

City and Borough of Juneau
Assembly Finance Committee Meeting
Wednesday, February 7, 2018, 5:30 p.m.
Assembly Chambers

- I. Call to Order**

- II. Roll Call**

- III. Approval of Minutes**
Wednesday, January 10, 2018 (pg. 2)

- IV. Juneau School District Local Contribution Discussion (pg. 5)**

- V. Juneau Parks Foundation – Juneau Community Foundation – Question of Appropriation (pg. 11)**

- VI. Gavel to Gavel – Supplemental Appropriation (pg. 12)**

- VII. Information Items**
 - A. **Marine Passenger Fee Recommendations (pg. 13)**
 - B. **Transportation Network Company Sales Tax Compliance (pg. 20)**
 - C. **Revenue Sharing (pg. 21)**

- VIII. Next Meeting Date**
Wednesday, March 14, 2018

- IX. Adjournment**

DRAFT
City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, January 10, 2018, 5:30 p.m.

I. Call to Order

The meeting was called to order at 5:30 PM by Jesse Kiehl, Chair.

II. Roll Call

Committee Members Present: Jesse Kiehl, Chair; Norton Gregory, Mary Becker, Jerry Nankervis, Maria Gladziszewski, Loren Jones, Beth Weldon, Robert Edwardson, and Mayor Ken Koelsch.

Committee Members Participating Telephonically: None.

Committee Members Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Bob Bartholomew, Finance Director; Amy Mead, City Attorney; Rob Steedle, CDD Director; Roger Healy, Engineering & Public Works Director; Scott Ciambor, Chief Housing Officer; Sam Muse, Controller; and Elisabeth Jensen, Budget Analyst.

Others Present: Grace Salazar, Chief, Consumer Protection & Info Officer, Regulatory Commission of Alaska (RCA); and Kirk Gibson, Partner, McDowell Rackner Gibson PC (MRG).

III. Approval of Minutes

The November 8, 2017, minutes were approved as presented.

The December 13, 2017, minutes were approved as presented.

IV. Regulatory Commission of Alaska (RCA) Proceedings Education Presentations

Bob Bartholomew, Finance Director provided introductory information included on pages 8-9 of the meeting packet, "Regulatory Commission of Alaska Education" Issue Paper. He described the AFC's request to have staff return with educational information on the role and responsibilities of the RCA, and how CBJ could participate to help protect citizen interests.

A. Grace Salazar, Chief, Consumer Protection & Info Office, RCA

Bob Bartholomew introduced Ms. Grace Salazar.

Ms. Salazar discussed pages 10 – 40 of the meeting packet.

Discussion with the Assembly ensued.

B. Kirk Gibson, Partner, McDowell Rackner Gibson PC (MRG)

Bob Bartholomew introduced Mr. Kirk Gibson.

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Mr. Gibson addressed how municipalities can protect citizens, and ratepayers in RCA proceedings, the RCA process from the point of view of a participant, along with the opportunities and challenges for a city like the City and Borough of Juneau to work with the RCA to accomplish a goal. Mr. Gibson stated that he had 30 years of background in energy / utilities.

Discussion with the Assembly ensued.

At the request of the body, Mr. Watt stated that he and the City Attorney would prepare a staff report at the upcoming Assembly meeting on January 22nd, or at a special meeting if needed.

The meeting recessed at 6:49 PM.

The meeting reconvened at 6:59 PM.

V. Affordable Housing Recommendations

Scott Ciambor, Chief Housing Officer, provided an update on the Juneau Affordable Housing Fund and discussed pages 41 – 51 of the meeting packet, including a recommendation from the Affordable Housing Commission for use of \$480,000 over 5 years of the Juneau Affordable Housing Fund for the CBJ Accessory Apartment Incentive Grant Program.

**Norton Gregory moved to include \$480,000 (over 5 years) from the Juneau Affordable Housing Fund for use in the CBJ Accessory Apartment Incentive Grant Program.
Without OBJECTION.**

VI. Credit Card Status & Fees

Bob Bartholomew discussed an Issue Paper on Credit Cards & Fees found on pages 53 – 55 of the meeting packet, and asked the body if the CBJ should absorb the cost of credit card fees or pass it on to the bill payer?

**Mayor Koelsch moved to allow parking tickets and other similar transactions to be paid via credit cards without charging the bill payer a transaction fee.
Without OBJECTION.**

**Mayor Koelsch moved to accept credit card for utility payments and absorb the fees, with funding of fees to be provided by the utility fund not the general fund.
Maria Gladziszewski OBJECTED.**

Roll call votes:

Ayes: Becker, Nankervis, Kiehl and Mayor Koelsch.

Nays: Weldon, Edwardson, Gregory, Jones, and Gladziszewski.

Absent: None.

Motion FAILED 4-5.

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Maria Gladziszewski moved to accept credit cards for utility and all other payment types and charge a fee to the bill payer to recoup the fee.

Mayor Koelsch OBJECTED.

Roll call votes:

Ayes: Gladziszewski, Nankervis, Jones, Edwardson, Gregory, Weldon and Kiehl.

Nays: Becker and Mayor Koelsch.

Absent: None.

Motion PASSED 7-2.

VII. 1% Sales Tax CIP (*Pending Referral from PWFC*)

Rorie Watt and Roger Healy discussed pages 56 – 58 of the meeting packet along with a handout (dated 1/10/18) with updates to page 57 of the packet.

Beth Weldon moved to direct staff to incorporate the Preliminary FY19-FY24 1% Sales Tax Project Funding Schedule (dated January 10, 2018) into the FY19 CIP Resolution.

Without OBJECTION.

VIII. Other Issues

Rorie Watt referred to a handout from AEL&P, inviting the CBJ to appoint a member to the Snettisham Project Committee. Mr. Watt said he would provide more info to the Assembly at the meeting on January 22, 2018.

IX. Next Meeting Date

Wednesday, February 7, 2018

X. Adjournment

Meeting was adjourned at 8:26 PM.

City and Borough of Juneau
ASSEMBLY FINANCE COMMITTEE
Juneau School District FY18 Budget Update
February 7, 2018

Issue: FY2018 school enrollment will be below the level used to determine the Juneau School District (JSD) funding for the FY18 Approved school budget. This will result in lower state revenue and a reduction in the minimum required local contribution that CBJ can fund.

The Finance committee addressed the needed reduction to the appropriated state funding at the November Finance Committee meeting. The SOA Foundation funding will be reduced around \$726,000. The local contribution adjustment was deferred to a future meeting.

Current Status:

CBJ required contribution needs to be lowered by \$167,500. Property tax revenue is the funding source. The CBJ funding can be reduced or be reallocated to other needs. Attached is the recommendation of the school board to reallocate the local funding to the District for pre-school education. Also attached is a letter from Raising Our Children with Kindness (R.O.C.K.) requesting the funding be allocated to Pre-K programming.

Recommendation:

The finance committee needs to determine how the \$167,000 local funding be adjusted and direct staff to prepare the necessary budget ordinance.

CITY AND BOROUGH OF JUNEAU SCHOOL DISTRICT

BOARD AGENDA ITEM

DEPARTMENT: ADMINISTRATIVE SERVICES 7.4

 INFORMATION

 X ACTION

TITLE: REQUEST TO ASSEMBLY TO FUND PRE-SCHOOL EDUCATION (FINAL READING)

STRATEGIC INITIATIVE: #1: Work with community organizations to develop and implement practices to help prepare young children for kindergarten.

BACKGROUND:

The Borough Assembly will need to de-appropriate \$167,500 to the Juneau School District because of fewer than expected students during the official count period. The question has become, what recommendation, if any, should the Board of Education give to the Assembly about re-allocating this money to other important School District needs.

One possible need this money could address is to prepare more 4-year-olds for kindergarten.

The Juneau School District has three different pre-kindergarten programs at this time:

- Children House, a part of Montessori Borealis School, serving eight 4-year-olds;
- Integrated Pre-school peers, a part of special education pre-school program, serving 30 4-year-olds; and
- KinderReady, a program at Harborview funded by a state grant, serving 19 4-year-olds.

In addition, Juneau School District houses two Head Start classrooms: one at Mendenhall River Community School, and the other at Sayéik Gastineau Community School.

At the November 14, 2017 Board workshop, Teaching & Learning Services reported that 135 out of 351 (38%) students entering kindergarten this fall met the Alaska Department of Education & Early Development's benchmark for readiness. This profile measures students in 13 domains, including cognition and general knowledge, communications, language, and literacy, as well as physical well-being, health, and motor development.

The District received a \$150,000 state grant to fund KinderReady. It expects to receive a \$250,000 grant next school year, and possibly a larger grant in FY 2020. This program is currently staffed by a site manager and one para-educator. Students attend either a morning or afternoon session.

Should the Assembly appropriate funds to the District, administrators will need to develop a strategy to best apply these funds to improve pre-kindergarten readiness. Options could include:

- Add a second KinderReady classroom at a valley site;
- Add an option for KinderReady students to attend a full day program;
- Develop an outreach program for parents and licensed daycare centers;
- Assist parents with tuition or student transportation; or
- Some combination of these options.

CURRENT ISSUE BEFORE THE BOARD:

The first question that is facing the Board is whether to ask the Assembly to repurpose the defunded appropriation to the operating fund back to the District for a different need. If that is an affirmative answer, the next question is whether funding pre-school education becomes the highest priority for the community. If this motion is passed, there will be many issues to implement once the Assembly re-appropriates the money.

RECOMMENDATION:

The administration recommends that the Board of Education recommend that the Assembly return the funds back to the District for pre-school education.

PROS/CONS:

This motion, if funded by the Assembly, addresses an important indicator of success. It will not make 100% of students entering kindergarten ready on their first day, but should increase the percentage of students ready for kindergarten.

One drawback is the Assembly's schedule. The plan is for the Board president to communicate this motion to the Assembly Finance Committee at their December 13 meeting. The earliest the Assembly would re-appropriate these funds would be their February 12 meeting. This leaves the District a very short time to implement this program for the remainder of this school year. A challenge is that opening a classroom in the middle of March (which may be the earliest the District could realistically have it staffed and ready) is difficult to fill seats because people have their needs already being met. One advantages to setting up a classroom is that it will make the grant dollars go farther next year because the District will have the room equipped and ready to go when it expands the KinderReady program to a second classroom.

The funds could be re-purposed into many of the District's special revenue funds, including: student activities, student transportation, food service, or any other special revenue fund.

EQUITY CONSIDERATIONS:

N/A - only because administrators need to flush out the proposed use of the additional money.

BUDGET IMPLICATIONS:

If the Assembly funds additional pre-school programs, this will take administrators and staff time to develop and implement this program. This may include, human resources

to staff, special education staff to make arrangements, school staff if a program is located in a school, possibly maintenance and custodial staff to get a facility ready, and other commitments.

NEXT STEPS:

Administrative staff will draft appropriate communications to the Assembly and CBJ staff. Board President Holst will need to speak with and to Assembly members about this, when needed. If it appears the Assembly will consider this, the Student Services director and Teaching & Learning Services director will need to design a program to best and most efficiently use these resources.

MOTION:

I move that the Board of Education request that the Assembly appropriate \$167,500 for a pre-school education program in the Juneau School District.



January 22, 2018

Juneau Assembly Members

155 South Seward Street

Juneau, Alaska 99801

Dear Mayor Koelsch and Members of the Juneau Assembly,

Please support increased high-quality Pre-K in Juneau by allocating \$167,000.00 requested by the Juneau School District to augment their Pre-K programming.

R.O.C.K. Juneau (Raising Our Children with Kindness) is a collective impact collaboration of sectors of the Juneau community, focusing on improving access, equity and resources for a healthy childhood and adolescence. We are making a long term commitment to work with a common agenda, track our progress transparently with real data, and really coordinating efforts towards our goal of loving, equipping and empowering every young person in Juneau. Successful youth grows a successful community.

Best Starts for Juneau Kids, a community initiative supported by R.O.C.K. Juneau, is an effort to substantively and meaningfully improve the lives of Juneau's youngest citizens and their families through providing access to affordable, high-quality, early learning opportunities. Lack of these opportunities results in many working families unable to afford high quality learning and care for their children or unable to keep needed employment. This results in more children not prepared for kindergarten, which places a major burden on our schools, not to mention the reduced opportunities for these kids to reach their potential later in life.

While Best Starts for Juneau Kids aims for a comprehensive program available to all Juneau families, they are particularly interested in seeing increased opportunities for affordable, high-quality Pre-K. We ask that the Assembly support the recent request from the Juneau School District to re-allocate funds appropriated for K-12 education for FY18 that cannot be used due to a drop in enrollment to support the School District's Pre-K programming.

R.O.C.K. Juneau believes that meeting the early education needs of Juneau's youth will be achieved through collaboration and partnership across public and private Pre-K and early education initiatives. We greatly appreciate that the Juneau School District has identified increased kindergarten readiness as one of its five main goals in its five-year strategic plan.

While their funding for Pre-K initiatives is very limited, they are slowly increasing the availability of these important services through grants and tuition payments. By providing these already budgeted funds to the Juneau School District to augment a state early education grant they are managing, you are addressing an important community need and assisting the Juneau School District to meet one of its strategic goals.

Thank you for your consideration of our request. R.O.C.K. Juneau believes that increased investment in early education, is good for Juneau's kids, families, businesses and makes Juneau a more attractive place to live and raise a family.

Regards,


Becky Roth

ROCK Juneau Coordinator

ROCKJuneau@gmail.com



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

DATE: February 1, 2018
TO: Jesse Kiehl, Chair, Assembly Finance Committee
FROM: Rorie Watt, PE, City Manager 
RE: Juneau Parks Foundation Funding

In the FY17 budget the Assembly agreed to include \$50,000 for the Juneau Parks Foundation (JPF). At the time of the request, the JPF had not yet been formed. The purpose of the appropriation was to provide initial seed money to leverage funds from non-profit foundations (including Rasmuson), and donations from the community.

As explained at the Finance Committee, the JPF would raise funds, leverage endowment funding and engage the community (including organizing volunteer efforts). As the concept has evolved, the JPF supporters envision that it would be a contracting agency that would take on the administrative activity of hiring consultants, procuring materials, hiring contractors, organizing volunteer build efforts. There are problems with this approach, including insurmountable code obstacles.

Subsequently, the Juneau Community Foundation launched its Fields of Interest funds, including the establishment of the Parks, Trails and Recreation Fund. The purpose of that fund is very similar to the idea of the Juneau Parks Foundation. However, the JCF specifically limits its activities to supporting giving campaigns, managing endowments and granting funds to other existing organizations.

At this time, I do not think that it is in Juneau's best interests to encourage the creation of a new non-profit such as the JPF. The administrative burden on non-profits is always difficult and in my opinion the best use of public and private money can be accomplished by the following:

1. Appropriate the \$50K to the JCF to the Parks, Trails and Recreation Fund.
2. Ask the JCF to incorporate the JPF proponents as Fund advisors.
3. Encourage the community to direct private giving to the JCF.

Recommendation:

Appropriate \$50K to the JCF to complete the intent of the FY17 budget (seed funding for Park Foundation).

City and Borough of Juneau
ASSEMBLY FINANCE COMMITTEE
February 7, 2018

Gavel to Gavel FY18 Supplemental Request

Issue:

The Alaska Committee has requested payment for Gavel to Gavel funding for \$30,000 more than was included for in the FY18 Adopted Budget.

Background:

Attached is the invoice for FY18 CBJ Contribution to Gavel to Gavel service at \$355,000.

The Alaska Committee in 2016 requested an increase to Gavel to Gavel of \$30,000, increasing the annual CBJ contribution from \$325,000 to \$355,000. The Assembly voted to increase the contribution in FY17 at its April 20, 2016, Finance Committee meeting.

The one-time increase of FY17 was not reflected in the FY18 Adopted budget.

Current Status:

The Alaska Committee has submitted an invoice for full incremental funding of \$355,000 in FY18.

Recommendation:

1. Staff recommends if the Assembly wishes to contribute the additional \$30,000 to Gavel to Gavel in FY18 that it be paid via savings in other line items in the Assembly's budget as follows:

Better Capital Account	\$14,500
Assembly Travel	10,000
Assembly Hospitality	5,000
Lobbyist	500
Total Available	\$30,000

2. If the Finance Committee supports providing additional funding in FY18, staff requests direction on whether to increase the Gavel to Gavel Funding when preparing the FY19 base Assembly budget.

MEMORANDUM

CITY/BOROUGH OF JUNEAU

City & Borough Manager's Office
155 S. Seward St., Juneau, Alaska 99801

Rorie.Watt@juneau.org

Voice (907) 586-5240

Fax (907) 586-5385



DATE: January 17, 2018

FROM: Duncan Rorie Watt
City and Borough Manager



SUBJECT: FY19 Passenger Fee Proceeds Recommendations - DRAFT

Based on our latest projection of passengers expected to visit this summer, the amount of revenue available in FY19 is anticipated to be \$5,750,000. Below are the descriptions of operating, grant or capital funding allocations that I am recommending for funding.

Attached to this memo is a spreadsheet that shows all of the funding requests submitted, the draft funding allocations recommendations, and prior fiscal year allocations. Also included in the spreadsheet are titles of requests that are not recommended for funding.

CBJ Code requires that the draft allocations be made available for public comment for 30 days beginning January 15th. This draft memo is being issued on January 17, 2018. Public comment will close on February 16, 2018.

OPERATIONS

Identified Government Operations \$1,400,000

On May 10, 2000, the Assembly Finance Committee approved a formula that reflects cruise ship passenger impacts on specific government services and is used to determine an amount of Marine Passenger Fee (MPF) proceeds to be used in support of identified government operations. In 2003, a full cost analysis was evaluated by Elgee, Rehfield and Mertz, LLC, and it was determined this formula provided a fair and accurate assessment of costs. The formula has not been adjusted since its initial creation.

JPD - Downtown Foot/Bike Patrol \$183,780

This provides additional foot and bike patrol presence by Juneau Police Department (JPD) officers in the downtown area during the summer. JPD's presence is important to ensure the safety of visitors, provide assistance and direction, and mitigate problems that can occur between some of the regular downtown locals and summertime visitors.

Parks & Rec - Downtown Restroom Maintenance \$85,000

This provides contractual services (labor and materials) required to clean the public restrooms in City Hall, Marine Parking Garage, Juneau Library, and the Downtown Transportation Center, seven days a week, six times per day, for five months during the summer.

Seawalk Maintenance – Overstreet Park to Gold Creek \$33,600

This provides partial support for Parks and Facilities Maintenance to maintain the park grounds, empty trash, maintain the park and seawalk structures.

Public Works - Downtown Road Cleaning and Maintenance \$103,400

Due to heavy summer use by visitors, the downtown sidewalks require extra cleaning and litter/garbage removal to keep them clean and safe. This funding provides for two summer seasonal employees to keep the sidewalks clean, empty downtown garbage containers and perform other services as needed on a daily basis to maintain the downtown core area in a presentable manner for our visitors.

CCFR - Seasonal BLS/Firefighter Program \$220,600

This funding pays for six seasonal EMTs from April 17 to September 30. Last summer staff responded to 489 calls and transported 340 patients. This funds the seasonal EMT's and the safety equipment, uniforms, fuel costs, consumable medical supplies, and training for the seasonal employees.

Port of Juneau - Port Operations \$154,100

The Docks and Harbors Board has requested funding to offset the costs and impacts of providing area wide services and support to cruise ship passengers. The Board reviewed its budget and apportioned expenses associated with those services and estimated that approximately 9% of the annual docks budget will be attributed to providing area wide service to cruise ship passengers.

Customs Building Maintenance \$133,500

The Port-Customs building will be occupied by the Department of Homeland Security-Customs Border Protection year-round and Docks and Harbors staff from April through October. Funding for this project also includes support for the new Visitors Center, which will be managed by the Juneau Convention and Visitors Bureau. Docks and Harbors is responsible for the year-round maintenance and operation of the facility, which includes all utilities, alarm monitoring, winter snow removal, janitorial, maintenance of the parking lot, and general maintenance of the facility.

Weather/Current Monitoring System Operations and Maintenance \$30,000

This funding would provide annual operations and maintenance for valuable real time weather and water current information to mariners that access the downtown Juneau waterfront including the four cruise ship berths (private and public), and the Taku Dock (serving Taku Fisheries). The system provides wind and current monitoring sensors at various locations to offer real time information for navigation purposes. The system disseminates via a phone app, internet, or other public media commonly available to mariners in the immediate area.

Downtown Pay Phones \$8,000

To meet telephonic communications demands from cruise ship passengers and cruise ship crew, the City and Borough of Juneau (CBJ) continues to maintain pay telephones in the downtown corridor.

Tug Assist \$10,000

During design and permitting of the southern berth of the 16B Cruise Ship Dock project, concerns were raised that under some weather conditions that there would be a need for tug boat assistance for some ships docking at the Franklin Dock. This funding would be used on an as needed basis – need during the summer of 2016 was limited to several stand by events.

Transportation Worker ID Credential System (TWIC) \$170,000

This funding will purchase up to six hand-held TWIC readers (one for each berth and one spare). In addition, the funds will be used to contract with the Marine Exchange of Alaska to host the computer server that receives and transmits the appropriate information for allowing or denying access to security zones.

GRANTS

Downtown Security Program - Downtown Business Association \$58,710

Funding for this program supports two uniformed security officers that patrol the downtown area on foot from May through September. These security officers assist visitors with information, directions, and patrol the downtown area for loitering, panhandling, public intoxication, and other public nuisances potentially impacting summer visitors and local residents. With regard to public safety issues and infractions of the law, the security officers refer these issues to JPD to handle. This program is provided through a private contract administered by the Downtown Business Association.

Tourism Best Management Practices Support – Juneau Convention and Visitors Bureau \$20,000

This provides funding for printing, public notices, advertisements, and a contractual amount for Juneau Convention and Visitors Bureau (JCVB) staff to provide support to the Tourism Best Management Practices (TBMP) effort. TBMP is a voluntary industry-managed program, designed to provide services to vessel passengers and address impacts, including safety issues, of tourism on local residents. The JCVB administers the program with the funding provided by Marine Passenger Fee proceeds.

Travel Juneau - Crossing Guards \$237,500

The purpose of this program is to facilitate safe traffic flow in the downtown area, encourage pedestrians to stay on the sidewalks, increase pedestrian safety, and control the crossing locations where summer pedestrians can cross the streets. This will fund crossing guards during the summer visitor season and during peak traffic times. The crossing guards will staff the Cruise Ship Terminal, People’s Wharf, Marine Park Plaza, and at Taku Smokeries. This funding also provides for some limited equipment purchases, general training, scheduling, and deployment of the crossing guards. This program is currently administered by Travel Juneau.

Visitor Information Program \$135,600

The JCVB provides summer visitors with information, directions, and assistance. Program expenses include administrative support for training and supervision of 130 volunteers, managing the cruise ship terminal visitor center and Marine Park kiosk, two paid seasonal visitor information positions, and printed materials.

Franklin Dock Enterprises, LLC - Dock Security \$85,000

Security exercises and training for all personnel with security related duties and security related expenses, along with security personnel enclosures/equipment to achieve compliance with US Coast Guard required/approved security plan.

Restroom Cleaning and Maintenance \$25,000

This provides funding for restroom cleaning and maintenance supplies for cruise ship passenger public restrooms located at the Franklin Dock.

AJ Juneau Dock, LLC – Security and Safety: Training, Equipment/Maintenance, Etc. \$124,800

This project includes training, equipment, supplies, maintenance, signage, credentials, exercises and operations related to the safety and security of the cruise ship facility. This request will fund annual security cost requirements and enhancements to achieve compliance with the U.S. Coast Guard required/approved facility security plan as well as facility safety, spill response, incident management, drills and exercises.

AJ Juneau Dock, LLC - Restroom Cleaning and Landscaping Maintenance \$25,000

In keeping with city requests at similar facilities, the AJ Dock requests assistance with the cleaning costs of the AJ dock restrooms which are open for public as well as uplands upkeep of park infrastructure including garbage, lighting, benches, fences, street sweeping, landscaping upkeep, etc. This year's project request includes interpretive signage, new benches (replacing 15-year-old wood benches), landscape maintenance and a new bear proof trash can.

Juneau Port Security and Short-Range Response Boat \$19,600

The Department of Homeland Security awarded the AJ Dock with a port security and short range response boat that conducts port security patrols, at-sea deliveries to cruise ships in port (some items can not go across the docks for security reasons). It is designed to accommodate medevacs, spill response, salvage operations, and on-scene support for emergency or law enforcement issues when ships are at anchor or at sea. This request is solely to cover the manning, maintenance, and operational expenses related to this vessel.

CAPITAL PROJECTS

Public/Private Port Infrastructure Plan \$150,000

This would fund a master plan study that would assess the existing docks and needs for the future, including infrastructure and governance.

Small Cruiseship Moorage Master Planning \$150,000

The increased number of small cruise ships have adversely impacted and strained Docks and Harbors' ability to provide suitable dock space. This master planning effort would examine the future business need and develop a holistic plan which would enable this industry to thrive in a sustainable manner.

Port of Juneau - Visitor Information Kiosk Replacement \$150,000

The visitor information kiosk serves cruise ship passengers needing information about Juneau. It is located in a strategic location near one of the two city owned docks that support the cruise industry. The current kiosk has exceeded its design life. The facility does not meet ADA standards, has inadequate heating, and does not provide adequate shelter for patrons.

Downtown Restrooms South of the Library/Parking Garage \$500,000

This project has been brought forward at the request of the Assembly to address the lack of adequate restroom facilities in the downtown waterfront area.

CBJ Engineering - Downtown Street Improvements \$900,000

This funding will provide for street reconstruction of Phase II of the Downtown Street Improvement project. This phase includes Front Street, North Franklin Street from Front Street to Second Street, and a portion of First Street.

Waterfront Seawalk: Major Maintenance \$85,000

The anticipated upcoming work for 2018-2019 includes transition repair at the Icehouse Dock, Franklin Dock by the bathrooms, and the Fishermen's Memorial.

Waterfront Seawalk: Next Phases \$250,000

Funds will be used for continued efforts on next phase(s) of the seawalk. Activities will include surveying, geotechnical investigations, property appraisals and negotiations, cost estimating, permitting and preparation of conceptual and detailed design plans.

Downtown Wayfinding and Interpretive Signs \$450,000

This funding will pay for the fabrication and installation of wayfinding and interpretive signage in the downtown area and the Willoughby district. Throughout the public process for the Downtown Streets Improvement, the public commented on the lack of signage in the downtown area to direct visitors to attractions, services, and businesses. The public requested an improved wayfinding and interpretive program with consistent and accurate information.

DRAFT

Marine Passenger Fee Funding Allocation - FY 2019

Key

	Requested Last Year and Funding provided
	Requested Last Year and No Funding provided
	New Request

	<u>FY18 Approved</u>	<u>FY19 Requested</u>	<u>FY19 Recommendation</u>	<u>Brief Description</u>
<u>CBJ OPERATIONS</u>				
CBJ - Identified Government Operations	1,400,000	1,400,000	1,400,000	Identified Government Operations
Juneau Police Department	189,700	183,780	183,780	Increased Downtown Foot/Bike patrol
Parks & Recreation	72,000	85,000	85,000	Increased Restroom Maintenance
		33,600	33,600	Seawalk Maintenance
	33,900	33,900	0	Landscape Maintenance
		62,500	0	25% Request for Centennial Hall HVAC Controls
Public Works Street Maintenance	108,900	103,400	103,400	Increased Road & Sidewalk Cleaning & Maintenance
CCFR	232,400	220,600	220,600	Seasonal BLS/Firefighter Program
		5,000		Air Medevac Support (uncollected charges)
Port of Juneau	154,100	154,100	154,100	Areawide Port Operations
	133,500	133,500	133,500	Port-Customs and Visitor Center Buildings Maintenance
	45,000	45,000		Landscape Maintenance
	20,920	30,000	30,000	Weather/Current Monitoring System Operations & Maintenance
	75,000	30,000	10,000	Tug Assist for Franklin Dock
		120,000	170,000	Transportation Worker ID Credential System (TWIC)
Capital Transit	300,000	300,000	0	Seasonal Transit Support
City Manager	8,000	8,000	8,000	Downtown Pay Phones
Subtotal Operations:	2,773,420	2,948,380	\$2,531,980	
<u>GRANTEES</u>				
AJ Dock	85,000	124,800	124,800	Security and Safety: Training, Equipment/Maintenance, Etc.
	30,000	27,000	25,000	Restroom Cleaning and Landscaping Maintenance/Enhancement
	19,600	19,600	19,600	Port Security and Short-Range Response Boat Operations
		44,175	0	TWIC Readers
	68,500	68,500	0	Safety Barrier Fence Replacement
		26,000	0	Dock Ramp Pedestrian Conversion
		63,000	0	Shuttle Pedestrian Staging Area Expansion
	715,000	585,000	0	Shuttle Covered Area

	<u>FY18 Approved</u>	<u>FY19 Requested</u>	<u>FY19 Recommendation</u>	<u>Brief Description</u>
	300,000	300,000	0	Terminal Project
Downtown Business Association	60,000	58,710	58,710	Ambassador Program
Franklin Dock	85,000	85,000	85,000	Dock Security
	25,000	25,000	25,000	Restroom Cleaning & Maintenance
	0	39,000	0	Security Camera Upgrade
	0	38,000	0	Dock Maintenance and Refurbishment
	25,000	290,000	0	Shore Power Infrastructure - Maintenance and Refurbishment
		1,777,000	0	Dock Infrastructure - Catwalk and Dolphin
Goldbelt/Seadrome Dock	250,000	254,784	0	Seadrome Marine Dock Maintenance
Juneau Radio Center		12,000	0	Public Tourism Education (Matched 50/50)
		15,000	0	Visitor Experience App
Juneau Raptor Center	60,000	50,000	0	Mt Robert's Eagle Viewing Center Upgrades
TBMP	15,000	20,000	20,000	Includes Pedestrian Management Pilot Projects
Travel Juneau	232,000	237,500	237,500	Crossing Guards
	140,600	135,600	135,600	Visitor Services

Subtotal Grants:

4,295,669 **\$731,210**

Capital Improvement Projects

City Manager		100,000	150,000	Public/Private Port Infrastructure Plan
Port of Juneau		150,000		Sheet Pile Wall Corrosion/Marine Park
		150,000	150,000	Visitor Information Kiosk Replacement
		100,000		Cruise Ship Uplands Staging Area
		500,000	500,000	Downtown Restroom Construction (new)
		200,000		Security Checkpoint Shelters
		100,000	150,000	Small Cruiseship Moorage Master Planning (Requested by City Manager)
CBJ Engineering		900,000	900,000	Phase III Downtown Streets
		450,000	450,000	Downtown Wayfinding and Interpretive Signs
		85,000	85,000	Seawalk Major Maintenance
		1,000,000	250,000	Seawalk Next Phases
Subtotal Projects:		3,735,000	\$2,635,000	

Requested Total FY 19 Funding (Ops + Grants + Projects): **\$10,979,049**

Recommended Total FY 19 Funding (Ops + Grants + Projects): **\$5,898,190**

City and Borough of Juneau
ASSEMBLY FINANCE COMMITTEE
Transportation Network Company Sales Tax Compliance
February 7, 2018

Issue:

CBJ is having some but limited success in achieving compliance with Transportation Network Company (TNC) drivers registering and paying sales tax.

Current Status:

In June 2017, a bill was signed into state law that addressed TNCs and TNC Drivers, allowing TNCs and their drivers to begin operating within the state of Alaska. Within this bill was a section addressing municipal sales tax. In this section (Sec. 59.35.148), municipalities were authorized to regulate only the TNC driver for purposes of municipal sales tax.

Since the state law was changed, the CBJ Sales Tax office encountered two primary issues with TNCs and the TNC drivers:

1. Significant difficulty with TNC driver sales tax registration & filing compliance.
2. Failure of TNCs or TNC drivers to collect the CBJ Sales Tax.

For activity reported through September 30, 2017 (4th quarter activity just being processed) we have 20 drivers registered and collected revenue of \$1,850 (gross sales \$37,000). We really do not know how many unregistered drivers there are and the TNC's have not provided an inventory or number of their contract drivers. There are indications that the volume of drivers and sales is significantly higher than what is being reported.

After multiple discussions with both TNC companies operating in Juneau, each TNC has arrived at a different approach to addressing these issues. One TNC has agreed to voluntarily collect & remit the CBJ Sales Tax on behalf of its drivers, effective early 2018. The other TNC has decided to push for a change to state law, one which will allow TNCs to collect & remit municipal sales tax on behalf of its drivers. The CBJ Sales Tax Administrator believes a state law change would be the best solution to the above compliance issues. A state law change would mean that municipal sales tax responsibilities would be consistent and clear for TNCs and their drivers.

Corrective Action:

CBJ has drafted language to amend state law to require TNCs to register, report and collect sales tax on behalf of their drivers. The language is based on Wyoming state law, where this approach has been in place for several years. CBJ lobbyist is working with the stakeholders to advance the legislation this session.



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January 29, 2018

Governor Bill Walker
OMB Director Pat Pitney
Juneau, Alaska 99801

Dear Governor Walker and Director Pitney,

As you two well know, the funding for Community Assistance (Revenue Sharing) has been severely depleted in the last number of years. In fact, Community Assistance, then called Revenue Sharing, was funded at \$141,656,800 in 1985. It has steadily decreased since then, despite escalating costs and inflation.

Last year, the amount allotted through the current formula, saw municipalities receive a total of \$30 million. Also, thanks to Rep. Les Gara, an additional \$8 million was added to the original \$30 million. In this years' budget, while \$30 million is included in the budget submitted to the Legislature, there appears to be no backfilling of that amount into the fund. This is of grave concern to Alaska's municipalities.

If the fund is not backfilled, the fund will fall below the \$90 million required to realize a \$30 million (or 1/3 of the account) payout. The fund next year, without a backfill, will have only \$60 million. This will result in a \$20 million payout. The next year, without a backfill will result in the end of Community Assistance.

Alaska's municipalities have attempted to gracefully accept the 50% drop of Community Assistance. We understand the financial issues that our State faces and we hope to be part of the solution rather than part of the problem. However, if Community Assistance continues to drop, while municipalities yet face escalating costs, we will see many smaller communities cease to exist as local governments. If that is part of a plan, then we must all plan for that. However, there will be many ramifications if some of the smaller communities no longer have a "political subdivision" government.

To this end, the Alaska Municipal League and the Alaska Conference of Mayors request that you insert \$30 million into the FY19 budget for next years' Community Assistance.

Thank you for your willingness to always listen to our issues and concerns. We truly appreciate it.

Sincerely,

Kathie Wasserman
Executive Director