

JUNEAU COMMISSION ON SUSTAINABILITY AGENDA

June 18, 2025 at 12:00 PM

Zoom Webinar

https://juneau.zoom.us/j/88069534778 or 1-253-215-8782 Meeting ID: 880 6953 4778

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. APPROVAL OF AGENDA
- E. APPROVAL OF MINUTES
 - 1. JCOS Regular Meeting, May 7, 2025
 - 2. JCOS Worksession, May 21, 2025

F. PUBLIC PARTICIPATION

G. AGENDA TOPICS

- 3. Affirming topics and dates for the next three "field trip" Sustainability Sessions, and determining those interested in attending. Potential dates:
 - 1. Mendenhall WWTP Tour, Wednesday, 6/26, ~4 PM. (pending final confirmation, limited group; may also be pushed back a week or two)
 - 2. Gold Creek & Flume Tour w/ AEL&P, Wednesday, August 20, 5 PM (Confirmed)
 - 3. RecycleWorks & HHW Tour, Saturday, October 11, 2 PM (Pending confirmation)
- 4. Discuss Potential Memo on Ordinance 2025-32. Suggestions to amend proposed tax exemption for sales of heating fuel, including wood, wood pellets, and fuel oil.

H. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS

I. NEXT MEETING DATE

5. Regular Meeting July 2, 2025 12 PM @ Zoom

6. Worksession July 16, 2025 12 PM @ Zoom

J. 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, e-mail: city.clerk@juneau.gov.

Juneau Commission on Sustainability

Minutes—Meeting of May 7, 2025

A. CALL TO ORDER

The meeting was called to order by Co-Chair Marian Call at 12:03 pm.

B. LAND ACKNOWLEDGEMENT

C. ROLL CALL

Present: Marian Call, Duff Mitchell, Brennen McCulloch, Jessica Barker, David Teal, Nick Waldo, Griffin Plush

Absent: Jim Powell, Laura Achee

Staff & Others Present: CBJ Staff Ashley Heimbigner, CBJ Staff Nate Abott, Lori, Zach Gianotti (DEC), Nina Keller (PC)

D. APPROVAL OF AGENDA

1. Approved with the additional topic of JCOS member terms and recruitment without objection.

E. APPROVAL OF MINUTES

- 1. 03/24/2025 JCOS Worksession--Approved without Objection
- 2. 04/02/2025 Regular Meeting--Approved without Objection

F. PUBLIC PARTICIPATION

Zach Gianotti (DEC) introduced himself as a solid waste regulator for Southeast Alaska and requested advisory input from JCOS for future Southeast Conference solid waste meetings. Will follow up with opportunities for JCOS to comment on regional projects.

G. AGENDA TOPICS

 CBJ Energy Management Discussion - Nate Abbott, CBJ Facilities Maintenance Superintendent

Nate Abbott shared CBJ's energy management progress and fielded questions:

- CBJ has been using an energy tracking software for three years. Electricity tracking is straightforward while fuel data is delayed due to billing cycles and more challenging to interpret.
- Fuel-reduction efforts include recent and upcoming boiler upgrades at Glacier Fire Station, Eagle Valley Center, and Auke Bay Fire Station.
- The Floyd Dryden and Marie Drake buildings are particularly high energy consumers.
 A controls project at Floyd Dryden is expected to significantly improve efficiency.
- Efforts to convert boilers at the wastewater treatment plant to electric are underway.

- New projects are evaluated based on energy savings, life safety, functionality, cost savings, and facility age.
- While school district buildings are expected to have similar inefficiencies to Floyd Dryden, limited funding restricts school district action. However, the district is participating in a federally funded energy audit and upgrade program.
- Nate raised concerns about inadequate commissioning frequency. Currently, new systems are only commissioned once; twice-yearly commissioning would better reflect seasonal performance. Examples cited include issues with the ground source heat pump systems at Dimond Park and the Valley Library.
- A recent facility-wide energy audit will soon be released publicly.
- Nate encouraged JCOS to support CBJ's capital renewal (deferred maintenance) funding efforts, which is how most of these types of projects are funded.

3. JCOS Member Terms and Recruitment

- Nick Waldo and Duff Mitchell announced they will not seek reappointment when their terms expire on June 30. Both are open to remaining informal resources. Duff noted potential conflict of interest as Juneau Hydropower progresses.
- Marian encouraged members to invite potential candidates. David expressed interest in retaining institutional knowledge and encouraged Nick and Duff to consider continued involvement in some capacity.

H. INFORMATION ITEMS

- 1. Marian Call shared that a new mining project by Grande Portage Resources is starting sampling near the Herbert River. Duff Mitchelld added that the company plans to power operations electrically and ship ore north for processing.
- 2. Marian Call encouraged members to share agenda-linked resources, including comprehensive plan materials. Griffin Plush is serving on the advisory committee for the Comprehensive Plan and available for questions.
- Nina Keller: Reminded members of the Downtown Douglas/West Juneau Draft Area Plan Open House, May 7, 5:30–7:30 PM at Sayeik: Gastineau Community School Commons. The plan spans Sandy Beach to the Douglas Bridge and will guide local development if adopted.
- I. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS None
- J. NEXT MEETING DATE

June 4, 2025, 12 PM @ Zoom

K. ADJOURNMENT Adjourned at 1:02 pm

Juneau Commission on Sustainability

Minutes—Work Session of May 21, 2025

A. CALL TO ORDER

The meeting was called to order by Co Chair Griffin Plush at 12:03 pm.

B. LAND ACKNOWLEDGEMENT

C. ROLL CALL

Present: Griffin Plush, Nick Waldo, Brennen McColloch, Jessica Barker Absent: Marian Call, Duff Mitchell, Griffin Plush, Laura Achee, Jim Powell, David Teal Staff & Others Present: Dianna Robinson (CBJ)

D. APPROVAL OF MINUTES

1. None

E. PUBLIC PARTICIPATION None

F. AGENDA TOPICS

 Planning for Outdoor Sustainability Sessions - The Commission brainstormed ideas for upcoming outdoor sustainability sessions, considering seasonal opportunities and potential partnerships.

Event Timing:

• Sun Day (September 21) was proposed as a potential anchor date, with related events the preceding week (September 15–21).

Energy Systems Tours:

- Gold Creek Hydro Plant (AEL&P) Potential tour site; point of contact: Lauri or Alec at AEL&P.
- Franklin Dock & Cruise Ship Tours Could highlight cruise ship shore power connections. Alex Pierce has previously offered to arrange ship tours (e.g., Holland America Princess), including overviews of onboard wastewater systems and exhaust scrubbing.

Solid Waste, Water, and Wastewater:

- New Solid Waste/Compost Facility Site Campus of future facilities may be
 of interest, but construction hasn't begun. Revisit in the fall.
- Perseverance & Gold Creek Water Sources Visually interesting but lower priority; could pair with discussions about water rate increases.
- Current Landfill Tour must occur during the workday (closes at 5 PM).

- Mendenhall Wastewater Treatment Plant Tour is feasible; PPE and headcount required. Contact: Brian (CBJ).
- Compost Facility A tour of the current composting operation was suggested.

Land Use & Redevelopment:

- Fish Creek Gravel Pit Explore history of redevelopment plans.
- Mendenhall Wetlands (Second Crossing) Potential walk-through and discussion on the proposed project and its implications. Could serve as a public engagement opportunity.

Preliminary Session Schedule:

- June/July: Mendenhall Wastewater Plant tour
- August/September: Gold Creek Hydro (linked with Sun Day events)
- October: Solid Waste campus site visit (dependent on daylight and staff availability)

Action Items:

- Griffin will reach out to Lauri at AEL&P to coordinate a hydro plant tour.
- Dianna will connect JCOS with Brian to arrange the wastewater plant tour.

G. INFORMATION ITEMS

Staff Update – Dianna Robinson announced she will be leaving her position and moving out of town in July.

- H. COMMITTEE MEMBER / LIAISON COMMENTS AND QUESTIONS None
- I. NEXT MEETING DATE June 4th, 2025, noon @ Zoom
- J. ADJOURNMENT Adjourned at 1 pm

Presented by: Manager Introduced: 6/9/2025

Drafted by: Law Department

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2025-32

An Ordinance Amending the Sales Tax Code of the City and Borough of Juneau.

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

Section 1. Classification. Sections 2 and 3 of this ordinance, if approved by a majority of qualified voters voting on the question in accordance with Sections 4 and 5, shall be of a general and permanent nature and shall become a part of the City and Borough code. Sections 4 and 5 are noncode sections.

Section 2. Amendment of Section. CBJC 69.05.020, Imposition of rate, is amended to read:

69.05.020 Imposition of rate.

- (a) There shall be levied and collected a tax equal to the percentage of the selling price on retail sales and rentals made and services performed within the City and Borough as follows:
 - (1) Within the entire City and Borough: One percent.
 - (2) Within the entire City and Borough:, an additional three percent. 2.5% October 1 through March 31 and 6.5% April 1 through September 30.
 - (3) Effective October 1, 2023, within the entire City and Borough: an additional one percent.
 - (4) Subsection (a)(3) of this section shall be automatically repealed on September 30, 2028.

(c) Subsection (a)(2) and this subsection (c) are automatically repealed on July 1, 2027.

Section 3. Amendment of Section. CBJC 69.05.040, Exemptions, is amended to read:

69.05.040 Exemptions.

(43) Reserved. Effective January 1, 2026, essential food and utilities.

- (a) As used in this section, "essential food and utilities" means:
 - (i) Sales of "food" as defined by the Food and Nutrition Act of 2008, 7 USC § 2012(c);
 - (ii) Sales of electricity by a utility;
 - (iii) Sales of heating fuel, including wood, wood pellets, and fuel oil;
 - (iv) Sales of water and wastewater service by the City and Borough of Juneau; and
 - (v) Sale of curbside refuse and curbside recycling collection.

Section 4. Submission of Question to Voters. In accordance with Article IX, Section 9.17, of the Home Rule Charter of the City and Borough of Juneau, the question of whether to amend the rate of sales tax, as laid out in Section 2, shall be submitted to the qualified voters of the City and Borough at the next regular municipal election. Although not required by Charter or Code, the question of whether to add an additional exemption, as laid out in Section 3, shall be submitted to the qualified voters of the City and Borough at the next regular election. The Municipal Clerk shall prepare the ballot proposition as provided by this ordinance and shall perform all necessary steps in accordance with law to place this proposition before the voters.

Section 5. Proposition. The proposition to be submitted to the voters as required by Section 3 shall read substantially as follows:

Explanation

This ballot proposition, if approved, will do two things. First, it will change the current sales tax rates. Second, it will exempt essential food and utilities from sales tax.

This ballot proposition would implement a new permanent sales tax at a rate of 2.5% October 1 through March 31 and 6.5% April 1 through September 30, and repeal the temporary 3% sales tax and permanent 1% sales tax.

Current CBJ Sales Tax	Proposed CBJ Sales Tax
-	NEW: October 1- March $31 - 2.5\%$
-	NEW: April 1- September 30 – 6.5%
Temporary 1%	No change
Permanent 1%	Repealed
Temporary 3%	Repealed

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PROPOSITION NO. ___

Authorization to Amend the Sales Tax Code of the City and Borough of Juneau. Shall the City and Borough of Juneau implement a 2.5% sales tax October 1 through March 31 and a 6.5% sales tax April 1 through September 30, exempt essential food and utilities from sales tax, and repeal the permanent sales tax of 1% and temporary sales tax of 3%?

YES	[]
NO	ſ	1

Section 6. Effective Dates. The amendments set forth in Sections 2 and 3 of this ordinance shall become effective on January 1, 2026, if the proposition required by Sections 4 and 5 of this ordinance is approved by a majority of the qualified voters of the City and Borough voting on the proposition at the next regular municipal election.

Adopted this day of July 2025.	
Attest:	Beth A. Weldon, Mayor
Breckan L. Hendricks, Municipal Clerk	

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Juneau Commission on Sustainability

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To: Juneau Assembly

Through: Denise Koch, Director of Engineering and Public Facilities

From: Griffin Plush, Co-Chair, Juneau Commission on Sustainability

Date: June 18, 2025

Subject: The heating fuel exemption in Ordinance 2025-32 would impede CBJ's goal of using 80% local, clean energy by 2045 while failing to equitably reduce Juneau's energy burden.

Background

The Juneau Renewable Energy Strategy (JRES) shows that addressing building fuel use is critical to ensure reaching 80% by 2045. Fortunately, Juneau's low electric prices and high fuel prices mean that electrification with heat pumps almost always results in an operational cost savings. Electricity also has less volatile pricing compared to fossil heating, and thus electrification softens the impact to household and organizational budgets during economic downturns. The cost of heating and barriers to electrification are felt most acutely by the least affluent families and businesses. Heating electrification has clear benefits for Juneau's economic, social, and environmental sustainability; however consistent public policy is required to advance it.

Tax policy is climate policy: in other words, whenever governments adjust their revenue structures, they also need to address their climate obligations. While CBJ has done well to support faster electrification in the residential sector, the commercial sector appears to have seen less progress. While it requires further analysis, Juneau's energy use profile suggests that a substantial portion of the revenue lost under the heating fuel exemption would be from the commercial sector. Kensington Mine, for example, with approximately 4.46 million gallons of diesel used annually would avoid >\$1M in sales tax to CBJ, assuming \$4.50/gal and a 5% sales tax. An initial review suggests >\$2M in lost commercial revenue under this exemption.

<u>Recommendations</u>

The exemption for heating fuel in Ordinance 2025-32 should be removed or somehow limited to residential customers, and CBJ should invest revenue collected on fuel into programs that support families and businesses struggling to pay their energy costs.

Investments should include grants to Alaska Heat Smart for heat pump installations with low-income households, direct grants to nonprofits and small businesses for energy upgrades, or even the subsidization of commercial electrification via the C-PACER model adopted by Anchorage, Fairbanks, and the Matsu.