SPECIAL ASSEMBLY MEETING
THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes - March 15, 2019

MEETING NO. 2019-14: The Special Meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 5:00 p.m. by Mayor Beth Weldon.

I. CALL TO ORDER / ROLL CALL

Assemblymembers Present: Mayor Beth Weldon, Deputy Mayor Maria Gladziszewski, Loren Jones, Michelle Bonnet Hale, Carole Triem, Wade Bryson, Alicia Hughes-Skandijs, and Mary Becker (telephonic)

Assemblymembers Absent: None.

Staff Present: City Manager Rorie Watt, Deputy Manager Mila Cosgrove, City Attorney Robert Palmer, Municipal Clerk Beth McEwen, Port Director Carl Uchytil, and Finance Director Bob Bartholomew

II. APPROVAL OF AGENDA

There was one red folder item distributed to members - Resolution 2852 Exhibit C. The agenda was approved as presented.

III. CONSENT AGENDA

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

None.

B. Assembly Requests for Consent Agenda Changes

None.

C. Assembly Action

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

1. Ordinances for Introduction

    a. **Ordinance 2018-11(AF) An Ordinance Appropriating to the Manager the Sum of $1,950,000 as Funding for the Settlement of the Cruise Lines International Association Alaska (CLIAA) Lawsuit; Funding Provided by General Fund's Fund Balance.**

This ordinance would appropriate $1,950,000 to pay the payments agreed in the CLIAA lawsuit settlement agreement. $1,500,000 is for a payment to CLIAA to cover a portion of their legal fees. $450,000 is to reimburse CBJ for the remaining portion of our legal fees not initially paid with Marine Passenger Fees.

To facilitate timely payment, the original funding source is FY19 General Fund's Fund Balance. The entire $1,950,000 expenditure will be reimbursed in the beginning of FY20 (July 1, 2019) from Marine Passenger Fees pursuant to Ordinance 2019-14.

The City Manager recommends this ordinance be introduced and set for public hearing on March 22, 2019.

b. **Ordinance 2019-14 An Ordinance Appropriating to the Manager for FY20 the Sum of $1,950,000 as Funding to Reimburse the General Fund for the Funds Appropriated for the Settlement of the Cruise Lines International Association Alaska (CLIAA) Lawsuit; Funding Provided by Marine Passenger Fees.**

This ordinance would appropriate $1,950,000 to reimburse the payments, made in FY19 in accordance with Ordinance 2018-11(AF). The original payments were to fulfill some of the financial terms of the CLIAA lawsuit settlement agreement. $1,500,000 is to reimburse a payment to CLIAA to cover a portion of their legal fees. $450,000 is to reimburse CBJ for the remaining portion of our legal fees.

The entire $1,950,000 expenditure reimbursement will be funded from FY20 Marine Passenger Fees. This ordinance would be effective July 1, 2019.

The City Manager recommends this ordinance be introduced and set for public hearing on March 22, 2019.

2. Resolutions

a. **Resolution 2852 A Resolution Authorizing the Manager to Execute a Settlement Agreement Regarding the Cruise Ship Litigation CLIAA v. CBJ.**

This resolution would authorize the city manager to execute a settlement agreement with CLIAA, the Cruise Lines International Association Alaska, thus ending three years of litigation over the imposition and expenditure of CBJ's cruise ship passenger fees.

This settlement agreement will support the best interests of the CBJ, the

members of CLIAA individually and collectively, cruise ship passengers, all Alaska ports and the citizens of Juneau. It is an excellent solution to a difficult problem. Both parties are relieved to have settled the litigation in such an amicable manner.

CBJ and CLIAA haven't agreed on the exact meanings of the law, but both parties recognize that solid communication will continue to be necessary to keep the parties together. This settlement agreement provides a framework that should help the parties avoid future litigation. CBJ believes that the services that it provides are services to vessels and/or facilitate the marine operation or interstate marine enterprise of a vessel. CLIAA has agreed to not object to use of fees by CBJ to provide these services.

The City Manager looks forward to continued collaboration with cruise ship industry representatives and heartily thanks them for the extensive good faith negotiations that resulted in this agreement.

The City Manager recommends this resolution be introduced and set for public hearing on March 22, 2019.

IV. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

None.

V. ADJOURNMENT

The Assembly thanked staff for all the work they did on the litigation and for reaching a mutually beneficial resolution to the lawsuit.

There being no further business to come before the Assembly, the meeting was adjourned at 5:02 p.m.

Signed: _____ Signed:_____

Elizabeth J. McEwen
Municipal Clerk

Beth A. Weldon
Mayor