City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, April 17, 2019, 5:30 PM

I. Call to Order

The meeting was called to order at 5:32 PM by Loren Jones, Chair.

II. Roll Call

Committee Members Present: Alicia Hughes-Skandijs, Wade Bryson, Carole Triem, Mary Becker, Loren Jones, Chair; and Mayor Beth Weldon.
Committee Members Participating Telephonically**:** Maria Gladziszewski, Michelle Bonnet Hale, and Rob Edwardson.
Committee Members Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Bob Bartholomew, Finance Director; Jeff Rogers, Finance Director; Mike Vigue, Director, Engineering & Public Works; John Bohan, Chief CIP Engineer; George Schaaf, Parks & Recreation Director; Lindsay Foster, Parks & Recreation; Sam Muse, Controller; and Elisabeth Jensen, Budget Analyst.

Others Present: Liz Perry, President & CEO, Travel Juneau; John McConnochie, Board Chair, Travel Juneau; Richard Burns, Vice Chair, Travel Juneau; Val Kelton, Board Member, Travel Juneau; Brian Holst, Executive Director, Juneau Economic Development Council (JEDC); and Alec Mesdag, Chair, JEDC Board of Directors.

III. Approval of Minutes

The April 10, 2019 minutes were approved as presented.

IV. Travel Juneau – Funding Request

Liz Perry, Director, Travel Juneau; and John McConnochie, Board Chair, Travel Juneau; presented the FY20 Proposed budget for Travel Juneau found on page 5 – 18 of the meeting packet.

Ms. Perry responded to questions from the committee.

Mayor Beth Weldon, moved to approve $885,000, the Hotel Tax portion of the Travel Juneau budget as presented by the Manager, and place Travel Juneau's FY20 Incremental Request in the amount of $120,000, on the AFC's Pending List.

Mr. Jones and Ms. Hughes-Skandijs OBJECTED.

Roll call votes:
Ayes: Triem, Becker, Bryson, Edwardson, Hale and Mayor Weldon.
Nays: Hughes-Skandijs, Gladziszewski and Jones.
Motion PASSED 6-3.

The meeting recessed at 6:27 PM.
The meeting reconvened at 6:34 PM.

V. Juneau Economic Development Council (JEDC) – Funding Request

Brian Holst, Executive Director, JEDC; and Alec Mesdag, Board Chair, JEDC; presented information found on page 19 – 22 of the packet, regarding the JEDC FY20 Budget, for base funding of $325,000. They also had an additional request of $90,000 of one-time funding in FY20.

The additional "Strategic Investments" for the Assembly to consider would provide:
1.) Invest in Juneau's Entrepreneurial Capacity
2.) Pursue Innovation in Ocean and Maritime Industry
3.) Attract Talent to Juneau: Choose Juneau
4.) Visitor Industry Growth

Mr. Holst provided a one-page handout as a supplemental packet item.

Mr. Holst and Mr. Mesdag responded to questions from the committee.

Mayor Weldon, moved to approve the JEDC FY20 Proposed budget as presented by the Manager, and approve the additional $90,000 one-time funding increment.
Without OBJECTION.

The motion initially passed without objection, and then when it became apparent that several of the Assembly members had not understood the motion, it was RESCINDED by Chair Jones.

Mayor Weldon, moved to approve the JEDC FY20 Proposed budget as presented by the Manager, and approve the additional $90,000 one-time funding increment.

Ms. Gladziszewski, Ms. Hughes-Skandijs, and Mr. Edwardson OBJECTED.

<u>Roll call votes</u>:
Ayes: Triem, Bryson, Becker, Jones, and Mayor Weldon.
Nays: Edwardson, Hughes-Skandijs, Gladziszewski and Hale.
Motion PASSED 5-4.

VI. Water & Wastewater Utility Rate Update

Rorie Watt, City Manager; Mike Vigue, Director, Engineering & Public Works; and John Bohan, Chief CIP Engineer; presented the information found on pages 23 – 31 of the meeting packet, along with a memo from the Utility Advisory Board found on page 32 of the meeting packet.

Mr. Watt emphasized the extremely critical importance of Water and Wastewater Utilities within the community. He said that he is concerned about impacts on the community from state budget decisions and ongoing Cost of Living increases. As such we need to be very careful about increasing rates, and look at all options for funding the Utilities.
At this time, the UAB supports a rate increase of 4.0% for each of the next five years, while the City Manager supports a rate increase of 2.0% for each of the next five years beginning on January 1, 2020.

Mr. Watt, Mr. Vigue and Mr. Bohan responded to questions from the Assembly members.

The topic will return to the AFC on Wednesday, June 12, 2019.

The meeting recessed at 7:51 PM.
The meeting reconvened at 8:01 PM.

Clerk's Note: Ms. Becker left the meeting at 8:01 PM.

Clerk's Note: Ms. Gladziszewski informed the Chair at 8:01 PM that she was on a plane with doors closing any minute. Ms. Gladziszewski left the teleconference at 8:11 PM.

VII. Marine Passenger Fee Recommendations – For Review

Rorie Watt, City Manager; provided a high-level overview of the Marine Passenger Fee Recommendations found on pages 33 – 38 of the meeting packet.
The Memo was released later than usual due to the litigation with CLIAA. The memo is currently available for public comment through Thursday, May 2, 2019. No public comment has been received yet on the topic this cycle.

Mr. Watt responded to questions from the Assembly members.
The topic will return to the AFC on Wednesday, May 8, 2019, for action.

VIII. Information Items

Loren Jones discussed the Pending List and the Increment List.

IX. Next Meeting Date

Wednesday, April 24, 2019, immediately following the Special Assembly meeting at 5:30 PM.

X. Adjournment

Meeting adjourned at 8:27 PM.