



# ASSEMBLY FINANCE COMMITTEE AGENDA

May 07, 2025 at 5:30 PM

Assembly Chambers/Zoom Webinar

<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. APPROVAL OF MINUTES**

1. April 30, 2025

**D. AGENDA TOPICS**

2. Manager's Proposed Increments & Budget Amendments - For Action

- a. See DOC-2 of the Budget Book for all increments included in the Manager's Proposed Budget

3. Capital Improvement Plan Amendments

4. School District Budget - For Action

- a. Pending List Item #1 - For Action

5. Passenger Fee Plan - For Action

- a. Complete materials available on pages 80-235 of April 5 meeting packet

6. Information Only

- a. FY26 Pending List - *as of May 2, 2025*
- b. Fund Balances - *as of April 5, 2025*
- c. AFC Budget Calendar - *as of April 30, 2025*

**E. NEXT MEETING DATE**

7. May 14, 2025

**F. SUPPLEMENTAL MATERIALS**

8. April 30, 2025 Minutes

9. Downtown Ambassador Program Clarification Memo

10. Info Only: Other Fund Balances Available for Appropriation

11. Info Only: AFC Budget Calendar - *updated May 7, 2025*

**G. 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](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: Chair Woll and Assembly Finance Committee  
DATE: May 1, 2025  
FROM: Katie Koester, City Manager  
RE: Proposed Manager's Increments – FY26 Budget

The purpose of this memo is to present the Manager's Proposed Increments to the FY26 budget. These increments were not included in the FY26 budget for one of three reasons:

- 1) The information or need came after the budget was published.
- 2) The increment, while justified, represents an increase or change in City services which was inconsistent with Assembly direction at the retreat to maintain status quo.
- 3) Policy decisions from the Assembly still need to be made that will dictate the final budget request.

The last time you saw the attached spreadsheet was as part of the pending list. The feedback from the body was that you would like to see items listed separately, which we have done. Note that this list is not inclusive of all the internal requests you have before you. For example, you have School District funding outside the cap above last year's amount on the pending list alongside external requests.

Additional backup material on many of the requests can be found in a series of memos by Deputy Manager Barr included in the packet. Other material that has been presented in previous AFC meetings is linked in the spreadsheet under the "supporting documentation" column.

**Recommendation:** Discuss Manager's Increment Requests. Approve, deny, or move to pending list.

**Enc:** Spreadsheet: Manager's Proposed Increments – FY26 Budget Process  
Memo: CARES Sobering Center  
Memo: CWES and Park Ranger Increment  
Memo: IMLS – Federal Funding Loss

				Materials	
#	Expenditure Description	GF Request Over Manager's	One-Time or Recurring	Supporting Documentation	Justification
<b>CBJ Internal Funding Requests</b>					
1	CCFR - Sobering Center - Operations Relocated to Bartlett	TBD	One-Time	<a href="#">CARES Sobering Center Memo in 5.7 AFC packet</a>	Direct staff to engage with Bartlett because of synergy with ED and former Rainforest recovery space being well suited. Cost unknown, but less than other options. Significant opportunity cost for BRH if their space is taken by sobering center.
2	Streets - Fish Creek Road Eaglecrest Winter Maintenance (0.4 FTE Seasonal Equip Op II + fuel, sand, chemical, etc.) (Costs offset by Eaglecrest & SOA service payments)	(17,500)	Recurring		Streets taking over winter maintenance of Fish Creek road is more efficient and cost effective in the long run than current situation where EC pays ADOT a premium. When not plowing Fish Creek the extra labor could help reduce response time in Douglas.
3	Streets - Fish Creek Road Eaglecrest Winter Maintenance (Grader Equipment Purchase)	423,000	One-Time		This equipment is necessary to maintain Fish Creek Road, however it will also be well utilize across the Borough. Currently ADOT maintains Fish Creek Road at a their lowest priority level and EC pays to prioritize it higher (up to \$90K in Fy25). ADOT would pay CBJ \$40K annually if we take over winter Maintenance. CBJ will quickly recover the \$424K in one time expenditures.
4	Cold Weather Emergency Shelter Facility Modifications (Bathrooms + Sprinklers + Cots/Bedding)	75,000	One-Time	<a href="#">CWES and Park Ranger Increment Memo in 5.7 AFC packet</a>	Needed improvements to CWES: sprinkler system and hardening of sinks that get heavy use.
5	Park Ranger FTE Increase (0.50 FTE to 1.0 FTE) (Mitigate the impacts of homelessness in parks & facilities)	38,900	Recurring	<a href="#">CWES and Park Ranger Increment Memo in 5.7 AFC packet</a>	Increases park maintenance ability to keep parks clean and safe with the increased use from camping/ homelessness.
6	RecycleWorks - Junked Vehicles Contractor Increase	71,000	Recurring		Responses to bids for our junk vehicle contract came in after the budget was published. The cost increased from \$356 per vehicle to \$565 per vehicle.
7	Law - Office Assistant (1.0 FTE) (Costs offset by decrement 0.25 FTE for Legal Intern)	65,900	Recurring		This position will allow the Law Office to better manage administrative tasks freeing specialized staff (Attorneys and Office Manager) to do more high level work focusing on legislation and litigation. This support will help reduce backlogs, improve response times and ensure that criminal prosecutions and civil inquiries are handled promptly.
8	Library - Restore funding from loss of IMLS federal funding.	130,200	Recurring	<a href="#">IMLS - federal funding loss memo in 5.7 AFC packet</a>	Federal funding for the program that provides interlibrary loan services across the State of Alaska has been eliminated by the Trump Administration. CBJ has been running that program which allowed us to use those staffing hours to help run the circulation desk. This funding is needed to backfill enough hours to keep the Library open and provide interlibrary loan services for our residents (but no longer provide the statewide service).
9	Manager's Office - Commodities and services for Communications Division	85,725	Recurring	<a href="#">Communications Plan Summary from 4.06 AFC</a>	This request funds the commodities and services budget for the new Communications Division and includes training and travel, printing and direct mail, advertising, software, and contractual services.
<b>Totals</b>		<b>498,000</b>	<b>One Time</b>		
		<b>374,225</b>	<b>Recurring</b>		



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

TO: Chair Woll & Assembly Finance Committee  
DATE: May 7, 2025  
FROM: Robert Barr, Deputy City Manager  
RE: CARES Sobering Center

In July of 2023, CBJ provided \$150k to St Vincent de Paul (SVdP) to construct needed improvements to space we rent from them for CARES Sobering Center operations. This was after an attempt to do the project internally. Quotes for this work came in at approximately \$600k, significantly above our initial estimates. SVdP has approximately \$105k remaining, post-design.

The current space we rent at SVdP shares space with the free clothing store and compromises privacy for both staff and clients, has regular pest and plumbing issues, and does not have separate restroom/shower facilities for staff and clients. Staff frequently need to clean/disinfect the restroom/shower area after each use. Further, there is no secure area for staff to retreat to in the event of client aggression.

Given the high renovation cost, we have been exploring alternative options for sobering center operations. We first attempted and have been unsuccessful in attempting to find suitable commercial space for rent. In general, commercial landlords have been unenthusiastic about sobering center clientele in their space. We moved on to CBJ owned options, which include:

Option 1 – Proceed with SVdP renovation project (currently have a 7 year contract, SVdP is amenable to long-term extension discussions). Given existing funds and cost escalation, we estimate new costs for this option at \$530,000.

Option 2 – Renovate the middle section of Thane Warehouse, centralizing the sobering center with the Cold Weather Emergency Shelter. This option would require moving items currently stored in the warehouse, likely to Marie Drake and that additional project has not yet been estimated and would be in addition to the current estimate of \$800,000, after the use of existing funds.

Option 3 – Utilize existing facility space in the old Rainforest Recovery Center at BRH. Renovation costs are lower for this option as the space is already largely designed for this use. Some work would need to be done, including replacing carpet with hard surfacing, installing access control equipment, and separating the space from the orthopedic clinic utilizing the west wing of the facility. Given currently available funding, we do not believe an additional appropriation would be necessary for this option.

This option would preclude and/or make more difficult BRH's plan to offer new clinical services (tentatively/potentially cardiology, dermatology, and/or neurology) in this space.

### **Recommendation**

Seek additional information from BRH on option 3, if desired, and provide direction. Given cost, logistics, and current unknowns, staff recommend option 1 or 3.



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

TO: Chair Woll & Assembly Finance Committee  
DATE: May 7, 2025  
FROM: Robert Barr, Deputy City Manager  
RE: Cold Weather Emergency Shelter (CWES) and Park Ranger increment

Both the CWES and Park Ranger (+0.5 FTE) increments in front of the Assembly are related to existing programs/services for people experiencing homelessness. We included them as proposed increments for additional transparency given the high degree of public interest and the complexity of the challenges we face with regard to homelessness related services.

CWES operations this past season (mid-October through mid-April) both went well, compared to previous years, and were challenging. We identify the following risks for next year:

- It is possible that we will see growth in demand that we are unable to meet in the existing space, with the existing operator
- It is possible that the existing operator may not have the capacity to provide service, or the same level of service, next year
- In the absence of the existing operator, we may not be able to find a replacement operator

Assuming we are successful in mitigating these risks, the CWES has the following needs for FY26:

- Addition of sprinkler system – estimated at \$60,000
- Hardening of toilets and sinks, which received significant damage/loss this year, and associated plumbing and new cots – estimated at \$15,000

We currently employ four park rangers at 2.89 FTE who are tasked with park and trail maintenance, parking garage and lot enforcement, responding to emergencies within P&R and during emergency events requiring activation of the Emergency Operations Center (EOC), and assisting with mitigating the impacts of behavior associated with public camping/homelessness. The department has been seeing increased need associated with the last duty and the increment request would bring one of these four (range 10) positions from 0.5 FTE to full-time in order to increase park patrols and maintain clean and safe park spaces.

### **Recommendation**

Add \$75,000 for CWES improvements (one-time) and \$38,900 for the park ranger increment (recurring) to the FY26 budget.



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

TO: Chair Woll & Assembly Finance Committee  
DATE: May 7, 2025  
FROM: Robert Barr, Deputy City Manager  
Catherine Melville, Library Director  
RE: Institute of Museum and Library Services (IMLS) - federal funding loss

On March 14, 2025, President Trump issued Executive Order 14238, which directed that seven agencies, among them IMLS, "be eliminated to the maximum extent consistent with applicable law..." Subsequently, funding has been frozen, staff have been placed on administrative leave, and it is clear to us funding for existing programs will not be made available despite significant and unresolved legal questions related to the separation of powers and the executive's role in fulfilling congressionally directed appropriations.

IMLS funds various library and museum programs throughout the country. The statewide impact in Alaska is significant but is outside of the scope of this memo. This memo focuses on two local impacts: Interlibrary Loan (ILL) service and the Alaska Library Extension (ALEX) program.

- ILL is performed by Anchorage Public Library on behalf of the state and enables libraries to share materials with other libraries when their local collections don't meet the research or recreational needs of their patrons.
- ALEX is performed by Juneau Public Libraries (JPL) on behalf of the state and provides library services to rural areas of the state unable to operate their own library.

Historically, ALEX was a service provided regionally with state-funded (IMLS pass through) grants awarded to public libraries in Juneau, Fairbanks, and Anchorage. Over time due to budget reductions, the program centralized in Juneau, and we have served eligible residents across the state for the past decade.

JPL staff have been in contact with the State Library and there is no certainty of continued funding after June 30. Accordingly, JPL staff have been notifying ILL and ALEX patrons of a disruption and/or elimination of service, dependent on future decisions at all levels of government.

Due to the size of the ALEX program and the integrated nature with overall JPL operations, elimination of this program has broader implications to staffing, hours of operation, and the materials budgets at JPL. Director Melville has provided two scenarios for your consideration.

In both scenarios, statewide/rural library services end. The Alaska State Library (ASL) has a statutory obligation to provide these services and it is not clear at this time how ASL intends to meet this obligation. At a high level:

- Scenario 1 maintains all core library services for Juneau patrons at an increased general fund cost of \$130,200.

- Scenario 2 reduces hours of operation by closing one weekday per week at all locations, reducing the materials budget by \$33k, and eliminating ILL. There is no additional general fund request in this scenario.

Detail on these scenarios is attached.

### **Recommendation**

Given direction at the Assembly retreat to maintain existing services at a status-quo level, increase the general fund operating to the support to the Library in FY26 in the amount of 130,200 (scenario 1).

These scenarios all assume a total loss of FY26 funding for the JPL-based Alaska Library Extension program & interlibrary loan service through statewide federally-funded program  
FY25 ALEX grant award was \$271,093; Request submitted for FY26 was \$277,600; FY25 ILL service was provided to JPL at no cost;  
JPL-based ALEX staff currently work an average of 34.88 hours per week providing public service at JPL's downtown location

### **Scenario 1**

*Summary: General fund request to retain core library services & maintain current levels of open hours with minimal change to staff workload balance. To maintain current library public service hours and interlibrary loan service, JPL would need to create two part-time positions at .75 and .5 FTE (range 9) for a total of 1.25 FTE increase in FY26.*

#### **Service Impacts:**

- All core library services remain intact
- No reduction of budget for new books & materials
- No reduction of hours libraries are open to the public
- Restoration of interlibrary loan service

#### **Funding Impacts:**

- Personnel reduction from 2.5 FTE to 1.25 FTE for a total reduction in grant funded personnel costs of \$221,700 in FY26
- Loss of indirect cost support - \$10,700

#### **General Fund Request:**

- Personnel cost increase of \$92,600 to employ two part time staff - 1.25 FTE, range 9
- Maintain new books & materials budget funding level for physical and digital materials - \$30,000
- Additional miscellaneous cost increase to cover parking passes, postage, mail courier and interlibrary loan management tools - \$7,600

**Total General Fund Request, Scenario 1: \$130,200**

### **Scenario 2**

*Summary: Reduction of library services and open hours due to loss federally funded interlibrary loan service and staff. Reduce weekly open hours by approximately 35 hours per week and eliminate interlibrary loan service. Absorb miscellaneous costs with reduction of new books & materials budget.*

#### **Service Impacts:**

- Close all locations one weekday per week
- Reduction of new books & materials budget
- No interlibrary loan service

#### **Funding Impacts:**

- Personnel reduction of 2.5 FTE for a total reduction in grant funded personnel costs of \$221,700 in FY26
- Reduction of new books & materials budget - \$33,100 (16% reduction)
- Absorb miscellaneous costs for postage and mail courier - \$3,100
- Loss of indirect cost support - \$10,700

#### **General Fund Request:**

- In this scenario services to the public would be reduced or eliminated and no additional funding would be requested

**Total General Fund Request, Scenario 2: \$0**



Presented by: The City Manager  
Introduced: April 5, 2025  
Drafted by: Engineering & Public Works Department

**RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 3090**

**A Resolution Adopting the City and Borough Capital  
Improvement Program for Fiscal Years 2026 through 2031,  
and Establishing the Capital Improvement Project Priorities  
for Fiscal Year 2026.**

WHEREAS, the CBJ Capital Improvement Program is a plan for capital improvement projects proposed for the next six fiscal years; and

WHEREAS, the Assembly has reviewed the Capital Improvement Program for Fiscal Year 2026 through Fiscal Year 2030, and has determined the capital improvement project priorities for Fiscal Year 2026.

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

**Section 1. Capital Improvement Program.**

(a) Attachment A, entitled "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2026-2031," dated June 1, 2025, is adopted as the Capital Improvement Program for the City and Borough.

(b) The following list, as set forth in the "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2026 - 2031," are pending capital improvement projects to be undertaken in FY26:

**FISCAL YEAR 2026  
GENERAL SALES TAX IMPROVEMENTS**

<b>DEPARTMENT</b>	<b>PROJECT</b>	<b>FY26 BUDGET</b>
Eaglecrest	Deferred Maintenance /Mountain Operations Improvements	\$ 350,000
Manager's Office	Emergency Services Grant Coordination	100,000
Manager's Office	Zero Waste	100,000
P& R - Facilities Maintenance	Deferred Building Maintenance	1,265,000
P& R - Facilities Maintenance / CCFR	Juneau Fire Station Mechanical System Replacement - Kitchen/Dayroom Remodel	100,000
Parks & Recreation	Park & Playground Deferred Maintenance and Repairs	325,000
Parks & Recreation	Trail Improvements	250,000
Parks & Recreation	Sports Field Resurfacing & Repairs	300,000
Parks & Recreation	OHV Park and Trails	50,000
Community Development	Comprehensive Plan Update	482,700
Manager's Office	Tenant Improvements	3,300,000
Manager's Office	Outburst Flooding Improvements and Agency Coordination	100,000
<b>General Sales Tax Improvements Total</b>		<b>\$ 6,722,700</b>

**FISCAL YEAR 2026  
AREAWIDE STREET SALES TAX PRIORITIES**

<b>DEPARTMENT</b>	<b>PROJECT</b>	<b>FY26 BUDGET</b>
Street Maintenance	Pavement Management	\$ 1,212,000
Street Maintenance	Sidewalk & Stairway Repairs	200,000
Street Maintenance	Areawide Drainage Improvements	200,000
Street Maintenance	Gold Creek Flume Repairs	600,000
Street Maintenance	Dudley Street Improvements	3,400,000
<i>Wastewater Utility</i>	<i>Dudley Street Sewer Infrastructure</i>	<i>103,000</i>
Street Maintenance	North Franklin (2nd to 6th)	2,700,000
<i>Wastewater Utility</i>	<i>North Franklin Sewer Infrastructure</i>	<i>335,000</i>
Street Maintenance	Nowell Ave Reconstruction	1,600,000
<i>Water Utility</i>	<i>Nowell Ave Water Infrastructure</i>	<i>300,000</i>
<i>Wastewater Utility</i>	<i>Nowell Ave Sewer Infrastructure</i>	<i>100,000</i>
Capital Transit	FTA Grant Match & Infrastructure Repairs - Bus Barn Sprinkler Upgrades, Garage Doors, Charging Infrastructure, Security & <i>Safety Upgrades</i>	620,000
Capital Transit	New Transit Maintenance Shop Building Planning	50,000
Manager's Office	Juneau Douglas North Crossing (JDNC)	250,000
Manager's Office	Zero Waste	50,000
<b>Areawide Street Sales Tax Priorities Total</b>		<b>\$ 11,720,000</b>

**FISCAL YEAR 2026  
TEMPORARY 1% SALES TAX PRIORITIES  
Voter Approved Sales Tax 10/01/23 - 09/30/28**

DEPARTMENT	PROJECT	FY26 BUDGET
P& R - Facilities Maintenance / CCFR	Juneau Fire Station Mechanical System Replacement	\$ 2,350,000
P& R - Facilities Maintenance	Floyd Dryden and Marie Drake	2,160,000
Manager's Office	Affordable Housing Fund	1,000,000 *
Manager's Office	Childcare Funding	1,000,000 *
Parks and Recreation	Valley Parks Shop Equip Building	800,000
Parks and Recreation	Paving Repairs	200,000
School District	JSD Buildings Facility Maintenance	1,000,000
Manager's Office	Aak'w Village District Parking (North SOB Parking)	1,150,000
Lands / Manger's Office	Telephone Hill Redevelopment	500,000
Manager's Office	Public Safety Communication Radio Infrastructure	1,500,000
Manager's Office	Information Technology	750,000
Harbors	Aurora Harbor	400,000
Lands / Manger's Office	Pederson Hill Development	1,850,000
<b>Temporary 1% Sales Tax Priorities Total</b>		<b>\$ 14,660,000</b>

\* denotes Operating Budget Funding

**FISCAL YEAR 2026  
MARINE PASSENGER FEE PRIORITIES**

DEPARTMENT	PROJECT	FY26 BUDGET
Wastewater Utility	Wastewater System Upgrades	\$ 2,000,000
<b>Marine Passenger Fee Priorities Total</b>		<b>\$ 2,000,000</b>

**FISCAL YEAR 2026  
PORT DEVELOPMENT FEE PRIORITIES**

DEPARTMENT	PROJECT	FY26 BUDGET
Docks	Shore Power	\$ 3,000,000
<b>Port Development Fee Priorities Total</b>		<b>\$ 3,000,000</b>

**FISCAL YEAR 2026  
STATE MARINE PASSENGER FEE PRIORITIES**

DEPARTMENT	PROJECT	FY26 BUDGET
Parks & Recreation	Marine Park Improvements	\$ 2,500,000
Docks	Seawalk	2,000,000
Docks	Downtown Seawalk Cameras	1,000,000
Docks	Downtown Piling Inspection	200,000
Manager's Office	Public Wi-Fi	771,500
Manager's Office	Wayfinding Signage Improvements	50,000
Capital Transit	Covered Bus Stop at Mendenhall Loop Rd.	70,000
Wastewater Utility	Wastewater System Upgrades	1,000,000
Water Utility	Water System Upgrades	100,000
<b>State Marine Passenger Fee Priorities Total</b>		<b>\$ 7,691,500</b>

## FISCAL YEAR 2026

## BARTLETT HOSPITAL ENTERPRISE FUND

DEPARTMENT	PROJECT	FY26 BUDGET
Bartlett Hospital	Deferred Maintenance	\$ 3,000,000
<b>Bartlett Hospital Enterprise Fund Total</b>		<b><u>\$ 3,000,000</u></b>

## FISCAL YEAR 2026

## DOCKS AND HARBORS FUND

DEPARTMENT	PROJECT	FY26 BUDGET
Harbors	Aurora Harbor Drive Down Float	\$ 2,800,000
Harbors	Statter Breakwater	600,000
<del>Harbors</del>	<del>Statter Harbor Office New Roof</del>	<del>250,000</del>
Harbors	Secure Storage - Little Rock Dump	300,000
Docks	Statter Harbor Phase IIID - Curb, gutter and paving	500,000
<b>Docks and Harbors Fund Total</b>		<b><del>\$ 4,450,000</del></b>
		<b><u>\$ 4,200,000</u></b>

## FISCAL YEAR 2026

## FACILITIES MAINTENANCE FUND

DEPARTMENT	PROJECT	FY26 BUDGET
P& R - Facilities Maintenance	Floyd Dryden Deferred Maintenance	\$ 300,000
<b>Facilities Maintenance Fund Total</b>		<b><u>\$ 300,000</u></b>

## FISCAL YEAR 2026

## LANDS &amp; RESOURCES FUND

DEPARTMENT	PROJECT	FY26 BUDGET
Lands & Resources	Pits and Quarries Management, Infrastructure Maintenance and Expansion	\$ 100,000
Lands & Resources	Pederson Hill Development	400,000
Lands & Resources	Auke Bay Prop Devo and Disposal	250,000
P& R - Facilities Maintenance	Floyd Dryden Deferred Maintenance	722,000
<b>Lands &amp; Resources Fund Total</b>		<b><u>\$ 1,472,000</u></b>

**FISCAL YEAR 2026  
WASTEWATER ENTERPRISE FUND**

<b>DEPARTMENT</b>	<b>PROJECT</b>	<b>FY26 BUDGET</b>
Wastewater Utility	Franklin (2nd to 6th) Sewer Infrastructure	\$ 50,000
Wastewater Utility	Dudley Street Sewer Infrastructure	460,000
Wastewater Utility	JDPT SCADA and Instrumentation Upgrades	300,000
Wastewater Utility	Pavement Management Program - Utility Adjustments	33,000
Wastewater Utility	MWWTP SBR Waste Pumps Replacement	375,000
Wastewater Utility	JDTP Waste Pump Replacement	100,000
Wastewater Utility	MH SBR Foam Knockdown Sprays	50,000
Wastewater Utility	Flood Repairs - View Drive Lift Station	50,000
Wastewater Utility	Areawide Collections Systems Improvements - MH structures	350,000
Wastewater Utility	Areawide Collections Systems Improvements - Kiowa MH Structure	320,000
Wastewater Utility	MWWTP Improvements	2,500,000
<b>Wastewater Enterprise Fund Total</b>		<b>\$ 4,588,000</b>

**FISCAL YEAR 2026  
WATER ENTERPRISE FUND**

<b>DEPARTMENT</b>	<b>PROJECT</b>	<b>FY26 BUDGET</b>
Water Utility	Dudley Street Water Infrastructure	\$ 1,500,000
Water Utility	Vintage Boulevard and Clinton Drive Reconstruction	250,000
Water Utility	Pavement Management - Utility Adjustments	11,000
Water Utility	Potable Water Distribution Instrumentation	100,000
Water Utility	MOV Installations & Communications	150,000
Water Utility	North Franklin Water Infrastructure	515,000
Water Utility	Nowell Ave Water Infrastructure	85,000
Water Utility	Water Pipeline Condition Assessment	150,000
Water Utility	Fritz Cove / Mendenhall Peninsula Water Replacement	750,000
<b>Water Enterprise Fund Total</b>		<b>\$ 3,511,000</b>

**ORDINANCE 2025-01 CAPITAL PROJECTS FUNDING TOTAL**

**~~\$ 61,115,200~~**  
**\$ 60,865,200**

**ORDINANCE 2025-01 OPERATING BUDGET FUNDING TOTAL**

**\$ 2,000,000 \***

(c) The following list, as set forth in the "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2026-2031," are capital improvement projects identified as priorities proposed to be undertaken beginning in FY26, but are dependent on other unsecured funding sources. As the sources are secured, the funds will be appropriated:

**FISCAL YEAR 2026  
AIRPORT UNSCHEDULED FUNDING**

<b>DEPARTMENT</b>	<b>PROJECT</b>		
Airport	Acquire Snow Removal Equipment	\$	5,000,000
Airport	Construct 26 MALSR		6,700,000
Airport	Design E-1 Ramp		750,000
Airport	Channel Flying Property Acquisition		3,000,000
Airport	ADA Elevator Access Departure Lounge Ground Load Gate 6		2,500,000
<b>Airport Unscheduled Funding Total</b>		<b>\$</b>	<b>17,950,000</b>

**FISCAL YEAR 2026  
UNSCHEDULED FUNDING**

<b>DEPARTMENT</b>	<b>PROJECT</b>		
Capital Transit	FTA Grants - Bus Barn Electric Bus Charging Infrastructure, Security, Safety, Repairs and Upgrades	\$	4,860,000
Capital Transit	FTA Grant: - New Bus Maintenance Facility		200,000
Harbors	Aurora Harbor Drive Down Float		11,200,000
Harbors	Statter Harbor - Zinc Anodes - ADOT Harbor Grant		500,000
Harbors	Echo Cove Launch Float -Pittman Robertson Grant		200,000
Manager's Office	NOAA Transformation Habitat Restoration and Coastal Resilience Grant - Mendenhall River Glacial Outburst		1,500,000
Parks and Recreation	OHV Recreational Trails Program Grant		300,000
Parks and Recreation	LWCF GRANT - Savikko Park Restroom Replacement		600,000
Public Works	Upper Jordan Creek Sediment Control		5,000,000
Public Works	Highlands Storm Drainage Repairs		5,000,000
School District	JSD Renew American Schools Grant - HVAC Upgrades		3,000,000
<b>Unscheduled Funding Total</b>		<b>\$</b>	<b>32,360,000</b>

**Section 2. Fiscal Year 2026 Budget.** It is the intent of the Assembly that the capital improvement project budget allocations as set forth in the FY26 pending Capital Improvements List in Section 1(b), above, not already appropriated, shall become a part of the City and Borough's Fiscal Year 2026 Budget.

**Section 3. State and Federal Funding.** To the extent that a proposed CIP project, as set forth in Section 1(c), above, includes state funding, federal funding, or both, the amount of funding for that project is an estimate only, and is subject to appropriation contingent upon final funding being secured. It is the intent of the Assembly that once funding is secured, these items will be brought back to the Assembly for appropriation.

**Section 4. Effective Date.** This resolution shall be effective immediately upon adoption.

Adopted this \_\_\_\_\_ day of June, 2025.

\_\_\_\_\_  
Beth A. Weldon, Mayor

Attest:

\_\_\_\_\_  
Elizabeth J. McEwen, Municipal Clerk

Juneau School District FY 2026 Request for Funding Subject to CBJ Assembly approval		FY 2024 Approved Budget	FY 2025 Approved Budget	FY 2026 Approved Budget	Variance +/-
<b>K-12 Instructional Programs</b>					
100	General School Operating Fund	\$ 30,775,800	\$ 34,432,039	\$ 35,004,712	\$ 572,673
	<i>Maximum Allowable Local Contribution</i>				
<b>Requests Non-Instructional</b>					
<b>Shared Services</b>					
<i>TBD</i>	<i>Shared Services Operations &amp; Maintenance</i>	\$ 3,922,787	\$ 1,650,405	\$ -	\$ (1,650,405)
<b>K-12 Non-Instructional Programs</b>					
101	High School Activities	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ -
102	Middle School Activities	\$ 105,000	\$ 90,000	\$ 90,000	\$ -
205	Transportation	\$ 150,000	\$ 200,000	\$ 200,000	\$ -
255	Food Service	\$ 75,000	\$ 75,000	\$ 125,000	\$ 50,000
	<i>Total K-12 Non-Instructional Programs</i>	\$ 1,530,000	\$ 1,565,000	\$ 1,615,000	\$ 50,000
<b>Other Programs</b>					
105	Pre-K		\$ 250,000	\$ 250,000	\$ -
227	Kinder-Ready	\$ 450,000	\$ -	\$ -	\$ -
215	Community Schools	\$ 95,000	\$ 150,000	\$ 200,000	\$ 50,000
103	Learn to Swim	\$ 50,000	\$ 75,000	\$ 50,000	\$ (25,000)
399	RALLY	\$ 150,000	\$ -	\$ -	\$ -
	<i>Total Other Programs</i>	\$ 745,000	\$ 475,000	\$ 500,000	\$ 25,000
	<b>Total Non-Instructional</b>	\$ 6,197,787	\$ 3,690,405	\$ 2,115,000	\$ (1,575,405)
					\$ -
					\$ -
<b>Total Requests</b>		\$ 36,973,587	\$ 38,122,444	\$ 37,119,712	\$ (1,002,732)

Presented by: The Manager  
 Introduced: April 5, 2025  
 Drafted by: Finance

# ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2025-02

## An Ordinance Appropriating Funds from the Treasury for FY26 School District Operations

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

Section 2. Estimated Funding Sources. The following amounts are the estimated funding sources for the City and Borough of Juneau School District, for the fiscal year beginning July 1, 2025, and ending June 30, 2026. It is anticipated that these estimated funding sources will meet the appropriations set forth in Section 3 of this ordinance.

### ESTIMATED REVENUE:

State Support	41,752,000
Federal Support	7,259,800
User Fees, Permits, and Donations	1,544,200
Student Activities Fundraising	1,650,000
<b>Total Revenue</b>	<b>52,206,000</b>

### TRANSFERS IN:

General Governmental Fund School District Support:	
Operations	35,004,700
Special Revenue	2,040,000
<b>Total Transfers In</b>	<b>37,044,700</b>

Less: Fund Balance Decrease	<b>5,726,800</b>
-----------------------------	------------------

<b>Total Estimated Funding Sources</b>	<b>\$ 94,977,500</b>
--	----------------------

Section 3. Appropriation. The following amounts are hereby appropriated for the fiscal year beginning July 1, 2025, and ending June 30, 2026.

### APPROPRIATION:

General Operations	78,734,700
Special Revenue	16,242,800
<b>Total Appropriations</b>	<b>\$ 94,977,500</b>



Section 4. Effective Date. This ordinance shall be effective immediately upon adoption.

Adopted this \_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Beth A. Weldon, Mayor

Attest:

\_\_\_\_\_  
Elizabeth J. McEwen, Municipal Clerk



## **MEMORANDUM**

**DATE:** March 24, 2025  
**TO:** Assembly Finance Committee  
**FROM:** Alexandra Pierce, Visitor Industry Director  
**SUBJECT:** Marine Passenger Fee Budget

This memo provides an overview of the passenger fee process. There are three components to what we collectively refer to as “passenger fees”: CBJ’s \$5 Marine Passenger Fee and \$3 Port Development Fee and the State \$5 Commercial Passenger Vessel Excise Tax (CPV). This is actually a \$34.50 tax, of which Juneau receives a \$5 allocation. Not all ports collect passenger fees, but the first seven ports of call for a ship over 250 passengers receive \$5 in State CPV.

All ports fund tourism infrastructure through a combination of passenger and port fees. When we talk about passenger fees, we tend to lump all these pots of money together, but both the lawsuit and public process focus on MPF only. CBJ’s ordinance requires staff to solicit MPF suggestions in December and then put the proposed budget out for public review before it goes to the Assembly for adoption along with the Manager’s budget.

Southeast Alaska visitor numbers will stay relatively flat between 2024 and 2026, largely as a result of Juneau’s ship and passenger limits. The scheduled lower berth capacity is estimated to be 1.63 million visitors for the summer 2025 season.

### **Using Passenger Fees under the settlement agreement**

In 2019, CBJ and CLIA settled a lawsuit over CBJ’s use of passenger fees. The settlement agreement, included in the packet, provides guidance on where and how passenger fees are used. Under the settlement agreement, fee usage is dependent on proximity to the ship and determined by a mapped area. We are able to use passenger fees in Zone A for services and infrastructure. In Zone B, we are required to discuss passenger fee usage at an annual meeting with CLIA. Projects outside Zone B are also subject to consultation with CLIA.

The settlement agreement requires us to meet annually to “discuss in good-faith any new proposed projects and services for which Fees are sought to be expended in the following Fiscal Year with the ultimate decision resting with the Assembly.” We have agreed to settle disputes over expenditures of fees through direct discussions, escalating to non-binding mediation before resorting to mitigation. This year, CLIA proposed a timeline and process for review, rather than a formal meeting. CBJ granted this request. A budget was submitted to CLIA in January, and a response was received on February 14. The response is included in the packet.

Funding

Here is how that forecast for visitation translates to passenger fee revenue in FY25 and FY26:

		PAX	MPF	PDF	State CPV*	Total
CY2024 Jul/Aug/Sept	FY2025	990,000	\$ 4,950,000	\$ 2,970,000	\$ 8,250,000	\$ 16,170,000
CY2025 April/May/June	FY2025	660,000	\$ 3,300,000	\$ 1,980,000		\$ 5,280,000
CY2025 Jul/Aug/Sept	FY2026	990,000	\$ 4,950,000	\$ 2,970,000	\$ 8,250,000	\$ 16,170,000
CY2026 April/May/June	FY2026	660,000	\$ 3,300,000	\$ 1,980,000		\$ 5,280,000

*\*State CPV receipts remitted to CBJ approximately eight months after they are received*

**FY25 Passenger Fee Total \$ 21,450,000**  
**FY26 Passenger Fee Total \$ 21,450,000**

The below chart lists the projects that staff is proposing to fund for FY25. A compilation of all requests received is included in attachments B and C. Note that the funded amounts in the budget don't all align with the passenger fee requests. In many cases, especially for internal projects, staff collaborated on either phasing projects over multiple years or reducing the project costs.

## FY26 Passenger Fee Proposal

	Direct Cost	Overhead	Total	Available Balance in CIP
<b>Debt Service: Juneau Cruise Terminal Docks</b>	<b>\$ 2,027,900</b>	<b>\$ -</b>	<b>\$ 2,027,900</b>	<b>\$ -</b>
<b>CBJ Municipal Services</b>				
Police Support	\$ 1,265,600	\$ 10,400	\$ 1,276,000	\$ -
Ambulance/EMS Support	\$ 781,500	\$ 6,500	\$ 788,000	\$ -
Seawalk, Open Space and Restroom Maintenance	\$ 875,400	\$ 7,300	\$ 882,700	\$ -
Street Cleaning/Repair	\$ 321,900	\$ 2,700	\$ 324,600	\$ -
Capital Transit	\$ 1,041,600	\$ 8,700	\$ 1,050,300	\$ -
Pulse Point Emergency Notifications App	\$ 34,000	\$ 300	\$ 34,300	\$ -
D&H - Port Management	\$ 275,000	\$ 2,300	\$ 277,300	\$ -
D&H - Port Customs Office Building Maintenance	\$ 142,000	\$ 1,200	\$ 143,200	\$ -
D&H - Access Control Security	\$ 300,000	\$ 2,500	\$ 302,500	\$ -
D&H - Covered Staging Area	\$ 45,000	\$ 400	\$ 45,400	\$ -
Tourism Management	\$ 443,400	\$ 3,700	\$ 447,100	\$ -
<b>Total City Services</b>	<b>\$ 5,525,400</b>	<b>\$ 46,000</b>	<b>\$ 5,571,400</b>	<b>\$ -</b>
<b>Third-Party Visitor Services by Assembly Grant</b>				
Travel Juneau - Visitor services program	\$ 213,925	\$ -	\$ 213,925	\$ -
Travel Juneau - Crossing guard program	\$ 358,825	\$ -	\$ 358,825	\$ -
Tourism Best Management Practices (TBMP)	\$ 46,965	\$ -	\$ 46,965	\$ -
AJ Dock - Access Control Security	\$ 150,000	\$ -	\$ 150,000	\$ -
AJ Dock - Restroom Maintenance	\$ 30,000	\$ -	\$ 30,000	\$ -
Franklin Dock - Access Control Security	\$ 150,000	\$ -	\$ 150,000	\$ -
Franklin Dock - Restroom Maintenance	\$ 30,000	\$ -	\$ 30,000	\$ -
Clean Technology Revolving Loan Program (Org TBD)	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
<b>Total 3rd Party Services</b>	<b>\$ 1,979,715</b>	<b>\$ -</b>	<b>\$ 1,979,715</b>	<b>\$ -</b>
<b>Capital Investments</b>				
Shore Power	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 10,300,000
Dock Safety Cameras	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
Wastewater System Upgrades	\$ 3,000,000	\$ -	\$ 3,000,000	Various
Water System Upgrades	\$ 100,000	\$ -	\$ 100,000	Various
Downtown Piling Inspection	\$ 200,000	\$ -	\$ 200,000	\$ -
Marine Park Improvements	\$ 2,500,000	\$ -	\$ 2,500,000	\$ 3,400,000
Covered Bus Stop at Mendenhall Loop Rd.	\$ 70,000	\$ -	\$ 70,000	\$ 300,000
Wayfinding Signage Improvements	\$ 50,000	\$ -	\$ 50,000	\$ 30,000
Public Wi-Fi	\$ 771,500	\$ -	\$ 771,500	\$ 200,000
Seawalk	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 5,200,000
<b>Total Capital Investments</b>	<b>\$ 12,691,500</b>	<b>\$ -</b>	<b>\$ 12,691,500</b>	<b>\$ 19,430,000</b>
<b>Total Proposed FY26 Passenger Fee Expenditures</b>	<b>\$ 22,224,515</b>	<b>\$ 46,000</b>	<b>\$ 22,270,515</b>	<b>\$ 19,430,000</b>

### Using Passenger Fees:

Passenger fee funding for all CBJ municipal services and the related overhead is calculated by a third-party cost allocation consultant (Matrix Consulting) in compliance with applicable federal standards and industry best practices. Capital investments and third-party visitor services are funded based on the settlement agreement and on discussions with CLIA as described therein.

### Capital Investments:

Shore Power: Several parties requested additional funding towards shore power. At some point, the Assembly will need to discuss whether to support a revenue bond package supported by either dockage or passenger fees. This amount includes additional funds needed for the Franklin Dock Transformer that was funded several years ago and is now complete and ready for installation.

Dock Safety Cameras: Requested by Docks and Harbors, this expense is for safety cameras for the downtown seawalk to be used in conjunction with security services. If this request is funded, the expectation is that we will continue this project on future phases of the seawalk if constructed.

Wastewater System Upgrades: This project covers upgrades to surge tank infrastructure for cruise ship waste discharge.

Water System Upgrades: This project covers design for water system upgrades for cruise ship operations.

Downtown Piling Inspection: The seawalk infrastructure around the CBJ-owned cruise ship docks is aging and will require maintenance in coming years. This first step is an engineer's inspection of downtown dock pilings and recommendations for maintenance and/or replacement.

Marine Park Improvements: The Marine Park renovation already in process was not adequately funded at the project onset. This will fund the project to completion.

Covered Bus Stop at Mendenhall Loop Road: Capital Transit use by visitors has increased dramatically over the past several years and has required additional use of passenger fees. This would fund a covered bus stop at a location heavily used by visitors.

Public Wi-Fi: The downtown Wi-Fi system will require annual maintenance. This will be an annual expense.

Seawalk: The seawalk has long been an Assembly priority. Past passenger fee philosophy has been to fund a general seawalk CIP annually. There may be a future need for a revenue bond when a large project like the Franklin to AJ connection or Huna Totem Dock to Gold Creek connection materializes. This provides additional funding for design and early development planning.

### Other Notable Expenses:

Private Dock Restrooms and Security: In January, the Assembly Finance Committee advanced an ordinance that would increase dockage fees substantially for CY26 and directed staff to no longer fund maintenance, restrooms, and security for private facilities and CBJ Docks & Harbors once the increase goes into effect. This ordinance has not yet been heard by the Assembly. In order to accomplish the Assembly's preliminary direction, full funding is still represented herein because private docks submit

actuals and are reimbursed. If the Assembly wishes to discontinue this funding for CY26, Finance will draft the funding MOAs accordingly.

Crossing Guards: Travel Juneau manages the contract for crossing guards. This is currently funded at the same level as last year when Goldbelt held the contract and did not fulfill contractual obligations. As a result, Travel Juneau put the crossing guard contract out to bid.

Pulse Point: This project provides supplemental services for CCFR. Pulse point is an app-based program that alerts off-duty medical personnel or first responders to augment additional medical support services needed in summer. This was a public submission based on concern for visitors and residents cut off from timely emergency care due to seasonal traffic. CCFR supports this expense.

**Attachments:**

**Attachment A – Combined Passenger Fee Requests Table**

**Attachment B – FY25 Passenger Fee Requests**

**Attachment C – Passenger Fee Projection**

**Attachment D – Memorandum of Agreement (Amendment 1) – settlement agreement between CBJ and cruise lines**

**Attachment E – Maritime Industry Zones map**

**Attachment F – CLIA response to CBJ Passenger Fee Budget**

**City and Borough of Juneau**  
**Passenger Fees from All Sources**  
**(\$000 Thousands)**  
**March 6, 2025**

	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
<b><u>MPF</u></b>										
Revenue	\$ 5,067	\$ 5,407	\$ 5,991	\$ 4,000	\$ 9	\$ 2,641	\$ 6,988	\$ 8,435	\$ 8,250	\$ 8,250
Unspent MPF returned to Fund	\$ 251	\$ 30	\$ 2,410	\$ -	\$ -	\$ 107	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ (3,953)	\$ (3,337)	\$ (3,189)	\$ (5,424)	\$ (2,408)	\$ (2,963)	\$ (4,638)	\$ (5,053)	\$ (6,329)	\$ (7,566)
Capital Expenditures	\$ (1,303)	\$ (1,869)	\$ (5,385)	\$ (677)	\$ -	\$ -	\$ -	\$ -	\$ (2,000)	\$ (2,000)
Surplus/Deficit	\$ 62	\$ 231	\$ (173)	\$ (2,101)	\$ (2,399)	\$ (215)	\$ 2,350	\$ 3,382	\$ (79)	\$ (1,316)
Fund Balance	\$ 536	\$ 767	\$ 594	\$ (1,507)	\$ (3,906)	\$ (4,122)	\$ (1,771)	\$ 1,610	\$ 1,531	\$ 215
<b><u>SMPF</u></b>										
Revenue	\$ 4,600	\$ 4,600	\$ 5,271	\$ 5,971	\$ 2,446	\$ 572	\$ 5,680	\$ 8,039	\$ 8,250	\$ 8,250
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ (351)	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ (2,095)	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenditures	\$ (4,600)	\$ (4,600)	\$ (5,000)	\$ (4,500)	\$ -	\$ -	\$ (4,095)	\$ (11,000)	\$ (9,350)	\$ (7,692)
Surplus/Deficit	\$ -	\$ -	\$ 271	\$ 1,471	\$ -	\$ 572	\$ 1,585	\$ (2,961)	\$ (1,100)	\$ 558
Fund Balance	\$ 295	\$ 295	\$ 566	\$ 2,037	\$ 2,037	\$ 2,609	\$ 4,194	\$ 1,233	\$ 133	\$ 691
<b><u>PDF</u></b>										
Revenue	\$ 3,015	\$ 3,217	\$ 3,568	\$ 2,367	\$ -	\$ 1,557	\$ 4,171	\$ 5,037	\$ 4,950	\$ 4,950
Operating Expenditures	\$ (6)	\$ (6)	\$ (6)	\$ (363)	\$ (8)	\$ (8)	\$ (8)	\$ (20)	\$ (20)	\$ (20)
Debt Service	\$ (2,093)	\$ (2,095)	\$ (2,097)	\$ (2,095)	\$ -	\$ (1,883)	\$ (2,028)	\$ (2,026)	\$ (2,027)	\$ (2,028)
Capital Expenditures	\$ -	\$ -	\$ (3,700)	\$ -	\$ -	\$ -	\$ -	\$ (4,045)	\$ (3,500)	\$ (3,000)
Surplus/Deficit	\$ 916	\$ 1,116	\$ (2,235)	\$ (91)	\$ (8)	\$ (334)	\$ 2,134	\$ (1,055)	\$ (597)	\$ (98)
Fund Balance	\$ 1,732	\$ 2,848	\$ 613	\$ 522	\$ 514	\$ 180	\$ 2,314	\$ 1,260	\$ 663	\$ 565
<b><u>TOTAL PASSENGER FEES</u></b>										
Revenue	\$ 12,682	\$ 13,224	\$ 14,830	\$ 12,338	\$ 2,455	\$ 4,770	\$ 16,839	\$ 21,511	\$ 21,450	\$ 21,450
Unspent MPF returned to Fund	\$ 251	\$ 30	\$ 2,410	\$ -	\$ -	\$ 107	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ (3,959)	\$ (3,343)	\$ (3,195)	\$ (5,787)	\$ (2,767)	\$ (2,971)	\$ (4,646)	\$ (5,074)	\$ (6,349)	\$ (7,586)
Debt Service	\$ (2,093)	\$ (2,095)	\$ (2,097)	\$ (2,095)	\$ (2,095)	\$ (1,883)	\$ (2,028)	\$ (2,026)	\$ (2,027)	\$ (2,028)
Capital Expenditures	\$ (5,903)	\$ (6,469)	\$ (14,085)	\$ (5,177)	\$ -	\$ -	\$ (4,095)	\$ (15,045)	\$ (14,850)	\$ (12,692)
Surplus/Deficit	\$ 978	\$ 1,347	\$ (2,137)	\$ (721)	\$ (2,407)	\$ 23	\$ 6,070	\$ (634)	\$ (1,776)	\$ (856)
Fund Balance	\$ 2,563	\$ 3,910	\$ 1,773	\$ 1,052	\$ (1,355)	\$ (1,333)	\$ 4,738	\$ 4,104	\$ 2,328	\$ 1,472

**From:** [greg capito](#)  
**To:** [Alexandra Pierce](#)  
**Subject:** Cruise Ship Fee Ideas  
**Date:** Tuesday, April 15, 2025 5:51:32 AM

---

**EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS**

1. A bonus payment for JPD officers to daily "walk the beat" downtown. The areas between the two parking garages are of special concern to insure the absolute safety of visitors and residents.
2. Daily cleaning of the docks including power washing of the seats/tables around the Marine Park. These areas reflect Juneau and are intensely used. They should be spotless and sanitary. Hiring seasonal employees to do this daily maintenance is appropriate.
3. Crowd management of the sidewalks on South Franklin is another important public safety issue. When 5 ships are docked, the sidewalks are flooded so visitors spill into the street. A contract with a local security company, to assist with crowd control, is needed to prevent accidents.





FY2026 Marine Passenger Fee Request  
Supplemental Information for Downtown Ambassador Program  
April 30, 2025

### Executive Summary

- This service is primarily for cruise ship passengers, respecting that these are passenger fee dollars.
- This pedestrian-oriented program offers support on the streets in Downtown Juneau and bridges the gap between static info points and real-time, on-the-ground immediate visitor needs.
- This is a modest, high-impact investment in visitor satisfaction, local employment, and community pride using Marine Passenger Fees designed to support this kind of real-time, visitor-facing effort.
- This program has been long supported by CBJ and promotes Juneau's reputation as hospitable, and welcoming, while also enhancing the overall cruise passenger experience.

### Purpose

- This program, which started as a downtown security measure, is now more hospitality oriented.
- A focus on the visitor experience still requires monitoring downtown for security/safety concerns.
- The benefit and purpose of having mobile Ambassadors is to proactively see, identify, and report issues that may affect the security/safety of visitors or negatively impact the visitor experience.
- Trained and friendly Juneau locals wearing brightly colored gear outside on the streets throughout downtown and provide cruise ship passenger visitors that are wandering, shopping, or perhaps even lost with access to live, mobile wayfinding guides in the immediate moment of need.
- When an ambassador answers questions, gives directions, addresses needs, and shares Juneau's offerings with those in immediate need outside and on the street, that visitor's time in port has been optimized by minimizing the time and effort required to hunt down help.
- By delivering direct, visible, and personal engagement with pedestrian cruise passengers on the street, we are ensuring their brief time in Juneau is enjoyable, efficient, and safe.
- This practice of providing visitors with highly flexible, personalized human contact, and localized insight reflects best practice in destination cities with similar high cruise passenger traffic flow.

### By the Numbers

- 10+ years of historical investment from CBJ, reflecting need, precedent, and effectiveness.
- On average, each ambassador assists approximately 50-100 passengers per 4-hour shift.
- Coverage is provided on the street seven days a week May-September.
- Funding is only used for staff wages, weather gear, and program coordination.

### Measurable Community Benefits

- On-demand mobile assistance offers alternatives to the Visitor Center and city services.
- In the moment help reduces risk of visitor dissatisfaction, negative reviews, or confusion.
- Amplifies ability to assist with accessibility needs, emergency support, and last-minute logistics.
- Supports returning visitors to Juneau seeking out sentimental or meaningful landmarks.
- Provides extra eyes throughout downtown to help maintain a safe environment for visitors.

**From:** [Nimmy Philips](#)  
**To:** [Borough Assembly](#); [Alexandra Pierce](#)  
**Cc:** [Downtown Juneau](#); [Dezarae Arrowsun](#); [Cindee Brown-Mills](#); [Hollis Kitchin](#)  
**Subject:** DBA request for CBJ Marine Passenger Fee and Supplement information  
**Date:** Wednesday, April 30, 2025 1:34:41 PM  
**Attachments:** [FY2026 Request for Marine Passenger Fees Downtown Ambassador.pdf](#)  
[DBA FY2026 Marine Pax Fees - Supplemental Information for CBJ Assembly.pdf](#)

---

**EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS**

Good afternoon Madam Mayor and members of the Assembly, Tourism Manager, and City Manager,

Please find attached a one-page summary detailing the Downtown Ambassador program, along with the Downtown Business Association's original FY2026 request for the utilization of marine passenger fees.

Representatives from the DBA will be present at this evening's Assembly meeting to address any questions or concerns you may have.

Sincerely,

Nimmy Philips

[nimmy@spicejuneau.com](mailto:nimmy@spicejuneau.com)

Cell No. 907-209-9167

" Be the change you wish to see in the world." Mahatma Gandhi

**From:** [Fishing Vessel Dial West](#)  
**To:** [Alexandra Pierce](#)  
**Subject:** Marine Passenger Fee Comment  
**Date:** Wednesday, April 23, 2025 2:17:08 PM

---

**EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS**

Regarding marine passenger fee proposals this year, I have:

- Two specific concerns
- A general comment on fund use
- An alternative suggestion

1) Dock Camera Recapitalization:

This is an expensive solution to a problem that doesn't exist. I'm increasingly frustrated by docks and harbors taking on security duties. As a board member, I'll state clearly: our job is providing docks and harbors, not policing the waterfront. We can't keep hiring security officers instead of harbor officers.

2) Pulse Point App Cost:

Why does the "free" app cost \$30,000 when the bid in the proposal shows only \$18,000? This money should stay local - \$30,000 could nearly fund another seasonal position with better local ROI.

3) Infrastructure Spending Problem:

We consistently fail to account for long-term maintenance costs of our infrastructure investments. At docks and harbors especially, we chase funded projects rather than letting community needs guide development.

4) Alternative Approach:

The Assembly should show restraint. There's no urgency to spend these funds. Tourism is volatile - we should instead, save for future disruptions like COVID or reduce our debt burden.

Clayton Hamilton  
FV Dial West

**From:** [Cynthia Krehbiel](#)  
**To:** [Alexandra Pierce](#)  
**Subject:** Marine Passenger Fee Public Comment  
**Date:** Tuesday, April 22, 2025 3:41:35 PM

---

**EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS**

Good day, Mz Pierce,

I am interested in having the marine passenger fees collected by CBJ funding the following priorities, in order:

1. An outhouse, garbage receptacle and covered bus stop at the intersection of Glacier Spur Road and the Mendenhall Loop Road.
2. Downtown public Wi-Fi.

Many thanks for your efforts on this, Cynthia Krehbiel  
PO Box 210604, Juneau, AK 99821

**From:** [Rachel Kelly](#)  
**To:** [Alexandra Pierce](#)  
**Subject:** Marine Passenger Fee recommendations  
**Date:** Thursday, April 10, 2025 9:25:04 AM

---

**EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS**

Increased BLS summer staffing for CCFR both at the cruise ship, but also at the glacier given the decreased FS staffing and long response times for pulling people with minor injuries off those trails.

Rachel Kelly  
907-957-00473

**From:** [Luke Holton](#)  
**To:** [Alexandra Pierce](#)  
**Subject:** MPF Public Comment  
**Date:** Monday, April 14, 2025 1:14:33 PM  
**Attachments:** [CBJ Assembly Public Comment Luke Holton.pdf](#)

---

**EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS**

Alex,

I am attaching a submission for public comment to the MPF recommendations. I have copy and pasted the PDF contents in this email (below the signature line) for your convenience, and also attached the formal PDF. Please let me know if you prefer to relay these comments to the Assembly in a different format than what I've provided.

I look forward to discussing the SEA-Guides proposal in more detail once you return to the office!

Thank you,

**Luke Holton**  
**Director, SEA-Guides**  
**Cell: (907) 723-5420**  
**Email: [lukeholton@seagservices.com](mailto:lukeholton@seagservices.com)**  
**Website: [www.seagservices.com](http://www.seagservices.com)**



Letter Contents:

"Thank you for accepting my comments regarding the use of FY26 Marine Passenger Fee (MPF) funds. This letter is in support of applying MPF funds to the Juneau Mariner's Education Program, a proposal submitted by Southeast Alaska Guide Services (SEA-Guides).

Firstly, I'd like to applaud the recommendations made by the Tourism Manager's Office. These projects are beneficial to visitors and tourism operators of Juneau and pragmatic uses of the MPF program. The proposal submitted by SEA-Guides was not selected for recommendation by the Tourism Manager, however, I would encourage the Assembly to reconsider the proposal's adherence to the CLIA Settlement Agreement and petition for CLIA to waive objection to use of MPF funds to address growing concerns centered around maritime tourism.

Please consider that implementation of head taxes is designed to financially counteract negative impacts that a specific industry brings upon a community (known as Pigovian Tax or Bag Tax). During the CLIA vs CBJ Settlement litigation this purpose was altered, diverting

funds

away from programs that attempt to counteract negative externalities to our community members and infrastructure, whilst still allowing for the collections to benefit cruise infrastructure.

Although the CLIA vs CBJ Resolution still allows for programs like art murals, Sea Walks, and improvements to recreational areas, I urge the Assembly to consider these as items of secondary importance to the proposals which directly aim to counteract negative externalities. Analogous to boat construction, we should ‘patch any holes before we apply paint’.

Finally, please also consider that Alaska is one of three states left in America that does not require owners to obtain training prior to operating a vessel. This leaves it upon municipal entities to ensure that their waterways are safe from negligent boat operators, which Juneau is plagued. With the continued increase of maritime tourism operators in Juneau, it is imperative that our leadership finds a way to train recreational boaters in safe methods of boating around commercial vessels, and visa vera, training commercial operators in tourism practices which reflect highly upon our industry.

Thank you for your review of my comments, and service to our great city!"

**From:** [Luke Holton](#)  
**To:** [Alexandra Pierce](#)  
**Subject:** MPF Question  
**Date:** Tuesday, April 8, 2025 6:09:19 PM

---

**EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS**

Hi, Alex!  
Hope you're well.

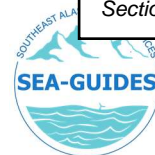
I've reviewed the proposed projects to be funded by the FY26 MPF. I'm a huge fan of the recommendations you made. For my Board Member's awareness, are you able to share any details regarding why the decision was made to not recommend SEA-Guide's proposal for the Juneau Mariner Education Program? Was it not in adherence to the CLIA Settlement Agreement?

I'm happy to have a phone call, email, or office visit. Just let me know what works best for your schedule.

Take care!

Luke Holton  
SEA-Guides Juneau  
(907)723-5420  
[www.seagservices.com](http://www.seagservices.com)





**To:** City and Borough of Juneau Tourism Manager, Alexandra Pierce  
**Subject:** Public Comment on Marine Passenger Fee Usage to City and Borough of Juneau Assembly Finance Committee  
**Submitted by:** Southeast Alaska Guide Services Director, Luke Holton

Thank you for accepting my comments regarding the use of FY26 Marine Passenger Fee (MPF) funds. This letter is in support of applying MPF funds to the Juneau Mariner's Education Program, a proposal submitted by Southeast Alaska Guide Services (SEA-Guides).

Firstly, I'd like to applaud the recommendations made by the Tourism Manager's Office. These projects are beneficial to visitors and tourism operators of Juneau and pragmatic uses of the MPF program. The proposal submitted by SEA-Guides was not selected for recommendation by the Tourism Manager, however, I would encourage the Assembly to reconsider the proposal's adherence to the CLIA Settlement Agreement and petition for CLIA to waive objection to use of MPF funds to address growing concerns centered around maritime tourism.

Please consider that implementation of *head taxes* is designed to financially counteract negative impacts that a specific industry brings upon a community (known as *Pigovian Tax* or *Bag Tax*). During the CLIA vs CBJ Settlement litigation this purpose was altered, diverting funds away from programs that attempt to counteract negative externalities to our community members and infrastructure, whilst still allowing for the collections to benefit cruise infrastructure.

Although the CLIA vs CBJ Resolution still allows for programs like art murals, Sea Walks, and improvements to recreational areas, I urge the Assembly to consider these as items of secondary importance to the proposals which directly aim to counteract negative externalities. Analogous to boat construction, we should 'patch any holes *before* we apply paint'.

Finally, please also consider that Alaska is one of three states left in America that does not require owners to obtain training prior to operating a vessel. This leaves it upon municipal entities to ensure that their waterways are safe from negligent boat operators, which Juneau is plagued. With the continued increase of maritime tourism operators in Juneau, it is imperative that our leadership finds a way to train recreational boaters in safe methods of boating around commercial vessels, and visa vera, training commercial operators in tourism practices which reflect highly upon our industry.

Thank you for your review of my comments, and service to our great city!

Luke Holton  
Director, SEA-Guides

**From:** [domadmin@juneau.org](mailto:domadmin@juneau.org)  
**To:** [Alexandra Pierce](#)  
**Subject:** New submission from TBMP - MPF Request Form  
**Date:** Thursday, April 17, 2025 10:45:25 AM

---

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

<b>Name</b>
Shannon Crossley
<b>Email</b>
<a href="mailto:shannoncdore@gmail.com">shannoncdore@gmail.com</a>
<b>I have read the settlement agreement</b>
<ul style="list-style-type: none"><li>I have read the settlement agreement</li></ul>
<b>Project Description Options</b>
Write out Project Description
<b>Project Description (Written)</b>
Historic self-guided walking tours if Juneau, start with places important to Indigenous History. Maybe telling the story of colonization through the perspective of a Lingit person.
<b>Project Budget</b>
30000
<b>Conformance with the Settlement Agreement</b>
It benefits passangers by giving them a free, educational activity.

**From:** [domadmin@juneau.org](mailto:domadmin@juneau.org)  
**To:** [Alexandra Pierce](#)  
**Subject:** New submission from TBMP - MPF Request Form  
**Date:** Monday, April 14, 2025 3:41:40 PM

---

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

<b>Name</b>
Paul DiCarlo
<b>Email</b>
<a href="mailto:pauldicarlo23@gmail.com">pauldicarlo23@gmail.com</a>
<b>I have read the settlement agreement</b>
<ul style="list-style-type: none"><li>I have read the settlement agreement</li></ul>
<b>Project Description Options</b>
Write out Project Description
<b>Project Description (Written)</b>
Use passenger fees for Water and sewer upgrades!
<b>Project Budget</b>
unlimited

**From:** [Jasper Reed](#)  
**To:** [Alexandra Pierce](#)  
**Subject:** Sorry, here is a better link.  
**Date:** Monday, April 14, 2025 4:03:33 PM

---

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

<https://thronelabs.co>.

Head tax money should be used for like 6 of these around town.

## AFC's Pending List - FY26 Budget Process

As of April 24, 2025

Note: Material Page Number References are from Online Meeting Packets

Section D, Item 6.

											Materials			
#	Expenditure Description	Proposed in Manager's Budget	Request	GF Request Over FY25 (Recurring)	GF Request Over Manager's	Approved Amount (Over Manager's)	Mill Rate Equivalent (Recurring)	Status	Decision Date	One-Time or Recurring	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	Budget Book
CBJ Internal Funding Requests														
1	Juneau School District Non-Instructional Funding ("outside the cap")	2,040,000	2,115,000	75,000	75,000	-	-			Recurring	<a href="#">4/5/25 Packet Page 270</a>			<a href="#">Page 100</a>
External Funding Requests														
3	AEYC - Juneau Child Care Apprenticeship Program	-	250,000	-	250,000	-	n/a			One-Time	<a href="#">4/16/25 Packet Pages 22-25</a>	<a href="#">4/30/25 Packet Pages 41-42</a>		<a href="#">Page 82</a>
4	American Legion Auke Bay Post 25 - Centennial Hall Veteran Event Rental Space	-	2,000	2,000	2,000	-	-			Recurring	<a href="#">4/16/25 Packet Pages 26-27</a>	<a href="#">4/30/25 Packet Page 42</a>	<a href="#">4/30/25 Packet Page 50-52</a>	
5	Coastal Alaska Avalanche Center - Juneau's Backcountry Avalanche Forecast	-	30,000	-	30,000	-	n/a			One-Time	<a href="#">4/16/25 Packet Pages 28-29</a>	<a href="#">4/30/25 Packet Pages 42-43</a>		
6	Downtown Business Association - Family-Friendly Capital City	-	75,000	35,000	75,000	-	-			Recurring	<a href="#">4/16/25 Packet Pages 30-33</a>	<a href="#">4/30/25 Packet Page 44</a>	<a href="#">4/30/25 Packet Pages 52-57</a>	<a href="#">Page 82</a>
7	Friends of the Marie Drake Planetarium - Planetarium Upgrade with Auxiliary Portable	-	78,000	-	78,000	-	n/a			One-Time	<a href="#">4/16/25 Packet Pages 34-35</a>	<a href="#">4/30/25 Packet Page 44</a>	<a href="#">4/30/25 Packet Page 58</a>	
8	JAHC - Major Grants & Inflationary Increase	202,000	384,263	182,263	182,263	-	-			Recurring	<a href="#">4/16/25 Packet Pages 36-38</a>	<a href="#">4/30/25 Packet Page 45</a>		<a href="#">Page 82</a>
9	JCF - Social Service Grants Increase	1,803,900	2,303,900	500,000	500,000	-	-			Recurring	<a href="#">4/16/25 Packet Pages 39-41</a>	<a href="#">4/30/25 Packet Page 46</a>	<a href="#">4/30/25 Packet Pages 59-62</a>	<a href="#">Page 82</a>
10	The League of Women Voters Juneau - Capital Students - Capitol Visits	-	10,000	10,000	10,000	-	-			Recurring	<a href="#">4/16/25 Packet Pages 42-58</a>	<a href="#">4/30/25 Packet Page 46</a>	<a href="#">4/30/25 Packet Pages 63-64</a>	
11	REACH, Inc. - Group Home Heat Pump Installations and 7-Passenger Van Purchase	-	100,000	-	100,000	-	n/a			One-Time	<a href="#">4/16/25 Packet Pages 59-61</a>	<a href="#">4/30/25 Packet Page 46-48</a>		
12	Southeast Alaska Food Bank - Strengthening Food Security Through Program Expansion and Collaboration	-	150,000	150,000	150,000	-	-			Recurring	<a href="#">4/16/25 Packet Pages 62-64</a>	<a href="#">4/30/25 Packet Page 48</a>	<a href="#">4/30/25 Packet Pages 65-66</a>	
13	Trail Mix, Inc. - Eaglecrest Biking and Hiking Trail Construction and Improvement	-	54,000	-	54,000	-	n/a			One-Time	<a href="#">4/16/25 Packet Pages 65-66</a>	<a href="#">4/30/25 Packet Page 48</a>		

											Materials			
#	Expenditure Description	Proposed in Manager's Budget	Request	GF Request Over FY25 (Recurring)	GF Request Over Manager's	Approved Amount (Over Manager's)	Mill Rate Equivalent (Recurring)	Status	Decision Date	One-Time or Recurring	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	Budget Book
14	United Way of Southeast Alaska - Working Together to Prepare for and Recover from Disasters	-	40,000	40,000	40,000	-	-			Recurring	<a href="#">4/16/25 Packet Pages 67-69</a>	<a href="#">4/30/25 Packet Page 49</a>	<a href="#">4/30/25 Packet Page 67</a>	

Total Requests 1,546,263 - -

Assembly Approved FY2026 Actions		
GF - One-Time	-	n/a
GF - Recurring	-	-
GF - Loan	-	n/a
Total	-	-

General Government

	Unrestricted Balance	Restricted Balance	TOTAL
FY25 Projected Ending Balance	22,076,151	16,555,000	38,631,151
<i>(FY24 Ending Balance minus Change in Fund Balance)</i>			
Facility/Tenant Improvements	(3,300,000)		
Comprehensive Plan Update	(482,700)		
FY25 Decision - Heat Smart FY26 Amount	(222,900)		
FY25 Decision - AEYC Parents as Teachers	(133,300)		
Communications Strategy: Website Redesign	(100,000)		
Alaska Committee Window Replacement	(100,000)		
Departmental One-Time Costs	(98,600)		
FY26 Anticipated Savings	(1,738,200)		
Change in Fund Balance	(6,175,700)	-	(6,175,700)
FY26 Projected Ending Balance	15,900,451	16,555,000	32,455,451

By resolution, Restricted Budget Reserve balance should be: 25,791,000

**City and Borough of Juneau**  
**Assembly Finance Committee (AFC)**

Section D, Item 6.

**FY26 Budget Calendar and Key Dates – as of April 30, 2025**

**April 5<sup>th</sup> – 8:30 am – Special Assembly (Intro)**

- A. Mill Levy Ordinance 2025-03
- B. CIP Resolution 3090
- C. CBJ Budget Ordinance 2025-01
- D. School District Budget Ordinance 2025-02

**April 5<sup>th</sup> – 8:30 am – AFC Meeting #1 (~6-8 hrs)**

- A. Budget Summary & Overview
- B. Capital Improvement Plan
- C. Passenger Fee Plan
- D. Eaglecrest
- E. Docks & Harbors
- F. Bartlett Regional Hospital
- G. Juneau School District
- H. Juneau International Airport

**April 9<sup>th</sup> – 5:30 pm – AFC Meeting #2**

- A. SKIP

**April 16<sup>th</sup> – 5:30 pm – AFC Meeting #3**

- A. Assembly Grants & Community Requests
  - a. Assembly Information Needs
- B. School Bonds
- C. Visitor Industry Revenue Options

**April 23<sup>rd</sup> – 5:30 pm – AFC Meeting #4**

- A. SKIP

**April 30<sup>th</sup> – 5:30 pm – Special Assembly (Hearing)**

- A. Mill Levy Ordinance 2025-03
- B. CIP Resolution 3090
- C. CBJ Budget Ordinance 2025-01
- D. School District Budget Ordinance 2025-02
- E. Motion to Establish Local Funding for School District Operations

**April 30<sup>th</sup> – 5:30 pm – AFC Meeting #5**

- A. Utility Rates & Bonds – For Action
- B. Seasonal Sales Tax
- C. Assembly Grants & Community Requests
- D. Youth Activity Grant Funding

**May 7<sup>th</sup> – 5:30 pm – AFC Meeting #6**

- A. Manager's Proposed Increments & Budget Amendments – For Action
- B. Capital Improvement Plan Amendments
- C. School District Budget – For Action
- D. Passenger Fee Plan – For Action

**May 14<sup>th</sup> – 5:30 pm – AFC Meeting #7**

- A. Eaglecrest
- B. Pending List – For Action
- C. Set Mill Rates – For Action
- D. Final FY26 Budget Decisions
  - a. CIP Resolution 3090
  - b. Mill Levy Ordinance 2025-03
  - c. CBJ Budget Ordinance 2025-01

**May 19<sup>th</sup> – 7:00 pm – Regular Assembly**

- A. Adoption of the School District's Budget Ordinance 2025-02

**May 21<sup>st</sup> – 5:30 pm – AFC Meeting #8**

- A. Reserved for Additional Discussion

**May 28<sup>th</sup> – 5:30 pm – AFC Meeting #9**

- A. Reserved for Additional Discussion

**June 4<sup>th</sup> – 5:30 pm – Regular Business AFC**

- A. TBD

**June 9<sup>th</sup> – 7:00 pm – Regular Assembly (Adoption)**

- A. Mill Levy Ordinance 2025-03
- B. CIP Resolution 3090
- C. CBJ Budget Ordinance 2025-01

*Public hearings on the budget must be completed by May 1, per Charter Section 9.6*

*Assembly must determine school district instructional funding and notify district within 30 days of receipt of district budget (Charter Section 13.6(b))*

*Assembly must appropriate school district funding by May 31 (Charter Section 13.6(b))*

*Assembly must adopt Operating Budget, Mill Levy, and Capital Improvement Plan by June 15<sup>th</sup> or the manager's proposal is deemed adopted (Charter Section 9.7 & 9.8)*



## ASSEMBLY FINANCE COMMITTEE MINUTES

April 30, 2025, at 5:30 PM

Assembly Chambers/Zoom Webinar



<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

### A. CALL TO ORDER

The meeting was called to order at 5:51 pm by Acting Chair Bryson.

### B. ROLL CALL

Committee Members Present: Acting Chair Wade Bryson; Mayor Beth Weldon; Greg Smith; Maureen Hall; Neil Steininger; Ella Adkison

Committee Members Present Virtually: Christine Woll; Paul Kelly; Alicia Hughes-Skandijs

Staff Members Present: Katie Koester, City Manager; Angie Flick, Finance Director; Adrien Wendel, Budget Manager; Brian McGuire, Utilities Superintendent

Staff Members Absent: Robert Barr, Deputy City Manager

Others Present: Jeremiah Beedle, Southeast Alaska Food Bank Board Chair; Loren Jones, United Way of Southeast Alaska Board Chair

Others Present Online: Paul Quinn, FCS Group Assistant Project Manager; Amy Skilbred, Juneau Community Foundation Executive Director; Blue Shibler, Southeast Alaska Association for the Education of Young Children Executive Director

### C. APPROVAL OF MINUTES

#### 1. April 16, 2025

The April 16, 2025 minutes were approved as presented.

### D. AGENDA TOPICS

#### 2. Utility Rates & Bonds – For Action

Katie Koester, City Manager, outlined the structure of the evening's utility rates & bonds conversation. She shared that an FCS Group consultant would present the most current findings on utility rates in Juneau. She explained that the goal was for the Assembly to take action to recommend a utility rate that could be carried through the budget cycle.

Paul Quinn, FCS Group Assistant Project Manager, began presenting on the wastewater and water rate study update for Juneau. He shared background on the situation and stated that the City had been working with the Utility Advisory Board since December of 2022 discussing the rate path going forward. He explained the table of proposed rate increases on page 15 of the packet, which shows details for two different scenarios. He shared the updated analysis and explained how the data had changed since the previous year, stating that the overall change was a net positive in terms of potential reductions to rates.

Mr. Quinn discussed details of the three capital plans proposed that had been worked on by Staff and DOWL Engineering. He stated that the three plans represented different amounts of capital projects from the reduced plan, a moderate plan, and an extensive plan. The extensive plan accounted for all the capital projects that would be needed at some point in the foreseeable future.

Mr. Quinn shared details on the water utility operating revenues and expenses projected over the next five years. He stated that on average the water utility brings in \$2 million a year above what is needed to cover expenses. He shared that about \$4 million a year on average would need to be covered for the water utility's capital needs. He explained the scenario for the reduced spending plan that deferred about ninety percent of the identified capital project costs outside of the study period, which would have to be dealt with at a later time.

Mayor Weldon asked how the City got into this situation where steep rate increases would be necessary to upgrade utility infrastructure.

Mr. Quinn explained that from the previous rate study conducted over ten years ago, the recommended rate increases were only followed for five years of the ten-year period. In 2020 a smaller rate increase of two percent was decided on to help the community with the rising cost of living. He stated that the current situation has resulted because rates have increased less than inflation has over the past five years.

Ms. Koester shared that part of this situation was a result of the current one percent temporary sales tax initiative not including any allocations for the utilities.

Brian McGuire, Utilities Superintendent, shared details on the aging wastewater and water utility infrastructure. He shared that the Juneau Douglas wastewater treatment plant was constructed in 1974. He stated that most of the infrastructure was approaching 50 years since its construction.

Mr. Quinn answered further Committee questions.

Mr. Quinn discussed details of the four scenarios presented on page 21 of the packet. He mentioned the factor of rising costs and explained which scenarios best mitigated that pressure. He explained details of the chart on page 22 of the packet that shows comparisons across the four scenarios. He discussed the impacts on a typical flat rate customer for each scenario.

Mr. Quinn began presenting data on the wastewater utility. He shared a graph of operating expenses for wastewater and stated that while it shows a gap between the revenues and expenses in years one through three, projections starting in 2028 show expenses becoming higher than the amount of annual operating revenue brought in. He stated that this would result in the utility having to draw down from existing reserves to fully pay for debt service or associated operating expenses.

Mr. Quinn shared details on the wastewater capital plan and stated that the main driver on the wastewater side was capital spending. He discussed details of four scenarios for the wastewater utility that were presented last year and now included updated data.

Assemblymember Smith asked where the debt of \$1.2 million to \$1.4 million (shown on page 25 of the packet) came from.

Mr. Quinn replied that it likely was a result of some of the loans the utilities has to pay back to the Alaska Department of Environmental Conservation.

Mr. Quinn shared details on the impact to the typical flat rate customer for each of the four wastewater scenarios, stating that the range of increase was from around five dollars to just over fourteen dollars a month. He discussed the need for other funding sources to keep the rate increases at five percent.

Assemblymember Smith asked Staff, that if a general obligation bond was issued today, what interest rate would the City be paying.

Ms. Flick replied that the interest rate would generally be around five percent.

Assemblymember Woll asked that if the Assembly were to choose one of the four scenarios, after five years would the wastewater and water utility be caught up and only be addressing inflationary increases.

Mr. Quinn stated that the result would depend on which scenario was chosen. He shared that the scenario with the smallest increase would create a bigger margin of uncertainty for how to move forward after 2030.

Mayor Weldon asked if there was a way to use Marine Passenger Fees to fund the utilities, as the summer tourists put a heavy strain on wastewater use.

Ms. Koester shared that tourists already contribute significantly to the wastewater and water utilities and that the FY26 budget includes use of passenger fees for the Juneau Douglas treatment plant.

Ms. Koester pointed the Body to the memo on page eleven of the packet. She discussed inflationary pressure on wastewater and water rates over the last five years. She stated that the rate study from 2023 recommended a nineteen percent increase for water and a thirty-nine percent increase for wastewater. She explained that the decision on these utilities would boil down to either large capital spends or significant rate increases. She shared that the use of debt to fund the utilities would defer much of the expenditures to be dealt with in future years.

Ms. Koester touched briefly on the potential for other funding sources. She mentioned that when thinking of a utilities bond it would be important to consider other potential bonds, such as a school bond. She pointed the Body to the graph on page twelve of the packet that shows the status quo forecast of debt service mill rate when considering a variety of potential bonds. She summarized the recommended scenario in the memo as having the lowest impact on ratepayers and the upcoming fiscal year budget, with a five percent increase every year, using street sales tax funds to buy down the rate in future years.

Ms. Koester answered further Committee questions.

The Committee discussed options to lower the impact to ratepayers and how to find the proper balance between the use of debt and rate increases.

*Assemblymember Woll left the meeting at 6:50 pm.*

**Motion: by Mayor Weldon to move to approve Scenario 4 debt plus five percent rate increase.**

Assemblymember Adkison expressed concern for relying on more debt for potential rate decreases in the future.

**Objection: by Assemblymember Hughes-Skandijs.**

Assemblymember Hughes-Skandijs expressed opposition to the five percent rate increase scenario. She shared that although the necessary increases could be more painful, it was not responsible to defer more expenses out to the future when costs will be higher. She expressed support for the second scenario presented.

Assemblymember Steininger echoed Assemblymember Hughes-Skandijs concern that a five percent rate increase might be too low.

Assemblymember Adkison expressed the need to keep the rate increases at the lowest amount possible to help mitigate the rising costs of living for the most vulnerable residents of the community.

Assemblymember Kelly expressed support for the motion.

Acting Chair Bryson reiterated that these rate increases would ultimately affect the cost of living in Juneau. He stressed the fact that the increases would also affect every local business and would have a rippling effect throughout the community. He expressed support for the motion.

**Roll Call Vote on Motion**

**Ayes:** Mayor Weldon, Hall, Adkison, Kelly, Smith, Acting Chair Bryson

**Nays:** Hughes-Skandijs, Steininger

**Motion passed. Six (6) Ayes, Two (2) Nays.**

*The Committee recessed at 7:11 pm.*

*The Committee reconvened at 7:20 pm.*

*Assemblymember Woll rejoined the meeting at 7:20 pm.*

Acting Chair Bryson directed the Committee to discuss the potential for a combination of school bonds and utility bonds.

Assemblymember Adkison shared that while she was sympathetic to the needs of the schools, she felt that there was only capacity to do one bond package and that the priority in her opinion was to discuss a \$10 million minimum utility bond package.

Assemblymembers Hughes-Skandijs and Woll expressed support for putting a utility bond on the fall ballot.

*Assemblymember Hughes-Skandijs left the meeting at 7:23 pm.*

Assemblymember Kelly expressed support for a school bond on the fall ballot.

Assemblymember Steininger expressed support for looking at a school bond package but stated that there were currently too many unknowns and that an Assembly decision in the future could be better informed.

Assemblymember Hall expressed support for preparing a school bond for the fall ballot.

Assemblymember Smith expressed support for putting both a school and utility bond on the fall ballot.

Mayor Weldon expressed support for preparing a bond for the fall ballot but stated that she was not necessarily going to vote for one.

Acting Chair Bryson stated that he felt that this wasn't the year for a bond package on the ballot because the community would most likely not support it.

**Motion: by Assemblymember Woll to ask Staff to prepare an ordinance that would put an up to \$15 million bond on the ballot for school projects.**

**Objections: by Assemblymember Adkison and Mayor Weldon.**

Mayor Weldon asked Staff that, if the Assembly were to look at a utility bond, what projects would be covered by it.

Ms. Koester replied that she would bring back a list of those projects at a future meeting.

**Amendment to the Motion: by Assemblymember Smith to change the amount to up to \$10 million.**

**Amendment passed by unanimous consent.**

**Roll Call Vote on the Amended Motion**

**Ayes:** Woll, Smith, Kelly, Hall, Steininger

**Nays:** Adkison, Mayor Weldon, Acting Chair Bryson

**Motion passed. Five (5) Ayes, Three (3) Nays.**

**Motion: by Assemblymember Smith to move to draft a wastewater and water utility bond for up to \$10 million.**

**Objection: by Assemblymember Woll.**

**Roll Call Vote on Motion**

**Ayes:** Smith, Hall, Adkison, Mayor Weldon

**Nays:** Woll, Steininger, Kelly, Acting Chair Bryson

**Motion failed. Four (4) Ayes, Four (4) Nays.**

**3. Assembly Grants & Community Requests**

Ms. Flick mentioned that it was previously stated that agenda item number four, Assembly Grants & Community Requests, was scheduled to start at 7:30 pm and that it was already past 7:30 pm. She recommended that the Committee switch agenda item three, Seasonal Sales Tax, with agenda item four on the schedule.

There were no Committee objections.

Ms. Flick reminded the Body that in the last Assembly Finance Committee meeting community funding requests were presented by their assemblymember sponsors. She shared that the answers for the questions asked about those requests had been included in the current meeting's packet. She stated that the goal for

this meeting was to answer all current questions so the Assembly could make a decision on whether or not to fund the requests at an upcoming budget meeting.

Assemblymember Woll asked Juneau Community Foundation (JCF), that if the Assembly were to deny a funding request for Southeast Alaska Food Bank (SAFB), how would JCF act to help them.

Amy Skilbred, JCF Executive Director, replied that they would be able to review SAFB's grant application. She shared that it had already been through the process with JCF's professional advisory committee for two rounds.

Ms. Skilbred answered further Committee questions.

Mayor Weldon asked SAFB whether or not other communities in Southeast Alaska had increased funding to SAFB in conjunction with the increased demand from the vulnerable population.

Jeremiah Beedle, SAFB Board Chair, stated that there is a significant increase in need for all the nonprofits that SAFB serves. He shared that they don't receive funding directly from cities but instead have relied on grocery donations. He shared that for the first time SAFB was working to tap into federal funding.

Assemblymember Smith asked Southeast Alaska Association for the Education of Young Children (AEYC), if someone were to successfully go through the apprentice program, was there anything requiring them to work in Juneau for a set number of years or otherwise pay back the funds.

Blue Shibler, AEYC Executive Director, replied that there was no requirement because program participants will have earned their wages for their work during the program.

Mayor Weldon asked United Way of Southeast Alaska why they were requesting funding for work to help with future glacial outburst flooding when the Red Cross and Salvation Army was doing similar work without funding from the City.

Loren Jones, United Way of Southeast Alaska Board Chair, answered that it was not possible to do this work without funding for an extended period of time. He shared that the work being done by their volunteers was not sustainable and that donations were trending down.

Acting Chair Bryson mentioned that the pending list was scheduled for action on the May 14th Assembly Finance Committee meeting.

*The Committee recessed at 8:02 pm.*

*The Committee reconvened at 8:08 pm.*

#### **4. Seasonal Sales Tax**

Ms. Flick pointed the Body to the memo on page 36 of the packet. She stated that any changes made to the sales tax code would not impact the City budget until FY27 and that the reason to discuss this now was to potentially get it on the fall ballot, as it would need to be introduced on the June 9<sup>th</sup> Assembly meeting for public hearing and action on July 28<sup>th</sup>. She shared that the numbers provided in the memo were designed to assist the Assembly in meaningful conversation on the topic and were not meant to provide specific direction.

Ms. Flick directed the Body to the tables on page 37 of the packet which shows three different seasonal sales tax scenarios. She discussed details of the updated data on these tables. She shared some of the details on the scenarios where food and utilities would be exempted with that revenue being covered by sales tax. She stated that \$6.2 million in sales tax revenue was equal to the amount that would cover a reduction of the mill rate by approximately one mill.

Acting Chair Bryson stated that one of the questions that needed to be addressed on this topic was whether the goal was to try to exempt sales tax on food and utilities or instead increase revenue.

Assemblymember Adkison shared that it was her priority to exempt food and utilities from the seasonal sales tax.

Assemblymember Kelly asked Staff if it was possible to repeal the one percent temporary sales tax while adjusting the seasonal sales tax to get the desired revenue.

Ms. Flick responded that this was possible although the intent with the one percent temporary sales tax was to help fund a set of specific projects that the voters had already approved.

Assemblymember Steininger expressed support for a seasonal sales tax in order to afford exemptions to food and utilities.

Assemblymember Woll shared that the AFC is not expected to make a decision on this topic tonight but that it was important to bring the discussion back in a future meeting.

Assemblymember Kelly expressed support for the third option that exempts food and utilities from the seasonal sales tax and allows for a drop in the mill rate.

Assemblymember Smith asked Staff if there was a seasonal sales tax calculator that assemblymembers could use to investigate the different sales tax amounts.

Ms. Flick replied that this tool did exist but that she would want to educate users on its proper use and help them work through scenarios first.

Assemblymember Smith shared that he was leaning towards exempting food and utilities from the seasonal sales tax because it was important for the community. He explained how tension between residents and visitors could ease if the perception was that visitors were helping to increase revenue.

Mayor Weldon asked if it was possible to exempt food and utilities based on level of income.

Ms. Flick stated that she did not have the data currently to have an answer. She shared that she would research the question and bring her findings to a future discussion.

Assemblymember Adkison stated that needs-based exemptions would add the burden of needing to properly apply the exemptions on merchants.

Acting Chair Bryson stated that the seasonal sales tax would greatly impact local businesses whose peak sales happen during the busy summer months.

Ms. Flick stated that there were sufficient requests for additional information for Staff to work on. She shared that Staff would work on some of the questions individually with assemblymembers who wished to explore them more. Staff would also bring back answers to the Committee in a future meeting.

Assemblymember Woll shared that, for whichever ballot measure the Body decided to put on the fall ballot, it would be important to fund advocacy and public education to ensure that the ballot was likely to pass. Due to timing constraints and deadlines, action would be needed soon.

**Motion: by Assemblymember Woll to move to ask Staff to draft an ordinance that would allow for allocating funding for advocacy associated with a seasonal sales tax and taxation.**

Assemblymember Steininger asked Staff to explain, without funding for advocacy, what type of information could the City legally provide and put out into the public about ballot initiatives.

Ms. Koester replied that the information put out to the public would need to be non-biased and educational, as well as facts based and informative.

Assemblymember Adkison reminded the Body that the Committee had not come to an agreement on whether there was enough time to get a seasonal sales tax initiative on the ballot this fall.

Mayor Weldon expressed support for the motion.

Assemblymember Smith asked Staff if they could come back with a memo covering what was legally possible for a ballot initiative advocacy effort.

**Motion: by Assemblymember Smith to move to postpone further discussion on this topic until the May 7th Assembly Finance Committee meeting and ask for unanimous consent.**

**Objection: by Assemblymember Kelly.**

*The Committee took a brief at-ease.*

**Objection: by Acting Chair Bryson.**

Mayor Weldon expressed support for the motion to postpone Assemblymember Woll's motion.

**Roll Call Vote on Motion**

**Ayes:** Smith, Steininger, Adkison, Mayor Weldon, Hall, Woll

**Nays:** Kelly, Acting Chair Bryson

**Motion passed. Six (6) Ayes, Two (2) Nays.**

**5. Youth Activity Grant Funding**

Ms. Flick directed the Body to page 68 of the packet which shows the memo from the Youth Activity Board chair. She shared the list of programs that the Youth Activity Board planned to use the requested funding for. She shared that this funding request was brought to the Assembly each year during the budget process.



**Motion:** by Mayor Weldon to move that the Assembly Finance Committee approve the funding recommendations of the Youth Activity Board on the attached list and ask for unanimous consent.

**Motion passed by unanimous consent.**

**6. Info Only: FY26 Pending List**

Ms. Flick stated that the pending list provided in the packet on page 71 will be discussed next week in conjunction with the Manager's Proposed Increments.

Ms. Koester shared that on May 9<sup>th</sup> City Hall will be closed in the afternoon for spring cleaning.

**7. Info Only: AFC Budget Calendar**

Ms. Flick stated that due to the busy schedule for the Assembly in the next week, items on the May 7<sup>th</sup> budget meeting were adjusted. She shared that the Manager's Proposed Increments will be covered and there will be discussion on capital improvement plan amendments. There will also need to be discussion and action on the school district budget. She mentioned that the Passenger Fee plan was moved from the May 14<sup>th</sup> meeting to the May 7<sup>th</sup> meeting, and the Eaglecrest topic was moved to May 14<sup>th</sup>.

**E. NEXT MEETING DATE**

**8. May 7, 2025**

**F. SUPPLEMENTAL MATERIALS**

**9. Assembly Grants & Community Requests**

- a) Centennial Hall Rates – Additional Staff Response
- b) Downtown Business Association Corrected Appendix B

**10. Info Only: AFC Budget Calendar – updated April 30, 2025**

**H. ADJOURNMENT**

*The meeting was adjourned at 9:06 pm.*

**MEMORANDUM****DATE:** May 7, 2025**TO:** Assembly Finance Committee**FROM:** Alexandra Pierce, Visitor Industry Director**SUBJECT:** Downtown Ambassador Program Clarification

Assemblymember Steininger requested clarification on a discrepancy in funding for the Downtown Business Association. When the Marine Passenger Fee budget was originally presented, the line item for the \$75,000 Downtown Ambassador Program was included in the spreadsheet showing the requests that staff recommended for funding. However, when considering the FY25 budget, the Assembly recommended funding Downtown Ambassador program as a one-time expense. Staff realized that we had made that recommendation in error and removed the line item from the memo with the funding recommendation but not the spreadsheet showing combined requests and initial staff recommendations. At the April 16 AFC meeting, Deputy Manager Barr clarified that all approved funding for DBA was one-time in nature. This memo will serve as a clarification for the record.

Other Fund Balances Available for Appropriation

*Minimum fund balances should be maintained in each fund to hedge against revenue forecast volatility; no fund's fund balance should be reduced to \$0.*

<i>Unrestricted Funding Sources</i>	
Hotel-Bed Tax Fund	464,500
Affordable Housing Fund	2,745,200
Tobacco Excise Tax Fund	67,600
<hr/>	
Total Other Unrestricted Fund Balances	3,277,300
<hr/>	

<i>Restricted per CLIA Settlement Agreement</i>	
Marine Passenger Fee Fund	142,300
Port Development Fee Fund	1,257,200
<hr/>	
Total Other Restricted Fund Balances	1,399,500
<hr/>	

*Updated as of May 7, 2025*

**City and Borough of Juneau**  
**Assembly Finance Committee (AFC)**  
**FY26 Budget Calendar and Key Dates – as of May 7, 2025**

Section F, Item 11.

**April 5<sup>th</sup> – 8:30 am – Special Assembly (Intro)**

- A. Mill Levy Ordinance 2025-03
- B. CIP Resolution 3090
- C. CBJ Budget Ordinance 2025-01
- D. School District Budget Ordinance 2025-02

**April 5<sup>th</sup> – 8:30 am – AFC Meeting #1 (~6-8 hrs)**

- A. Budget Summary & Overview
- B. Capital Improvement Plan
- C. Passenger Fee Plan
- D. Eaglecrest
- E. Docks & Harbors
- F. Bartlett Regional Hospital
- G. Juneau School District
- H. Juneau International Airport

**April 9<sup>th</sup> – 5:30 pm – AFC Meeting #2**

- A. SKIP

**April 16<sup>th</sup> – 5:30 pm – AFC Meeting #3**

- A. Assembly Grants & Community Requests
  - a. Assembly Information Needs
- B. School Bonds
- C. Visitor Industry Revenue Options

**April 23<sup>rd</sup> – 5:30 pm – AFC Meeting #4**

- A. SKIP

**April 30<sup>th</sup> – 5:30 pm – Special Assembly (Hearing)**

- A. Mill Levy Ordinance 2025-03
- B. CIP Resolution 3090
- C. CBJ Budget Ordinance 2025-01
- D. School District Budget Ordinance 2025-02
- E. Motion to Establish Local Funding for School District Operations

**April 30<sup>th</sup> – 5:30 pm – AFC Meeting #5**

- A. Utility Rates & Bonds – For Action
- B. Seasonal Sales Tax
- C. Assembly Grants & Community Requests
- D. Youth Activity Grant Funding

**May 7<sup>th</sup> – 5:30 pm – AFC Meeting #6**

- A. Manager's Proposed Increments & Budget Amendments – For Action
- B. Capital Improvement Plan Amendments
- C. School District Budget – For Action
- D. Passenger Fee Plan – For Action

**May 14<sup>th</sup> – 5:30 pm – AFC Meeting #7**

- A. Eaglecrest
- B. Pending List – For Action
- C. Set Mill Rates – For Action
- D. Final FY26 Budget Decisions
  - a. CIP Resolution 3090
  - b. Mill Levy Ordinance 2025-03
  - c. CBJ Budget Ordinance 2025-01

**May 19<sup>th</sup> – 7:00 pm – Regular Assembly**

- A. Adoption of the School District's Budget Ordinance 2025-02

**May 21<sup>st</sup> – 5:30 pm – AFC Meeting #8**

- A. Seasonal Sales Tax

**May 28<sup>th</sup> – 5:30 pm – AFC Meeting #9**

- A. SKIP

**June 4<sup>th</sup> – 5:30 pm – Regular Business AFC**

- A. TBD

**June 9<sup>th</sup> – 7:00 pm – Regular Assembly (Adoption)**

- A. Mill Levy Ordinance 2025-03
- B. CIP Resolution 3090
- C. CBJ Budget Ordinance 2025-01

*Public hearings on the budget must be completed by May 1, per Charter Section 9.6*

*Assembly must determine school district instructional funding and notify district within 30 days of receipt of district budget (Charter Section 13.6(b))*

*Assembly must appropriate school district funding by May 31 (Charter Section 13.6(b))*

*Assembly must adopt Operating Budget, Mill Levy, and Capital Improvement Plan by June 15<sup>th</sup> or the manager's proposal is deemed adopted (Charter Section 9.7 & 9.8)*