, Section 2 of this ordinance is conditioned upon the City and Borough of Juneau receiving CARES Act funding from the State of Alaska.

Adopted this ____ day of _____, 2020.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Ordinance 2020-40 An Ordinance Authorizing the Issuance of General Obligation Bonds in the Principal Amount of Not to Exceed \$15,000,000 to Finance Capital Improvements to the Facilities of the City and Borough, and Submitting a Proposition or Propositions to the Voters at the Election to Be Held on October 6, 2020.

MANAGER'S REPORT:

This ordinance would send a bond package to the voters to consider in the municipal election on October 6, 2020. As currently drafted, this ordinance would send one general obligation bond proposition of up to \$15 million for the following types of municipal infrastructure projects:

- Approximately \$5 million for critical repairs to schools, including roof replacements;
- Approximately \$5 million for repairs and capital improvements to municipal parks; and
- Approximately \$5 million for construction of the extension to West Douglas Pioneer Road.

The Assembly Finance Committee discussed this matter on July 8, 2020.

RECOMMENDATION:

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

ATTACHMENTS:

Description	Upload Date	Type
☐ Ord 2020-40 McDowell Group Memo re: CBJ	7/17/2020	Ordinance
☐ Infrastructure Projects Economic Impact Analysis	7/17/2020	Cover Memo

Presented by: The Manager
Introduced: 07/20/2020
Drafted by: Bond Counsel

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-40

An Ordinance Authorizing the Issuance of General Obligation Bonds in the Principal Amount of Not to Exceed Fifteen Million Dollars to Finance Capital Improvements to the Facilities of the City and Borough, and Submitting a Proposition or Propositions to the Voters at the Election to Be Held Therein on October 6, 2020.

WHEREAS, improvements and renovations to the infrastructure and facilities of the City and Borough of Juneau, Alaska (the “City and Borough”) are needed in order to meet the current and future needs of the City and Borough; and

WHEREAS, the COVID-19 epidemic has placed unprecedented strain on the Juneau economy; and

WHEREAS, strained municipal revenues have caused certain public infrastructure projects to be delayed for lack of current funding; and

WHEREAS, economic stress and uncertainty has caused businesses to delay infrastructure projects that would have generated local economic activity; and

WHEREAS, history has demonstrated the economic stabilization and recovery benefits that accrue from public infrastructure spending in times of economic stress; and

WHEREAS, a number of school facilities are in urgent need of roof and facility repairs that have been deferred due to lack of funding; and

WHEREAS, the Parks and Recreation Department has worked with the community to develop detailed master plans to repair and improve specific parks, playgrounds, and other infrastructure that has reached the end of its useful life, yet remain unbuilt because of a lack of funding; and

WHEREAS, the community has developed master plans and other documents setting forth a vision for development of West Douglas for commercial and residential purposes; and

WHEREAS, certain projects listed in Section 3 below (the “Projects”) have been identified and approved by the Committee of the Whole as necessary to meet the needs of the City and Borough; and

WHEREAS, in order to provide funds for paying the cost of acquiring, constructing, renovating and equipping the Projects, it is deemed necessary and advisable that the City and Borough issue and sell its unlimited tax levy general obligation bonds in the principal amount of not to exceed \$15,000,000 (the “Bonds”);

NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Findings. The Assembly of the City and Borough hereby finds and declares that the acquisition, construction, renovation and equipping of the Projects identified in Section 3 hereof are necessary and are in the best interest of the inhabitants of the City and Borough.

Section 3. Purposes. The Assembly has determined that the City and Borough is in need of the following:

- Critical repairs to schools, including roof replacements;
- Repairs and capital improvements to municipal park infrastructure and recreation facilities; and
- Construction of the extension to West Douglas Pioneer Road.

The foregoing are herein referred to as the “Projects.” The cost of all necessary architectural, engineering, design, and other consulting services, inspection and testing, administrative and relocation expenses, costs of issuance of the Bonds and other costs incurred in connection with the Projects that is approved by the electors shall be deemed capital improvement costs of the approved Projects. The approved Projects may be completed with all necessary furniture, equipment and appurtenances.

If the City and Borough shall determine that it has become impractical to accomplish any portion of the approved Projects by reason of changed conditions or needs, incompatible development or costs substantially in excess of those estimated, the City and Borough shall not be required to accomplish such portions and shall apply Bond proceeds as set forth in this section.

Interest earnings on Bond proceeds may be used and applied by City and Borough, at the direction of the City Manager or his or her designee, for the Projects or for other capital improvements or for the retirement of the Bonds or other general obligation bonds of the City and Borough.

If the approved Projects have been completed in whole or in part, or its completion duly provided for, or its completion found to be impractical, the City and Borough may apply Bond proceeds or any portion thereof as provided in Section 10.10 of the Home Rule Charter.

In the event that the proceeds of sale of the Bonds, plus any other monies of the City and Borough legally available, are insufficient to accomplish the approved Projects, the City and Borough shall use the available funds for paying the cost of those portions of the approved Projects for which the Bonds were approved deemed by the Assembly most necessary and in the best interest of the City and Borough. No Bond proceeds shall be used for any purpose other than a capital improvement.

Section 4. Details of Bonds. The Assembly hereby authorizes the issuance of general obligation bonds in order to fund the costs of the Projects described in Section 3 (the “Bonds”). The Bonds shall be sold in such amounts and at such time or times as deemed necessary and advisable by the Assembly and as permitted by law and shall mature over a period of up to 20 years of date of issue. The Bonds shall be issued in an aggregate principal amount of not to exceed \$15,000,000. The Bonds shall bear interest to be fixed at the time of sale or sales thereof. Both principal of and interest on the Bonds shall be payable from annual tax levies to be made upon all of the taxable property within the City and Borough, without limitation as to rate or amount and in amounts sufficient with other available funds, to pay such principal and interest as the same shall become due.

The full faith, credit, and resources of the City and Borough are hereby irrevocably pledged to the payment of both the principal and interest on such Bonds. The exact form, terms, conditions, contents, security, options of redemption, and such other matters relating to the issuance and sale of said Bonds as are deemed necessary and advisable by the Assembly shall be as hereinafter fixed by ordinance and resolution of the City and Borough.

Section 5. Submission of Question to Voters. The Assembly hereby submits to the qualified electors of the City and Borough the proposition or propositions of whether or not the City and Borough should issue the Bonds for the purpose of financing the costs of the approved Projects at the regular municipal election to be held on October 6, 2020.

The City and Borough clerk shall prepare the ballot proposition(s) to be submitted to the voters as provided by this ordinance and shall perform all necessary steps in accordance with law to place these propositions before the voters at the regular election.

Section 6. Ballot Proposition. The proposition(s) to be submitted to the qualified voters of the City and Borough as required by Section 5 above shall read substantially as follows:

Explanation

The proposition will authorize the issuance of \$15,000,000 in general obligation bond debt for paying the cost of planning, design and construction of municipal infrastructure, facilities and related capital improvements, including the construction of West Douglas Pioneer Road, school roof replacements and municipal park improvements. The total annual debt service costs, assuming an interest rate of 3.5%, will be \$857,000. This amount of debt service would require an annual property tax levy of approximately 16.75 per \$100,000 of assessed value. This example of a property tax levy is provided for illustrative purposes only.

PROPOSITION NO. ____
GENERAL OBLIGATION BONDS

To promote the health, well-being, education, and economic recovery of the community by repairing school facilities and roofs, improving and maintaining park infrastructure and recreation facilities, and extending the West Douglas Pioneer Road, shall the City and Borough of Juneau, Alaska, issue and sell its general obligation bonds, maturing within 20 years of their date of issue, in the aggregate principal amount of not to exceed \$15,000,000?

BONDS, YES ☐

BONDS, NO ☐

After voter approval of the proposition and in anticipation of the issuance of the Bonds, the City and Borough may issue short term obligations, under such date and in such amount, form, terms, maturity, and bearing such rate or rates of interest, all as may hereafter be fixed by ordinance of the City and Borough, consistent with limitations imposed by State law and by the Home Rule Charter and Code of the City and Borough.

Section 7. Notice of Election. The Assembly shall cause a notice of election to be published once a week for three consecutive weeks in a newspaper for general circulation in the City and Borough. The first notice shall be published not later than September 16, 2020, which is 20 days prior to the regular municipal election. The notice shall contain the information required by Section 10.5 of the Home Rule Charter of the City and Borough.

Section 8. Effective Dates.

(a) The authority to issue general obligation bonds proposed in Section 6 of this ordinance shall become effective on the day following the date the election results are certified for the regular municipal election held on October 6, 2020, if a majority of the qualified voters voting on the proposition set forth in Section 6 votes for the proposition.

(b) Section 6 of this ordinance authorizing the submission of the ballot proposition to the qualified voters of the City and Borough shall become effective thirty days after adoption of this ordinance.

Adopted this ____ day of August, 2020.

Attest:

Beth Weldon, Mayor

Elizabeth J. McEwen, Municipal Clerk

Date: July 17, 2020

To: Jeff Rogers, City and Borough of Juneau

From: Jim Calvin and Katie Berry, McDowell Group

RE: Infrastructure Project Economic Impacts

The City and Borough of Juneau (CBJ) contracted with McDowell Group to estimate the economic impacts of capital improvements potentially funded by a general obligation bond package, which may appear on the October municipal election ballot.

Three potential infrastructure projects, briefly described below, are considered in this analysis. For purposes of this economic impact analysis, each project (or collection of projects) is assumed to have a \$5 million budget.

School upgrades and roof repairs

The Juneau School District has identified a number of Juneau schools in need of roof repair or replacement. While no specific projects have been identified for bond funding at this time, which schools would be subject to upgrades and repairs is not material to this economic impact analysis. It is assumed the work would occur in 2021.

Park improvements

The Parks and Recreation Department requested general obligation bond funding to perform repairs and replacements to facilities at local parks, Treadwell Arena, Eagle Valley Center, and the Hank Harmon Rifle Range. Various projects were proposed, including playground replacements, facility roof replacements, parking lot improvements, and drainage repair. It is assumed the work would occur in 2021.

West Douglas Pioneer Road extension

Extension of the West Douglas Pioneer Road would bring the gravel road from its current inland terminus to tidewater. While not currently open to motor vehicles, extending the single-lane road could eventually support commercial and residential development opportunities in the West Douglas Island area. It is assumed the work would occur over two construction seasons, in 2021 and 2022.

Economic Impacts

The local economic impact of a construction project depends on the amount of wages paid, the place of residence of those employed, and the local availability of materials, supplies, and services required to complete the project.

Economic impacts occur at three levels:

- **Direct impacts:** based on jobs, payroll, and spending directly resulting from project expenditures.

- **Indirect impacts:** based on economic activity generated as construction companies purchase goods or services from other businesses in support of each project.
- **Induced impacts:** based on economic activity generated as employees spend their payroll dollars in the local economy.

Together, indirect and induced impacts are termed “multiplier” effects. In general, multipliers are relatively low in Alaska because few if any of the goods and materials consumed locally are produced locally (i.e., Juneau gets its groceries, household items, building materials, etc., through Lower 48 providers). Alaska communities typically see a relatively high percentage of spending quickly leave the economy (often referred to as “leakage”) because materials are not produced or otherwise available locally.

Relatively high wages can push construction-related multipliers up. Construction activity spans a variety of occupations, including special trade contractors (carpenters, roofers, electricians, plumbers, etc.), equipment operators and truck drivers, as well as architects, engineers, and contract administrators, among others. Construction-related workers in Juneau generally earn above-average higher wages.

Table 1. Average Annual Employment and Wages, CBJ, 2019

Industry	Average Annual Employment	Average Monthly Wages and Salaries	Average Annual Wages and Salaries
All Industries	17,951	\$4,397	\$52,764
All Private Companies	11,232	\$3,876	\$46,512
Construction Related			
Construction of Buildings	244	\$4,475	\$53,700
Heavy Construction	136	\$8,008	\$96,096
Specialty Trade Contractors	243	\$4,887	\$58,644
Architects & Engineers*	na	\$7,427	\$89,124

Source: Alaska Department of Labor and Workforce Development. *Statewide average. Juneau-specific data is not available.

Industries that employ local residents in high-wage jobs have a larger induced economic impact, as employees spend their wages in the local economy. It is assumed the relatively small infrastructure projects considered in this analysis would mainly employ local workers.

Material purchases compose a high percentage of total costs for certain projects such as roof repairs. While some materials may be purchased through local distributors, specialized supplies and fixtures may not be available locally. For example, new playground equipment or industrial lighting fixtures purchased for a park upgrade might be sourced from a vendor outside Juneau. Equipment rentals and fuel are often key cost drivers in road construction projects. Both are readily available in Juneau.

ANALYSIS OF ECONOMIC IMPACTS

The purpose of this analysis is to estimate the economic impact of \$15 million in capital improvements that encompass the three categories of projects described above. The impacts of each project would not necessarily be uniform, as each has its own set of labor and materials requirements. However, the analysis is intended to measure total impacts (and not to support comparison of the proposed projects). In any case, differences in multiplier effects would be relatively minor.

Economic impact modeling indicates spending related to the projects would directly support approximately 55 jobs in Juneau. Over an 18-month timeframe, the projects would directly generate a total of about \$6.0 million in payroll (wages and salaries plus employer-paid benefits). Local spending by contractors and their employees would support about 35 additional jobs and \$1.9 million in additional payroll. In total, the infrastructure projects would support 90 jobs at the height of the construction efforts and total payroll of \$7.9 million. Indirect and induced economic activity (output or total spending) generated by the projects would total approximately \$6.1 million, bringing the total impact to about \$21 million.

As noted above, the actual economic impacts of these projects will depend on which firms are hired to complete work, their employment of resident workers, and material/supply purchasing practices.

Table 2. CBJ Infrastructure Construction-Phase Economic Impacts, 2021-2022

Category	Peak Employment	Total Payroll	Total Output
Direct impacts	55	\$6.0 million	\$15.0 million
Indirect and induced impacts	35	\$1.9 million	\$6.1 million
Total impacts	90	\$7.9 million	\$21.1 million

Source: McDowell Group calculations

LONG-TERM ECONOMIC BENEFITS

The preceding analysis considers only the short-term, temporary economic impacts associated with the capital improvement projects. While it is beyond the scope of this study to consider all the costs and benefits associated with this set of infrastructure projects, it is important to note that investment in infrastructure also have long-term economic (and other) benefits. Re-roofing projects, for example, may ensure building integrity and safety, and avoid costly and disruptive emergency repairs in the future. Similarly, investment in parks and recreation facilities can preserve functionality and the social benefits associated with those facilities. Extension of the West Douglas Pioneer Road may have the highest potential to support economic development, as it enhances access to high-value public and private property in an area designated for future community growth.

TIMING OF INFRASTRUCTURE INVESTMENT

Investment in infrastructure can have value throughout economic cycles. While all infrastructure investments should be based on the premise that benefits will extend beyond the jobs and wages generated by the initial expenditure, spending on infrastructure during economic downturns can be used to support existing jobs that might otherwise be at risk. Infrastructure investment when economies are presently strong can be used to spur needed diversification or take advantage of specific development opportunities.

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

RED FOLDER - EOC COVID-19 Update July 20, 2020

ATTACHMENTS:

Description	Upload Date	Type
☐ EOC COVID-19 Update for July 20, 2020	7/20/2020	Report



City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801

Telephone: 586-5240 | Facsimile: 586-5385

DATE: July 20, 2020
TO: CBJ Assembly
FROM: Mila Cosgrove, Incident Commander
RE: City & Borough of Juneau COVID-19 Response – Emergency Operations Center Update

Situational Update – Incident Level 2 - Operational Period 17 (7/9/2020 – 7/23/2020).

Disease Transmission/Contact Tracing:

There are 75 new statewide resident cases being reported today and 66 new statewide non-resident cases. Within these numbers, 1 residents and 20 non-resident are attributed to Juneau. The reported non-resident cases are all associated with AGS. We've increased that number by 5 (to 25) in the table to account for the additional AGS cases.

Contact tracing continues to be strained statewide. It appears there is a bottleneck with onboarding new contact tracers. Our local public health staff are working actively to investigate the new cases associated with AGS.

Testing:

Staff and collection supplies are unconstrained. The Anchorage lab continues to operate at half capacity and we expect turnaround times to increase in the coming days. Currently, we are seeing – on average – 4 day turnarounds.

Hospital Response:

BRH reports adequate supply of PPE and no concerns related to workforce availability. They have 2 COVID positive patients currently in the hospital. They are not on ventilators. They will transfer them if they need for a higher level of care. BRH is restricting the number of visitors to one per patient.

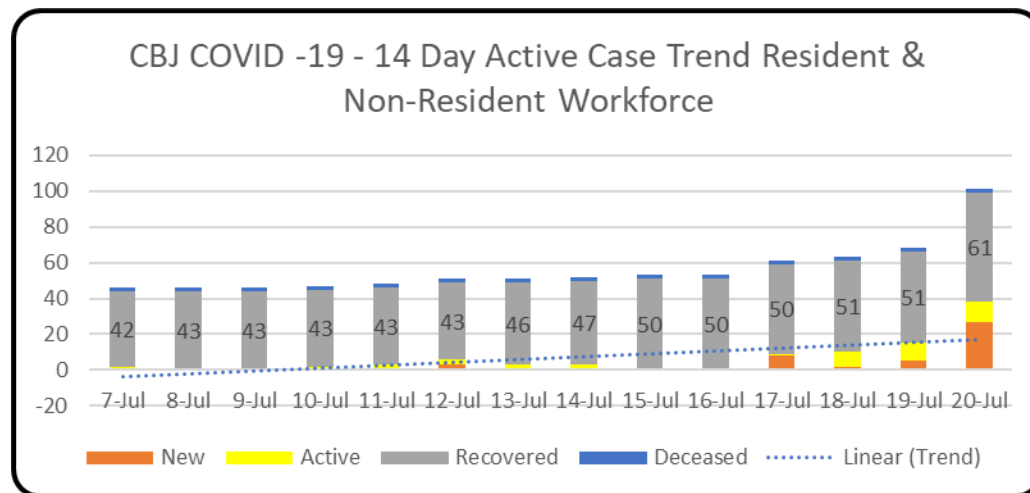
Issues of Note:

DPH is still working with the Alaska Glacier Seafoods cluster. To recap, overall there have been a total of 36 positive cases associated with the event. The initial person who tested positive was a Juneau resident and DPH flagged the exposure as community spread. Following that positive, and additional 17 employees were tested. Of those, 9 came back positive – 4 of whom were residents and 5 of whom were nonresidents (note, this is a change the previously reported number of 8 positives). A second round of testing of the remaining 113 employees was conducted on July 15th. Over the weekend, 26 positive tests were reported; 1 is a resident and 25 are nonresidents. In addition, there are 10 tests still outstanding. We expect to hear those results shortly.

The spread of disease within the AGS cluster was accentuated by the fact that most individuals were asymptomatic and the fact that the nonresident workforce is housed in semi congregate living situations. AGS's COVID Mitigation Plan calls for masking at work, limiting off duty exposure to the community at large, and reporting any signs and symptoms of illness. DPH is reporting good employee compliance with those protocols.

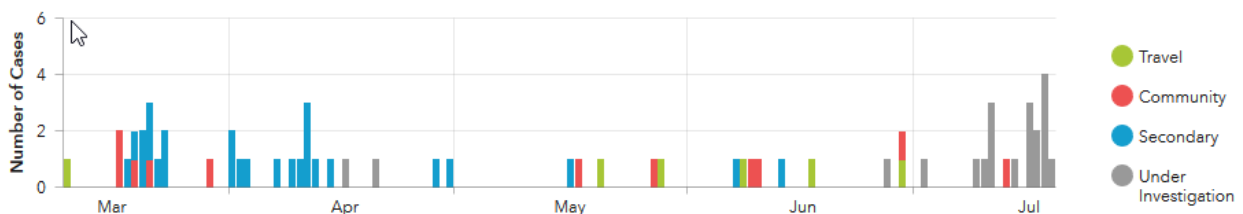
Numbers changed from yesterday are highlighted. The DPH PUI # is not updated. A number of people they were following have dropped off their contact list but they are still determining how many will be added as a result of the AGS cluster.

Category	Juneau		Statewide
Total Confirmed resident cases	64	+2	1,949 (75+)
Recovered/Active resident	54	8	712 (-)
Total Confirmed nonresident cases	37	+25	403 (37+)
Recovered/Active nonresident cases	7	30	
Cumulative Tests & % of population tested	6,131	19%	175,586 (2,576+)
Average # of tests per day over the last 14 days	83.86	Down	
Positive tests over the last 14 days (# and % of positive)	49	4.17%	
DPH PUIs	38		
Hospitalized COVID + and PUI (current)	2	+1	29 (2+)
Ventilated Patients	0		
Resident Fatalities	2		18

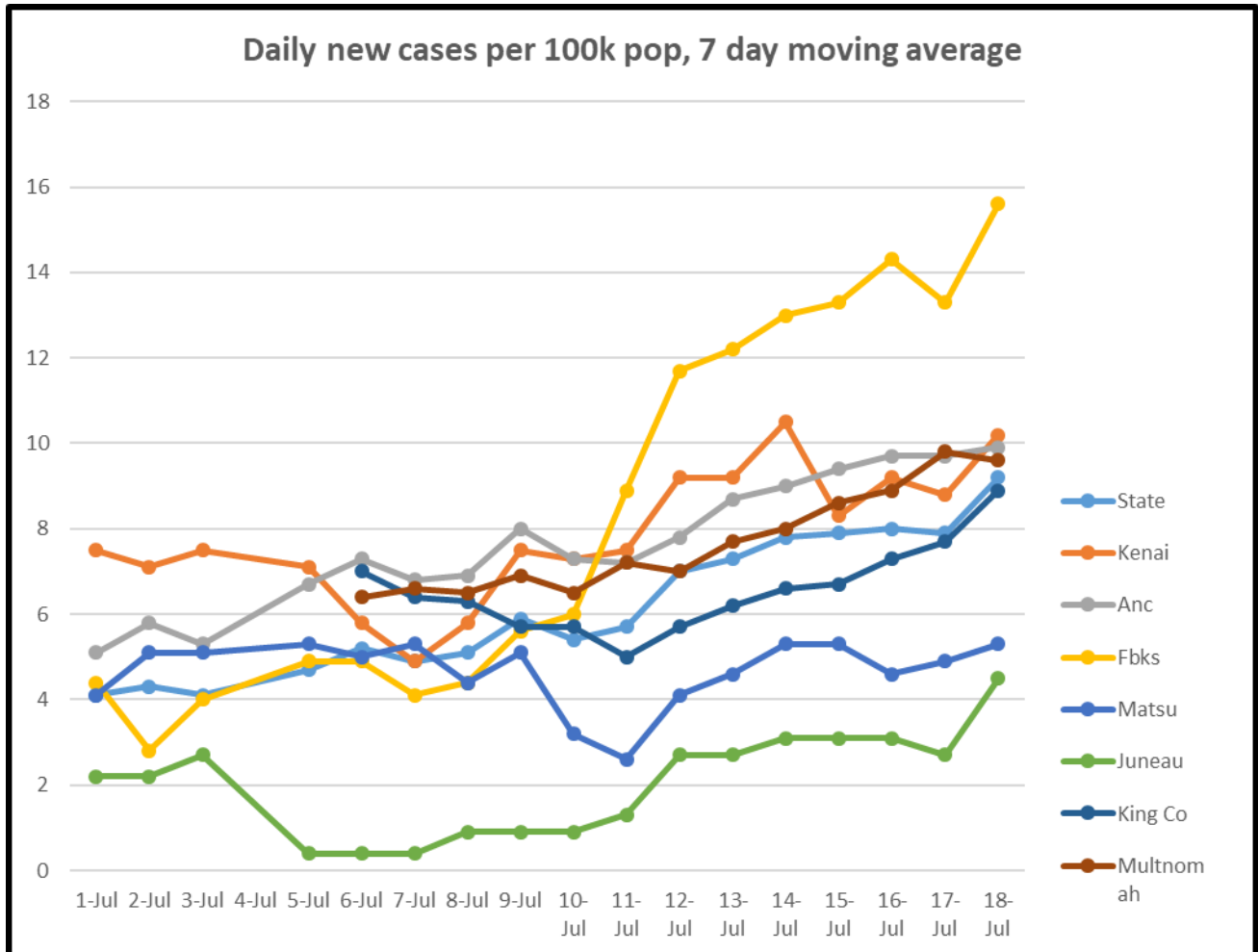


Note: Recent AGS cases not yet included

Acquisition of COVID-19



Positive cases are back dated by the Division of Public Health during their contact tracing phase to the day of onset of COVID-19 symptoms. This graph includes resident cases only. CBJ & DHSS Dashboards which can be found at: www.Juneau.org/COVID-19.



This chart tracks the number of new cases in the past 7 days, controlled for population. Other than Alaskan boroughs, King County (Seattle) and Multnomah County (Portland) are included for context and due to travel frequency.

The source data is from the Harvard Global Health Institute (<https://globalepidemics.org/key-metrics-for-covid-suppression/>) and is generally lags a day behind most of our other reporting. Policy recommendations at varying levels (<1, <10, <25, 25+) can be found on their website.

Monday Focus – CBJ Emergency Operations:

CBJ Operational Overview - July 12 - July 18								
	Sun. 12-Jul	Mon. 13-Jul	Tue. 14-Jul	Wed. 15-Jul	Thur. 16-Jul	Fri. 17-Jul	Sat. 18-Jul	Total
Airport								
In state	205	162	176	178	210	174	181	1286
Out of state	233	172	156	182	143	156	223	1265
Total	438	334	332	380	353	330	404	2571
% of out of state	53%	51%	47%	48%	41%	47%	55%	
JIA COVID Tested	140	155	139	131	103	99	132	899
COVID Re-Tested	44	54	46	35	27	48	38	292
Vouchers Issued	91	65	88	85	43	39	74	485
Vessels								
AMHS	36	73	39	30	43	55	32	308
CBJ Harbors	0	0	0	0	0	0	0	
Mobile Screening								
Calls	48	170	119	114	103	87	57	698
Screens	15	50	40	36	38	29	19	227
Appointments	15	49	39	36	35	29	19	222
Phone welfare check	2	5	4	3	5	10	12	41
In home welfare check	0	0	1	0	0	1	0	2
Respite Transport	0	0	0	0	0	0	0	0
Medical tests (AM)	22	31	32	0	1	12	19	117
Symptomatic (PM)	56	24	16	12	13	12	11	144
In home tests	19	0	1	1	3	1	4	29
Special testing	140	155	139	244	103	99	132	1012
Total tests	237	210	188	257	120	124	166	1302
Total tests to date	5560	5770	5958	6215	6335	6459	6625	
Quarantine & Isolation								
Centennial Hall	0	0	0	0	0	0	0	
Other	0	0	0	0	0	0	0	
Total	0	0	0	0	0	0	0	