



# ASSEMBLY COMMITTEE OF THE WHOLE AGENDA

July 15, 2024 at 6:00 PM

Assembly Chambers/Zoom Webinar

**Assembly Committee of the Whole Worksession - No Public Testimony will be taken.**

<https://juneau.zoom.us/j/95424544691> or 1-253-215-8782 Webinar ID: 954 2454 4691

**A. CALL TO ORDER**

**B. LAND ACKNOWLEDGEMENT**

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. Gunalchéesh!

**C. ROLL CALL**

**D. MANAGER'S REQUEST FOR AGENDA CHANGES/APPROVAL OF AGENDA**

**E. AGENDA TOPICS**

- [1.](#) Bartlett Regional Hospital Fiscal Sustainability
- [2.](#) Eaglecrest Gondola Update
- [3.](#) Grants Pass vs. Johnson Update (Camping in Public Places)

**F. STAFF REPORTS**

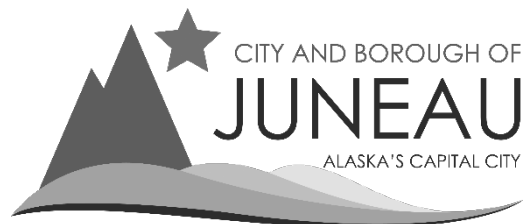
- [4.](#) Informational Only: CBJ Downtown Office Temporary Shuffle

**G. NEXT MEETING DATE - August 5, 2024, 6:00p.m.**

**H. SUPPLEMENTAL MATERIALS**

**I. 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.gov](mailto:city.clerk@juneau.gov).



City and Borough of Juneau  
City & Borough Manager's Office  
155 Heritage Way  
Juneau, Alaska 99801

Telephone: 586-5240 | Facsimile: 586-5385

TO: Deputy Mayor and Assembly Committee of the Whole  
DATE: July 11, 2024  
FROM: Katie Koester, City Manager

RE: BRH Sustainability

Bartlett Regional Hospital (BRH) has been operating at a loss since 2019. To address this, the Board has engaged the community in tough conversations about fiscal sustainability, which is not as simple as implementing operational efficiencies. BRH is operating in a complex healthcare environment influenced by external factors. BRH needs these 3 things to happen to provide long term fiscal health.

1. Find a long-term solution to services that are a net drain on revenue
2. Improve Hospital services and revenue/expenditures to allow core services to continue
3. Positive conclusion with competition

Unsuccessful resolution of any one of these variables questions the existence of BRH. The Bartlett Board has communicated a sense of urgency in addressing these 3 items. Waiting not only drains limited resources; the continued uncertainty regarding the future of services that are a net drain on revenue is impacting morale and BRH is losing key staff in these program.

### Specifics

#### 1. Find a long-term solution for services that are a net drain on revenue

The Bartlett Board has had extensive public process on their fiscal sustainability plan. Support for hospice and Rainforest Recovery Center (RRC) dominated the sentiment from the public and medical providers. There are three services BRH is requesting CBJ subsidize. Keep in mind these costs will escalate with inflation and wage increases over time. The Board approved the five resolutions in your packet outlining their recommendations. To summarize:

- a. Behavioral Outpatient Psychiatric Services (BOPS) provides outpatient psychiatric services out of the new Aurora Behavior Health Center. BOPS needs to be right-sized and actively managed, but is ultimately a core service that Bartlett will continue to provide.
- b. Applied Behavior Analysis (ABA) Therapy provides care to children between the ages of 2-21 that have been diagnosed with autism. ABA therapy has been transferred to independent practice and BRH will support them in any way they can.
- c. The Bartlett Board has requested subsidy of home health (\$200,000) and hospice (\$186,000). Home health provides intermittent in-home care for individuals recovering from illness/surgery or in need of temporary medical assistance. Hospice provides care,

comfort and quality of life for people approaching end of life. The Board does not plan to eliminate these programs but requests a 5-year window of operational support for these services to give the community time to grow volume enough to be sustainable. In the meantime, the Board will continue to look for potential third-party operators to take over the services. **\$386,000/year**

- d. Crisis Care Services provides voluntary inpatient and outpatient behavioral health services to youth ages 12-17. This program is new and started services late last year. It was originally envisioned to provide voluntary and involuntary inpatient services to youth and adults. Currently, services are only provided to youth, voluntarily. Furthermore, it has not resulted in substantial decrease in Emergency Department visits from youth. The Board recommends closure of this facility, but not without caring for suicide prevention services in some manner. **\$3.5M/ year**
- e. Rainforest Recovery Center provides intensive inpatient residential substance use disorder treatment for the region. The Board will continue to look for potential third-party operators to take over the service. If none is secured by the end of October, the Board is requesting \$1.76M in operational support from CBJ in perpetuity. Opportunities for partnerships/third party providers may be available: 60% of the patients are from outside Juneau and 50% are Tribal citizens. Geographically, the closest comparable services are in Anchorage and Seattle. Lower levels of support (outpatient) are available locally. **\$1.76M/year**

### **1. Improve Hospital services and revenue/expenditures to allow core services to continue**

Eliminating the above services that are a net drain on resources does not guarantee a self-sustaining, high-quality hospital that provides core services including emergency, surgery, acute inpatient, pharmacy, lab, diagnostic imaging, rehabilitation, labor and delivery, and mental health. BRH still needs to achieve operational efficiencies and grow revenue generating programs.

### **2. Positive conclusion with competition**

Competition with BRH is outside of the Assembly and Bartlett Board's control and can take many forms. It may be worth exploring this topic at a later meeting so the Assembly understands the nature of the current health care universe in Juneau. For example, if a competitor builds a surgery center, it will be able to take a share of the profit generating surgeries while BRH will still have to remain available for emergencies, Medicare procedures, labor and delivery, and surgeries that are not profitable.

Mayor Weldon, the Manager's office and the Bartlett Board Chair recently met with SEARHC leadership. It was a productive meeting and SEARHC shared their own fiscal struggles in the past with trying to provide services like inpatient substance use treatment disorder. They could not find a way to make it pencil out and pivoted to an outpatient services model. It was clear that SEARHC will continue to grow to meet the needs of its patients and Tribal citizens to provide the best care possible. For example, they shared they will be opening a procedural center for minor outpatient procedures. SEARHC stated their need for a high-quality, reliable hospital to be able

to refer patients to and they expressed no interest in taking over Bartlett. Both parties committed to open communication - it was a good opportunity to meet everyone.

### What Can the Assembly Do?

Today's meeting is to discuss if CBJ should subsidize BRH non-core services. However, numbers 2 and 3 on the list, improving BRH operations to be revenue positive and a positive outcome with competition, provide important context. There may come a time when core services at BRH need CBJ taxpayer support, either because righting the ship is difficult and/or because competition will impact revenue generating services that are used to subsidize services that lose money.

Recurring costs need to be paid for with recurring revenues. Health care programs, similar to our other enterprise functions, are intended to be designed to cover their expenses and not rely on the public at large.

As your City Manager, I am charged with the fiduciary responsibility of the Borough. I cannot recommend taking on the additional operating cost of Rainforest Recovery Center and Crisis Care that serve a very small sector of the population (average of 66 CBJ residents a year) and will only need increased subsidy over time; it is not sustainable.<sup>i</sup> Inpatient substance abuse and mental health services can be self-sustaining under a different cost structure and are often located in large communities where there is federal and state support.

While hospice and home health need a lesser amount of annual subsidy (\$386,000) this would still have an impact on the CBJ budget. BRH Resolution 03-2024 commits BRH to providing these valuable services and provides a limited time frame (5 years) to achieve fiscal sustainability. My recommendation is to provide one-time funding and re-visit the need after the Board and BRH has worked on the business model.

Taxpayer dollars are limited; if you start with the FY25 budget, CBJ has about \$12.25M of head room left in the mill rate until you reach the charter cap of 12 mills. The \$5.6M BRH needs to keep these services would eat up half of that. Using the FY25 budget, this would put the mill rate at 10.94. That is without adding back a higher debt service mill rate or one-time funding into the FY25 budget, decisions the body will wrestle with for FY26.

Service	One-year subsidy \$	Mill Rate equivalent (using FY25 value)
Hospice/Home Health	\$386K	.06
Rainforest Recovery	\$1.76M	.28
Crisis Care Services	\$3.5M	.56
Total	\$5.6M	.9

Nevertheless, this is clearly an Assembly decision. The simplest tools the Assembly has are fund balance (\$6.3M for FY25) and an increase to property taxes (not available till FY26). Other tools are a sales tax increase, which would require a vote of the public, and cuts to current CBJ services.

BRH is requesting funding for FY25 and beyond, which would require an appropriation of fund balance this year. If the Assembly wants to put an advisory vote on the ballot, you need to do so by resolution at the July 29<sup>th</sup> Regular Assembly meeting. Possible ballot language is outlined below.

### **Advisory Vote to Increase Property Taxes**

Possible Language:

#### **Advisory Proposition on Subsidizing Bartlett Services**

Bartlett Regional Hospital (BRH) is operating at a net loss and can no longer afford to support non-core services without subsidy from CBJ taxpayers. The cost to continue providing **hospice, home health, voluntary crisis stabilization services for teens, and inpatient substance use disorder** services would require **\$5.6M** in support from CBJ general fund in FY25, or an increase in the mill rate of **0.9 mills**. 0.9 mills is equivalent to \$90 per \$100,000 of assessed valuation, or about an extra \$364 in property taxes per year on a home valued at \$404,600<sup>ii</sup>. Without this support, BRH will stop providing those services locally and patients will have to travel to receive care. Before the Assembly considers an increase in the mill rate in FY2026, it would like to know if you believe these services should be subsidized by CBJ taxpayers.

#### **Proposition**

Do you believe the assembly should increase the mill rate to allow Bartlett Regional Hospital to continue to provide hospice, home health, voluntary crisis stabilization services for teens, and inpatient substance use disorder services? YES/ NO

#### **Requested Action:**

Discuss whether or not to subsidize some or all of BRH non-core services. If the Assembly wants to put an advisory vote before the voters in October 2024, move a resolution specifying which services to subsidize for action at the next Regular Assembly meeting.

#### **Manager's Recommendation:**

##### **Hospice Home Health: one-time subsidy**

Introduce an ordinance to support hospice and home health for FY25 with an appropriation of \$386,000. Request a program update and re-evaluate funding need in advance of the FY26 budget.

##### **Rainforest Recovery Center: no subsidy**

Request the Board continue to consider potential third-party operators of the program as outlined in BRH Resolution 05-2024, understanding that if not resolved by November 2024, Rainforest Recovery will close. Request additional research from staff and BRH on existing treatment services as well as the cost and feasibility of delivering a lower level of substance use disorder treatment.

Crisis Care Services: no subsidy

Collaborate with key stakeholders on alternative models that meet the community's needs as outlined in BRH Resolution 04-2024. Direct staff to investigate if there is a way to care for services through the Mental Health Unit (MHU) and CCFR with partner agencies.

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<sup>i</sup> -Over the last 3 years Rainforest Recovery has cared for 316 unique patients, 40% of them residents. That equates to an average of 42 Juneau residents served annually  $((316/3)*.4)$

-Crisis Care has had 24 encounters of adolescents since opening in December of 2023.  
(source: 5-29-24 Assembly/ Bartlett Joint Meeting)

<sup>ii</sup> Median value of owner-occupied housing in CBJ in 2022 is \$404,000 according to US Census data.

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF BARTLETT REGIONAL HOSPITAL**

Regarding the Continuation of Bartlett Outpatient Psychiatric Services

**Resolution 01 – 2024**

**WHEREAS**, Bartlett Regional Hospital's psychiatric providers and clinicians provide inpatient psychiatric treatment for adults on the Mental Health Unit (MHU); and

**WHEREAS**, in response to community need for additional psychiatric services, the hospital's psychiatric providers and clinicians began providing individual and family psychotherapy and medication management in an outpatient setting in the 1990's when they were not providing care on MHU; and

**WHEREAS**, over the last several years, in response to the needs of the COVID-19 pandemic, Bartlett's outpatient psychiatric services (BOPS) grew significantly in staffing and expenses have far exceeded program revenue; and

**WHEREAS**, the hospital's serious financial position necessitated a thorough program evaluation of several services, including BOPS, that have been cross subsidized by the hospital for several years; and

**WHEREAS**, the hospital's Board of Directors has reviewed the financial position and economics of BOPS with the City & Borough of Juneau (CBJ) Assembly and its leadership, hospital medical staff leadership, hospital employees, and the public; and

**WHEREAS**, the hospital's Board of Directors has taken into consideration both written and verbal public comment regarding the importance of these services in the community and recognizes the hospital's psychiatric providers and clinicians support MHU, a core service, and therefore BOPS needs to be likewise managed as a core service.

**NOW, THEREFORE, BE IT RESOLVED**, the hospital's Board of Directors affirms BOPS is a core service within the purview of management and thereby supports management direction to pursue outpatient service realignment to achieve program sustainability. The Board directs management to establish and communicate goals for efficiency and improvement of services by August 31, 2024, and provide monthly reports to the Board on progress towards achieving those goals through December 31, 2024.

ADOPTED June 25, 2024



Kenny Solomon-Gross, President  
On behalf of the BRH Board of Directors



**RESOLUTION OF THE BOARD OF DIRECTORS  
OF BARTLETT REGIONAL HOSPITAL**

Regarding the Closure of Applied Behavior Analysis Therapy Services

**Resolution 02 – 2024**

**WHEREAS**, Bartlett Regional Hospital's applied behavior analysis (ABA) therapy program has served children ages 2 to 21 years with an autism diagnosis and their families since 2021; and

**WHEREAS**, ABA therapy helps children with autism achieve greater independence, overcome challenging behaviors, and develop skills for everyday life; and

**WHEREAS**, the hospital's serious financial position necessitated a thorough program evaluation of several services, including ABA therapy, that have been cross subsidized by the hospital for several years; and

**WHEREAS**, the hospital's Board of Directors has reviewed the financial position and economics of the ABA program with the City & Borough of Juneau (CBJ) Assembly and its leadership, hospital medical staff leadership, hospital employees, and the public; and

**WHEREAS**, understandably, but regrettably, the uncertainty regarding the future of the ABA program led to the resignations of the program's board-certified leaders. Without them, the hospital is unable to continue providing services and the difficult decision was made to close the program effective June 13, 2024; and

**WHEREAS**, the hospital's Board of Directors has taken into consideration both written and verbal public comment regarding the importance of these services in the community and the intent of the board-certified staff, now former program leaders, to continue providing ABA services independent of the hospital.

**NOW, THEREFORE, BE IT RESOLVED**, the hospital's Board of Directors extends its sincere appreciation to all the program's professionals for their dedicated service to our community's youth and their families. Furthermore, the Board expresses its full support to the board-certified staff and their efforts to continue providing ABA therapy through independent practice and directs management to assist in the transition of services.

ADOPTED June 25, 2024



Kenny Solomon-Gross, President  
On behalf of the BRH Board of Directors



**RESOLUTION OF THE BOARD OF DIRECTORS  
OF BARTLETT REGIONAL HOSPITAL**

Regarding the Continuation of Home Health and Hospice Services

**Resolution 03 – 2024**

**WHEREAS**, Bartlett Regional Hospital's home health and hospice services opened their doors in 2023 for the first time following a nearly one-year absence of services in the community; and

**WHEREAS**, home health is a service that provides intermittent in-home care for individuals who are recovering from an illness, surgery, or need temporary assistance managing their health. Hospice is a service that provides care for individuals in their last six months of life who wish to focus on living their best life with the time they have remaining; and

**WHEREAS**, the hospital's serious financial position necessitated a thorough program evaluation of several services, including home health and hospice, that have been cross subsidized by the hospital for several years; and

**WHEREAS**, the hospital's Board of Directors has reviewed the financial position and economics of the home health and hospice programs with the City & Borough of Juneau (CBJ) Assembly and its leadership, hospital medical staff leadership, hospital employees, and the public; and

**WHEREAS**, there are community members and organizations that have expressed willingness to financially support hospice; and


**WHEREAS**, the hospital's Board of Directors has stated how significant home health and hospice services are to the aging population of Juneau and the healthcare continuum, and has taken into consideration both written and verbal public comment regarding the importance of these services in the community.

**NOW, THEREFORE, BE IT RESOLVED**, the hospital's Board of Directors recognizes the potential for services to become sustainable and resolves to retain home health and hospice care as part of its services for a period of five years and directs management to:

- prepare a five-year plan to reach sustainability and include the plan for review by the Board Finance Committee by September 30, 2024; and
- continue to evaluate whether there are other potential third-party operators for these programs (any potential third-party operators would be subjected to thorough due diligence by management and the Board); and
- request the CBJ Assembly provide funding to cover deficit operations of home health and hospice care during the five-year sustainability period.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, on an annual basis, the hospital's Board of Directors will evaluate, using the five-year sustainability plan and all known funding sources, the viability of the programs individually and collectively and take all appropriate actions.

ADOPTED June 25, 2024

  
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Kenny Solomon-Gross, President  
On behalf of the BRH Board of Directors

## RESOLUTION OF THE BOARD OF DIRECTORS OF BARTLETT REGIONAL HOSPITAL

Regarding Dedicated Financial Subsidy or Closure of Crisis Care Services

### Resolution 04 – 2024

**WHEREAS**, Bartlett Regional Hospital's crisis stabilization unit for adolescents ages 12 to 17 years opened its doors to the community in 2023. The voluntary program's primary goals are to provide immediate care to adolescents experiencing a behavioral health crisis and avoid unnecessary hospitalization for individuals whose crisis may resolve with time and observation; and

**WHEREAS**, suicide prevention is a needed service within the community; and

**WHEREAS**, the hospital's serious financial position necessitated a thorough program evaluation of several services, including crisis care services, that have been cross subsidized by the hospital for several years; and

**WHEREAS**, the hospital's Board of Directors has reviewed the financial position and economics of the crisis program with the City & Borough of Juneau (CBJ) Assembly and its leadership, hospital medical staff leadership, hospital employees, and the public. Available funding sources will not cover the direct costs of operating the facility, and required overhead allocations from the hospital will cause further losses; and

**WHEREAS**, the hospital's Board of Directors has taken into consideration both written and verbal public comment regarding the importance of these services in the community; and

**WHEREAS**, the hospital's Board of Directors recognizes the Aurora Behavioral Health Center, which houses the crisis stabilization unit among its services, was not built in a manner that allowed for full implementation of the program as originally conceived; and

**WHEREAS**, the construction of the Aurora Behavioral Health Center resulted in high-cost overruns, high overhead costs, and was funded with revenue bonds. These factors increase the actual losses of the crisis program beyond direct operating costs.

**NOW, THEREFORE, BE IT RESOLVED**, the hospital's Board of Directors directs management to:

- evaluate whether there are alternate service models that better meet the community need for crisis services; and
- collaborate with key stakeholders, including, but not limited to, NAMI Juneau and the Juneau Suicide Prevention Coalition, to explore alternate sustainable service models for those experiencing behavioral health emergencies.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, the hospital's Board resolves to seek dedicated subsidy funding from public and private sources to defray direct and indirect operating costs of

crisis care services. If dedicated subsidization cannot be secured within a reasonable period (by October 31, 2024), the Board reluctantly resolves to close the crisis program consistent with all applicable city, state, and federal guidelines and notices. The Board further directs management to:

- evaluate the best and highest use of the building's physical space; and
- pursue dedicated subsidy funding and present an update to the Board at its November 2024 meeting, along with a plan of closure if dedicated subsidization has not been secured.

ADOPTED June 25, 2024



Kenny Solomon-Gross, President  
On behalf of the BRH Board of Directors



**RESOLUTION OF THE BOARD OF DIRECTORS  
OF BARTLETT REGIONAL HOSPITAL**

Regarding Dedicated Financial Subsidy or Closure of Rainforest Recovery Center

**Resolution 05 – 2024**

**WHEREAS**, Bartlett Regional Hospital has been operating Rainforest Recovery Center (RRC), an intensive inpatient residential substance abuse treatment program, since 2000; and

**WHEREAS**, the City and Borough of Juneau historically supported RRC since 2000. That funding was fully eliminated for fiscal years 2024 and 2025; and

**WHEREAS**, the hospital's serious financial position necessitated a thorough program evaluation of several services, including RRC, that have been cross subsidized by the hospital for several years; and

**WHEREAS**, the hospital's Board of Directors has reviewed the financial position and economics of RRC with the City & Borough of Juneau Assembly and its leadership, hospital medical staff leadership, hospital employees, and the public; and

**WHEREAS**, the hospital's Board of Directors has taken into consideration both written and verbal public comment regarding the importance of these services in the community; and

**WHEREAS**, the hospital's Board of Directors recognizes RRC is a vital community program that is ultimately not sustainable without dedicated financial subsidy. Furthermore, the Board recognizes that without a dedicated subsidy, continued cross subsidization of RRC jeopardizes the financial sustainability of the hospital.

**NOW, THEREFORE, BE IT RESOLVED**, the hospital's Board of Directors resolves to seek dedicated subsidy funding from public and private sources to defray direct and indirect operating costs of RRC. The Board directs management to explore potential third-party operators for the program. If dedicated subsidization or a third-party operator cannot be secured within a reasonable period (by October 31, 2024), the Board reluctantly resolves to close RRC consistent with all applicable city, state, and federal guidelines and notices. The Board directs management to pursue dedicated subsidy funding and potential third-party operators and present an update to the Board at its November 2024 meeting, along with a plan of closure and redeployment of the building to more sustainable hospital programs if dedicated subsidization or a third-party operator has not been secured.

ADOPTED June 25, 2024



Kenny Solomon-Gross, President  
On behalf of the BRH Board of Directors



City and Borough of Juneau  
City & Borough Manager's Office  
155 Heritage Way  
Juneau, Alaska 99801

Telephone: 907-586-5240 | Facsimile: 907-586-5385

TO: Deputy Mayor Hale and Borough Assembly  
FROM: Katie Koester, City Manager  
DATE: July 11, 2024  
RE: Eaglecrest Gondola Project Update

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All projects have three basic components, quality, timeline and budget. The saying goes you can't have all three: I will dwell on the latter two since this is a project where we cannot sacrifice quality. Safety of the installed gondola remains the highest priority.

### **Budget**

Purchase of Gondola – \$2M general fund, February 2022  
Design Money for Gondola - \$500K general fund, April 2022.  
Goldbelt Revenue Sharing approved - \$10M loan, December 2022 replaced with new agreement May 2023

The project is at 35% design and major components have been purchased. Seven million dollars remains in the project account for the remainder of design and construction. The cost estimate was developed in 2022 by Mr. Scanlan and was preliminary. Normally 35% design would get us relatively accurate cost estimates; however, this project has many unknowns compared to developing a road or constructing a building. Every gondola installation has a unique profile, and Eaglecrest's gondola to the west end of Pitman's Ridge is no exception. Tower size and location are adjusted to match the requirements of the site<sup>i</sup>. The pitch of the tower has to be able to not only handle the weight of a gondola carrying 12 cabins with up to 15 passengers each, but also the snow and ice load in the winter months. The attached mark up and images show you just how massive this infrastructure is.

CBJ Engineering believes installing the gondola is still doable within the available funds (\$12.5M total project cost). Scope has been reduced to include only the backbone infrastructure, which means the top of the mountain will have an enclosure for the gondola and not much else. Temporary porta potties and structures can be erected to provide visitors with the ability to get out of the elements. Goldbelt is confident that they can sell tickets to this world class destination with or without infrastructure at the top. As the gondola becomes revenue positive, or with further investment, additional amenities can be added and ticket prices increased.

The project does not include items ancillary to the gondola itself, but necessary for running up to 75,000 visitors through the mountain in the summer. These include parking lot repairs to handle bus traffic, a 4-wheel drive van for emergency evacuations, and an adequate water/sewer system. Many of these questions, and details on the profitability of summer operations, will become clear with the independent business plan the Assembly appropriated \$50K for as part of the FY25 budget. This analysis will help the Assembly know when the gondola will become revenue positive, and how that will support winter operations. In addition, Eaglecrest Acting General Manager (GM) Erin Lupro has brought on Kirk Duncan, former Eaglecrest GM (also former Parks and Recreation and Public Works Director) to advise on needed maintenance before winter operations commences, staffing, and to provide industry expertise for both hiring a GM and operational decisions for the gondola project.

When will we know if additional funds are needed? The Assembly approved [alternative procurement](#) for the gondola in January of this year. CBJ has hired Carl Ferlauto as an independent consultant to serve as an owner's agent for Eaglecrest to, among other things, prepare a GC/CM



solicitation. Once we have the general contractor (GC) as part of the team, we will have a much better idea of cost. We anticipate bringing on a GC in the next couple of months for preconstruction services. The project team is currently working through some major technical decisions with real dollar consequences. Once these are resolved we will provide a preliminary estimate (end of September). A guaranteed maximum price will not be negotiated until the project approaches final design (mid-March). If additional funds are needed, it would be defensible to use a loan from passenger fees, though this has not yet been broached with industry.

### **Timeline**

The goal has always been to commence summer operations in 2026. With fast-tracking summer 2024 site work, such as building access roads, laydown and pre-assembly areas, this should still be doable. We anticipate awarding separate (outside the GC/CM process) construction contracts for blasting/road work to be able to get started this year. This includes pioneering the top half of the road this summer so the roadbed is cleared of snow as soon as the ski area closes in April next year and allows early access to the top terminal site. Constructing the mid-mountain road to the mid-station should also happen this year. Both projects will involve blasting to clear the roadbed and develop a rock source. Tower erection will likely be late summer 2025, after the foundations are in place. Typically towers are flown in pieces using helicopters. This is a very fast and efficient process and could take less than a week.

### **Franchise Agreement**

The Assembly still has to approve a franchise agreement with Goldbelt for selling and marketing Eaglecrest tours. This agreement will spell out insurance requirements, wholesale Eaglecrest pricing, reporting, general operating requirements, and other contract provisions. The agreement needs to be in place advance of any ticket sales for summer operations.

### **Not Gondola Summer Operations**

There is a desire to test drive summer operations in 2025 with an excursion that brings visitors up the mountain on the Hooter lift and has them walk down the existing access road. This gives Eaglecrest an opportunity to understand some of the quirks of working with industry and Goldbelt a chance to begin selling an Eaglecrest product. However, there are some major hurdles to work through. The tours would need to be marketed to our more active visitors. They also would need to be scheduled around gondola construction; heavy construction traffic is incompatible with pedestrian traffic. Public outreach also needs to happen. Further vetting of summer operations at Hooter will be part of the business plan review. Keep in mind, Eaglecrest currently has 350-390 visitors with each Viking Cruise Lines call. There are 12 scheduled visits this summer, with the potential for 24 visits next summer. Eaglecrest also permits segway, zipline, and cycle tours throughout the summer season.

### **Communications**

Staff will continue to provide the Assembly with project updates. Once a business plan analysis has been completed and we have more details on the scope, operations, and timeline, staff will do some public engagement around the gondola project, summer operations, and impacts to the local user experience at Eaglecrest. The expected timeline for this outreach is fall.

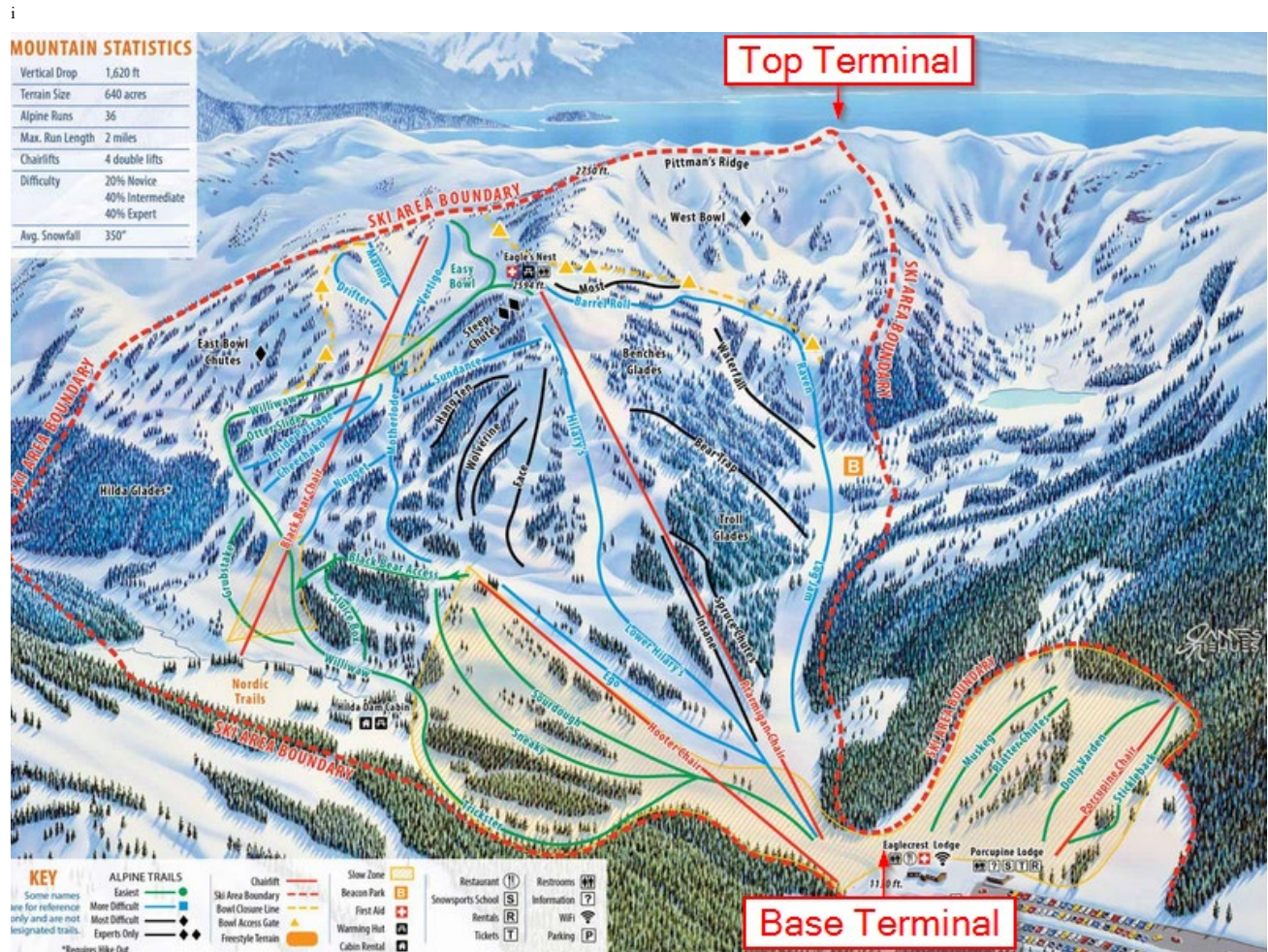
### **Other Things Eaglecrest**

During the FY25 budget process, the Assembly authorized a \$518,000 loan to Eaglecrest. This funded Eaglecrest's base budget request and increased staff salaries by 6%. However, Eaglecrest requested an additional \$292,000 in CBJ support for winter operations and gondola preparation. The Assembly approved the \$518,000 as a loan with the intention of revisiting the Eaglecrest budget. Since then there has been significant change at Eaglecrest. Mr. Duncan's preliminary analysis confirmed that the current budget is sufficient for winter operations; however there are likely near term capital needs to bring into the budget conversation. Once Mr. Duncan has performed his analysis we will have a firm idea of the FY25 operational needs for Eaglecrest winter operations and the capital improvement needs to maintain safety. It is my intention to work with

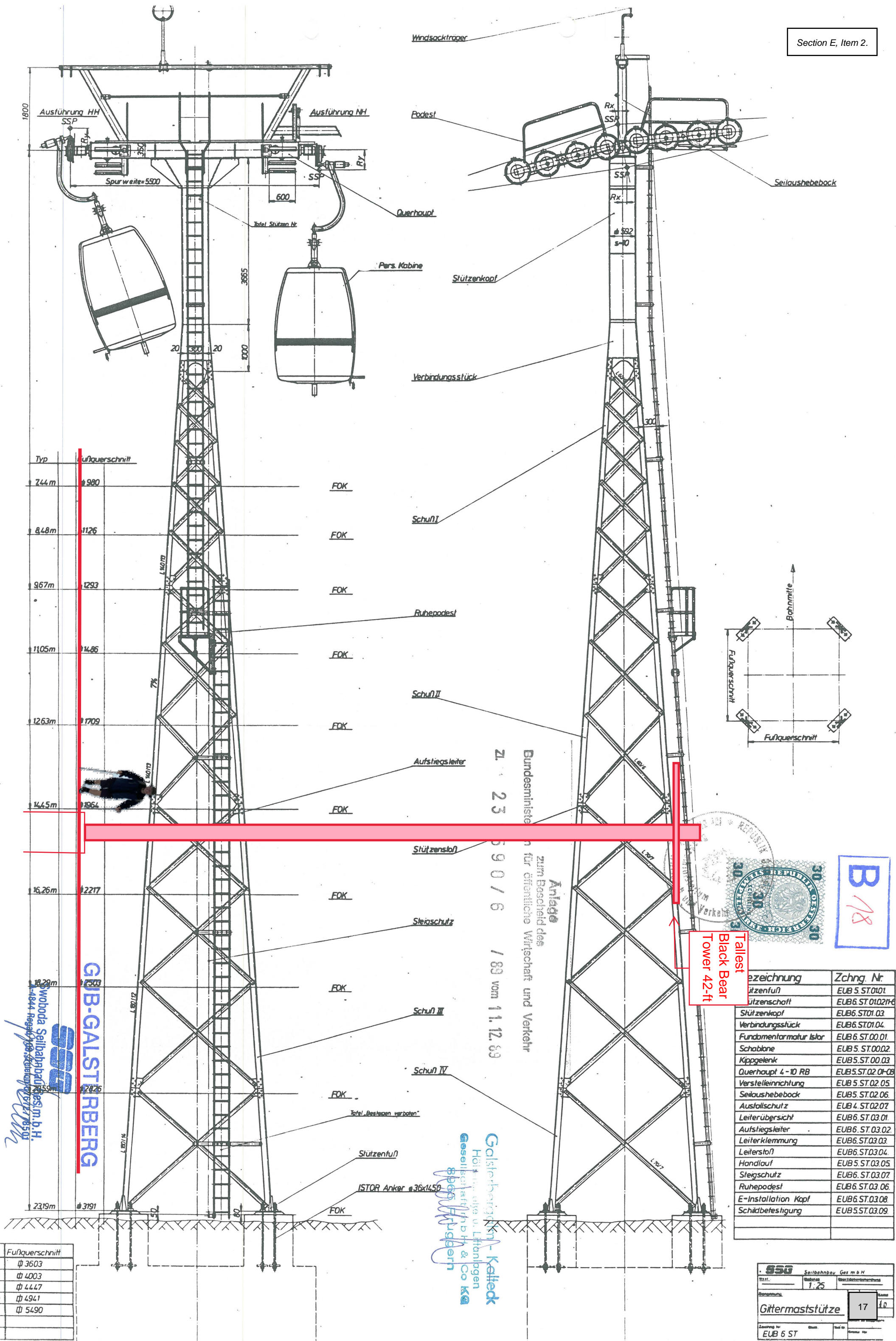
Eaglecrest staff and board to bring a budget update to the Assembly at a fall Assembly Finance Committee.

**Recommendation:** Informational only. Questions welcome.

Enc:  
 Drawings of tower installation  
 Images of Gondola operational in Austria







Bezeichnung	Zchnng. Nr.
Stützenfuß	EUB 5.ST.01.01
Stützenenschaft	EUB 6.ST.01.02/11
Stützenkopf	EUB 6.ST.01.03
Verbindungsstück	EUB 6.ST.01.04
Fundamentarmatur Istor	EUB 6.ST.02.01
Schablone	EUB 5.ST.00.02
Kippgelenk	EUB 5.ST.00.03
Querverhöl 4-10 RB	EUB 5.ST.02.01-08
Verstelleneinrichtung	EUB 5.ST.02.05
Seilaushebebock	EUB 5.ST.02.06
Ausfallschutz	EUB 4.ST.02.07
Leiterübersicht	EUB 6.ST.03.01
Aufstiegsleiter	EUB 6.ST.03.02
Leiterklemmung	EUB 6.ST.03.03
Leiterstoß	EUB 6.ST.03.04
Handlauf	EUB 5.ST.03.05
Stiegschutz	EUB 6.ST.03.07
Ruhepodest	EUB 6.ST.03.06
E-Installation Kopf	EUB 6.ST.03.08
Schildebefestigung	EUB 5.ST.03.09

**SSG Seilbahnbau Ges.m.b.H.**

Stanzl: 1:25

Blatt: 17

Gittermaststütze

Zeichnung Nr. EUB 6 ST

Typ	Fußquerschnitt
26.13m	φ 3603
28.98m	φ 4003
32.15m	φ 4447
35.66m	φ 4941
39.58m	φ 5490

**Galstirbergskjellbeck**  
Hörschütz u. Liffonigen  
Gesellschaft für b.H. & Co KG  
8805 Fluggern

**GJB-GALSTIRBERG**

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City and Borough of Juneau  
City & Borough Manager's Office  
155 Heritage Way  
Juneau, Alaska 99801  
Telephone: 586-5240 | Facsimile: 586-5385

TO: Deputy Mayor Hale and Assembly Committee of the Whole

DATE: July 15, 2024

FROM: Robert Barr, Deputy City Manager

RE: *Grants Pass v. Johnson* update & camping in public places

At the June 3, 2024 Committee of the Whole we discussed a request from the Glory Hall (TGH) and Teal Street Center (TSC) to consider a "shelter safety zone," enabling increased enforcement against individuals camping on public property in the vicinity of those facilities. Decision making was postponed pending the conclusion of the then pending *Grants Pass v. Johnson* Supreme Court appeal. That appeal has concluded. A memo from Attorney Layne summarizing the outcome is attached. The brief version is that the Supreme Court vacated the 9th Circuit's ruling and until or unless the State acts, legislative control on this topic has returned to the Assembly.

In addition to concerns raised by TGH and TSC, we recently received a letter and have been in contact with the Central Council of Tlingit & Haida Indian Tribes of Alaska (T&H) describing the rapid growth of an encampment near the T&H Head Start facility, which is in the same neighborhood as TGH and TSC. They join TGH and TSC in requesting action, specifically clean-up efforts, prevention of future encampments, and stricter enforcement.

Existing CBJ Code<sup>12</sup> prohibits camping on public rights-of-way. Existing code permits camping on CBJ land other than a public right-of-way for periods of up to 48 hours. After 48 hours, campsites must be moved and may not be within 1/2 mile of the same location. Additionally, existing code<sup>34</sup> does not permit living in vehicles, except when those vehicles are lawfully parked in an area designated for camping/RV use. Violations of these code sections are infractions. Infractions are punishable by fine only. Under the 9th Circuit ruling, our ability to enforce these sections of code was limited.

Unless the Assembly wishes to change policy and direct staff to prepare new legislation for consideration, we will enforce these sections of code on a criteria-driven basis, focusing on addressing sites that present the most significant safety and public health concerns. More specifically, criteria would include the size of any given campsite, unmitigated human waste and garbage, evidence of increased criminal activity in the surrounding area related to the site, the presence of stolen property, the details of reports/calls for service from surrounding residents and businesses, and whether the site is adjacent to a residential area. In the absence of these criteria or when they are observed to be at manageable levels, we would focus our limited enforcement capacity elsewhere.

**Recommendation:**

Information only, unless the Assembly seeks an alternative policy direction.

<sup>1</sup> 53.09.340

<sup>2</sup> 36.20.035 additionally prohibits camping specifically in the Last Chance Basin and Salmon Creek Watershed.

<sup>3</sup> 72.12.080

<sup>4</sup> Law is working on an update to the impound code to ensure that vehicles are efficiently moving in and out of the impound lot and impound in place process. We anticipate the Assembly seeing a recommended ordinance on this topic in September.





DATE: July 15, 2024  
TO: Robert Barr  
FROM: CBJ Law Department  
SUBJECT: Grants Pass U.S. Supreme Court decision update

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### **Big Picture**

On June 28, 2024, the U.S. Supreme Court ruled 6-3 in the case of *City of Grants Pass, Oregon v. Johnson et al.*<sup>1</sup> The issue before the Supreme Court centered on the City of Grants Pass, Oregon's municipal code, which prohibits "activities such as camping on public property or parking overnight in the city's parks."<sup>2</sup> Violators of the code are initially subject to civil fines, and multiple violations may result in jail time.<sup>3</sup>

The Court's decision found that Grants Pass' code, which penalizes people who sleep on public property, did not amount to cruel and unusual punishment under the Eighth Amendment. The court determined it is up to states and cities -- not the federal courts -- to establish restrictions.<sup>4</sup> "Homelessness is complex" and "[i]ts causes are many. So may be the public policy responses required to address it."<sup>5</sup> The court ruled that the Eighth Amendment's Cruel and Unusual Punishment Clause does not prohibit the enforcement of generally applicable laws regulating camping on public property and that Grants Pass' code is enforceable, and thus overturned the Ninth Circuit's highly influential decision.

Previously, in *Martin v. City of Boise*, the Ninth Circuit Court ruled that municipal codes prohibiting sleeping in public places violated the U.S. Constitution's Eighth Amendment Cruel and Unusual Punishment Clause in situations when homeless individuals have no access to shelter beds.<sup>6</sup> As a result, most western state communities, including Juneau, have taken the position that no civil or criminal penalties will be pursued unless shelter beds are available, such as the warming shelter in the winter.

In *Grants Pass*, the Supreme Court explained that the "Constitution's Eighth Amendment serves many important functions, but it does not authorize federal judges to wrest ... [the] rights and responsibilities from the American people" to decide "how best to handle a pressing social question like homelessness" and "in their place dictate this Nation's homelessness policy."<sup>7</sup>

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<sup>1</sup> *City of Grants Pass v. Johnson*, No. 23-175, U.S. 603 \_\_\_\_ (2024), *Johnson v. City of Grants Pass*, 72 F.4th 868 (9th Cir. 2023)

<sup>2</sup> Grants Pass Municipal Code §§ 5.61.030, 6.46.090-100.

<sup>3</sup> *Grants Pass* at 8.

<sup>4</sup> *Id.* at 19.

<sup>5</sup> *Id.* at 34.

<sup>6</sup> *Martin v. City of Boise*, 902 F.3d 1031 (9th Cir. 2018), amended on denial of reh'g, 920 F.3d 584 (9th Cir. 2019).

<sup>7</sup> *Grants Pass*, *supra*, at 34-35.

## **Key Points**

- The Eighth Amendment focuses on the types and methods of punishment that can be imposed for criminal violations, aiming to end punishments that would evoke “terror, pain, or disgrace.”
- The Eighth Amendment concerns the response to criminal actions (the punishment), not whether certain behaviors can be criminalized.<sup>8</sup>
- Grants Pass’ code does not qualify as cruel, in part because it imposes limited fines for first-time offenders, increased responses to repeat offenders (e.g. trespass orders), and limited jail time (30 days) if they are charged with a crime.<sup>9</sup>
- Grants Pass’ code does not qualify as unusual, as these are common punishments for similar offenses throughout the country.<sup>10</sup>
- States and cities have broad power to respond to behavior and to prohibit certain behaviors. The Grants Pass law criminalizes behavior, such as camping rather than status, such as homelessness. The laws apply equally\ to anyone camping on public land.<sup>11</sup>
- The Court does not agree that cities must ask whether homelessness is involuntary, whether shelter is available, or keep a tally of beds.<sup>12</sup> The justices agree that this has created confusion. Rather, the issue is left to be decided by the people. For example, a defendant in a criminal trial could argue a defense of necessity (e.g., they had no other option but to trespass due to homelessness).<sup>13</sup> A city is not required to have anti-camping rules, but if they do, and they are generally applicable, they do not violate the Constitution.
- Fundamentally, the Court concludes that deciding how to respond to the issue of homelessness should be left to communities.

## **What does this mean for Juneau?**

The Court’s decision leaves it up to policy-makers to decide on a path forward with CBJ’s camping policies, prohibitions, and other related code. This ruling allows cities to enforce laws relating to camping on public property, such as trespassing and littering but does not require it. With respect to CBJ’s homeless population, prior to enforcement, first responders and enforcement officers are no longer required to check for available shelter beds. CBJ’s current ordinances are generally applicable to everyone living in or visiting Juneau and they may be enforced accordingly.

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<sup>8</sup> *Id.* at 17-21.

<sup>9</sup> *Grants Pass* at 11.

<sup>10</sup> *Id.* at 15-17.

<sup>11</sup> *Id.* at 20.

<sup>12</sup> *Id.* at 16.

<sup>13</sup> *Grants Pass* at 14, 21-14.



DATE: July 15, 2024

TO: Michele Hale, Deputy Mayor

THROUGH: Katie Koester, City Manager

FROM: Emily Suarez, Project Manager

SUBJECT: Multi-Department Relocation from Municipal Way to City Hall

Several CBJ departments will need to be relocated due to the upcoming Municipal Way building lease expiration on September 30<sup>th</sup>, 2024. Departments directly affected by this lease expiration are Human Resources and Risk Management (HRRM), Finance, and Lands & Resources. Due to the interim relocation, Information Technology (IT) and Emergency Management are also affected. Finance and Lands continue to work at Muni Way and remotely as needed.

This shuffling of personnel is a temporary process that will last about 12 months as negotiations continue with the real estate firm that manages the Burns Building for the Permanent Fund Corporation.

**1. City Hall:**

To facilitate HRRM's transition into City Hall, nine (9) IT staff positions have been transitioned to remote work temporarily, and five (5) IT staff positions will remain at City Hall to attend to any client-based requests. The newly available office spaces at City Hall allowed ten (10) HRRM positions to relocate, with one (1) that remains as a remote position. HRRM has now vacated Muni Way.

The preceding four weeks of work performed at City Hall in preparation for this move included moving most of IT's furniture out of the offices, carpet cleaning, and painting interior office spaces. Subsequently, all HRRM furniture was moved into the newly rehabilitated space from July 1<sup>st</sup> through July 3<sup>rd</sup>.

IT and Emergency Management will be fully moved out of City Hall once the spaces at Marie Drake are ready to occupy. Five (5) Finance staff positions and the remaining one HRRM staff position will then occupy the available spaces at City Hall.

**2. Marie Drake:**

Effective July 1<sup>st</sup>, Marie Drake is under CBJ management. Critical upgrades are needed before moving CBJ staff to this location, including network infrastructure, electrical improvements, parking, and space rehabilitation.

IT, Purchasing, Accounting, AP/Payroll, and Emergency Management have a planned short-term relocation to Marie Drake within the next 6 to 12 weeks. Thirty-two (32) CBJ employees are projected to be relocated to this facility. These departments will be located on the second floor and will occupy approximately nine (9) rooms.

**3. Parking:**

A minimum of 32 parking spaces will be required to accommodate the total number of CBJ employees relocated to this location. Also, Facilities Maintenance has submitted a proposal to relocate to Marie Drake. If Facilities Maintenance also moved to Marie Drake, 26 parking spaces between staff and CBJ Maintenance vehicles will be required. 58 CBJ parking spaces will then be required to accommodate the total number of CBJ employees at this facility. There are currently only 49 parking spaces at Marie Drake, and 8 of those spaces are designated for Augustus Brown Pool parking.

**4. New Furniture Acquisition**

The City Manager's Office has initiated the purchase of 32 new workstations to facilitate the short-term relocation that retains its transferability and can later be used in a permanent space for all CBJ departments. The total cost of the new workstations is \$317,518.65, with an estimated lead time of 8 to 10 weeks.

**Recommendation:** Informational Only.