

City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Thursday, July 13, 2017, 5:30 p.m.

I. Call to Order

The meeting was called to order at 5:31 PM by Jesse Kiehl, Chair.

II. Roll Call

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

Committee Members Participating Telephonically: Loren Jones and Debbie White.

Committee Members Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Bob Bartholomew, Finance Director; Roger Healy, Director, Engineering & Public Works; Samantha Stoughtenger, Wastewater Utility Superintendent; Scott Ciambor, Chief Housing Officer; Rob Steedle, CDD Director; Patty Wahto, Airport Manager; Kirk Duncan, Director of Parks and Recreation, Julie Jackson, Aquatics Manager; Carl Uchytel, Port Director; Rich Etheridge, Fire Chief; Sam Muse, Controller; and Elisabeth Jensen, Budget Analyst.

III. Approval of Minutes

The June 28, 2017 minutes were approved as presented.

IV. 1% Sales Tax Proposals

Rorie Watt, City Manager provided a 3-page hand-out, "RE: 1% Sales Tax Recommended Starting Point", highlighting and discussing two potential approaches:

- A. 5 Years of 1% Sales Tax (\$43.3M) + plus the lapsed CAMHU funds \$3.7M = \$47M
- B. Same as A, plus the addition of \$10M of General Obligation Bonds

Mayor Koelsch inquired regarding Wastewater & Water – in 5 years will we be back in the same position that we are now, where we need to come up with a fair size of funding? Are we building up sufficient reserves to not have to come back and do this again?

Mr. Watt said that he believes that it will need to be a priority to fund Water and Wastewater infrastructure at a significant level for the next ten to fifteen years. This is based on a fifteen year wave of infrastructure that was put into place in the 1970s.

Maria Gladziszewski noted seeing several different funding levels for Centennial Hall, and asked for clarification.

Kirk Duncan, Director of Parks and Recreation; stated that the bare minimum request is \$2.0M, while the full funding need is \$8.5M.

Chair Kiehl asked if there would be interest in having the citizens approve a bond? Seven of the Assembly members expressed their dis-interest and reasoning for not wishing to taking on additional G.O. Bonds at this time, while Mr. Kiehl was favorable to the notion, and Mr.

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Jones mentioned he would be interested in taking on additional bond debt to keep trades in employment and not have a lapse in construction, employment.

Maria Gladziszewski, moved to add the Manager's top three recommendations to the 1% Sales Tax Extension List, as follows:

<u>Wastewater Existing infrastructure Maintenance</u>	<u>\$13.5M</u>
<u>Building Maintenance – CBJ Owned</u>	<u>\$ 3.5M</u>
<u>Water Existing Infrastructure Maintenance</u>	<u>\$ 2.0M</u>

Mr. Nankervis & Mr. Gregory objected.

Roll call votes:

Ayes: Becker, Jones, Weldon, Gladziszewski, and Kiehl.
Nays: Nankervis, White, Gregory and Mayor Koelsch.
Absent: None.

Motion PASSED 5-4.

Loren Jones, moved to add the Manager's 4th recommendation to the 1% Sales Tax Extension List: Airport FAA Project Match, in the amount of \$3.0M.

Mr. Nankervis objected.

Roll call votes:

Ayes: Weldon, Becker, Jones, White, Gladziszewski, Gregory and Kiehl.
Nays: Nankervis and Mayor Koelsch.
Absent: None.

Motion PASSED 7-2.

Maria Gladziszewski, moved to add the Manager's 5th recommendation to the 1% Sales Tax Extension List: P&R Augustus Brown Pool Deferred Maintenance, in the amount of \$3.5M.

Mayor Koelsch objected.

Mayor Koelsch, moved to amend the motion, adjusting the amount for P&R Augustus Brown Pool Deferred Maintenance, from \$3.5M to \$5.0M.

Ms. Gladziszewski and Mr. Jones objected.

Roll call votes:

Ayes: White, Becker, Weldon, Gregory, Kiehl and Mayor Koelsch.
Nays: Nankervis, Jones, and Gladziszewski.
Absent: None.

Motion to amend PASSED 6-3.

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Beth Weldon, moved to amend the motion, adjusting the amount for P&R Augustus Brown Pool Deferred Maintenance, from \$3.5M to \$4.0M.

Chair Kiehl and Mayor Koelsch objected.

Roll call votes:

Ayes: White, Gladziszewski, and Weldon.

Nays: Nankervis, Gregory, Becker, Jones, Kiehl and Mayor Koelsch

Absent: None.

Motion to amend amendment FAILED 3-6.

Roll call votes:

Ayes: Gregory, Weldon, Becker, White, Kiehl and Mayor Koelsch.

Nays: Gladziszewski, Jones, and Nankervis.

Absent: None.

Motion as amended PASSED 6-3.

Mary Becker, moved to add the Manager's 6th recommendation to the 1% Sales Tax Extension List: P&R Centennial Hall Upgrade/Deferred Maintenance, in the amount of \$4.5M.

Mr. Nankervis objected.

Roll call votes:

Ayes: Jones, Weldon, Becker, White and Mayor Koelsch.

Nays: Gregory, Nankervis, Gladziszewski, and Kiehl.

Absent: None.

Motion PASSED 5-4.

Maria Gladziszewski, moved to add the Manager's 7th and 8th recommendations to the 1% Sales Tax Extension List, as follows:

Building Maintenance – JSD Major Mtnc/Match \$ 3.0M

BRH – Rainforest Recovery Center Upgrades \$ 2.5M

Mr. Jones objected.

Jerry Nankervis, moved to amend the motion, adjusting the amount for Building Maintenance – JSD Major Maintenance / Match, from \$3.0M to \$5.0M. ***

Ms. Gladziszewski objected.

Roll call votes:

Ayes: Becker, White, Nankervis, Gregory, and Mayor Koelsch.

Nays: Jones, Weldon, Gladziszewski, and Kiehl.

Absent: None.

Motion to amend PASSED 5-4.

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Roll call votes:

Ayes: Nankervis, White, Becker, Gregory, Weldon, Kiehl and Mayor Koelsch.

Nays: Gladziszewski, and Jones.

Absent: None.

Motion as amended PASSED 7-2. ***

**** Clerk's Note: Later in the evening, a motion to reduce the amount for Building Maintenance – JSD Major Maintenance / Match from \$5.0M to \$4.0M FAILED. (See Page 6.)*

The meeting recessed at 6:54 PM.

The meeting reconvened at 7:04 PM.

Maria Gladziszewski, moved to add the Manager's 15th recommendation to the 1% Sales Tax Extension List: Harbor – Aurora Harbor Rebuild Phase III, in the amount of \$3.0M.

Mayor Koelsch objected.

Motion WITHDRAWN.

Maria Gladziszewski, moved to BYPASS the Manager's 9th and 10th recommendations, NOT ADDING THESE ITEMS TO the 1% Sales Tax Extension List, as follows:

<u>Airport Snow Removal Equipment Building (SREB) Phase 1c</u>	<u>\$0</u>
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<u>P&R Treadwell Ice Arena Roof</u>	<u>\$0</u>
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Mr. Nankervis objected.

Roll call votes:

Ayes: Weldon, Gladziszewski, White, Jones, Becker, and Kiehl.

Nays: Nankervis, Gregory, and Mayor Koelsch.

Absent: None.

Motion PASSED 6-3.

Maria Gladziszewski, moved to add the Manager's 11th recommendation to the 1% Sales Tax Extension List: IT – Infrastructure Upgrades, in the amount of \$1.0M.

Ms. White objected.

Beth Weldon, moved to amend the motion, adjusting the amount for IT – Infrastructure Upgrades, from \$1.0M to \$2.0M.

Ms. Gladziszewski and Mr. Jones objected.

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Ayes: Becker, Nankervis, Weldon, Gregory, White, Kiehl and Mayor Koelsch.

Nays: Gladziszewski, and Jones.

Absent: None.

Motion to amend PASSED 7-2.

Roll call votes:

Ayes: Gregory, Becker, Gladziszewski, Weldon, Nankervis, White, Kiehl and Mayor Koelsch.

Nays: Jones.

Absent: None.

Motion as amended PASSED 8-1.

Loren Jones, moved to add the Manager's 12th recommendation to the 1% Sales Tax Extension List: Waste – RecycleWorks Waste Diversion Program, in the amount of \$1.5M. Ms. Becker objected.

Mayor Koelsch, moved to amend the motion, adjusting the amount for Waste – RecycleWorks Waste Diversion Program, from \$1.5M to \$2.0M. Mr. Jones and Mr. Kiehl objected.

Roll call votes:

Ayes: Nankervis, Gregory, White, Becker, Weldon, and Mayor Koelsch.

Nays: Jones, Gladziszewski, and Kiehl.

Absent: None.

Motion to amend PASSED 6-3.

Roll call votes:

Ayes: Becker, Weldon, Nankervis, Gregory, White, Kiehl, and Mayor Koelsch.

Nays: Jones, and Gladziszewski.

Absent: None.

Motion as amended PASSED 7-2.

Norton Gregory, moved to add the Manager's 13th recommendation to the 1% Sales Tax Extension List: Housing – Affordable Housing Fund & Existing Grant, Loan, Support Programs, in the amount of \$3.0M. Mr. Jones objected.

Jerry Nankervis, moved to amend the motion, adjusting the amount for Housing – Affordable Housing Fund & Existing Grant, Loan, Support Programs, from \$3.0M to \$1.0M. Mr. Gregory objected.

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Roll call votes:

Ayes: Gladziszewski, Nankervis, Jones, and Becker.
Nays: Weldon, White, Gregory, Kiehl, and Mayor Koelsch.
Absent: None.

Motion to amend FAILED 4-5.

**Mary Becker, moved to amend the motion, adjusting the amount for Housing – Affordable Housing Fund & Existing Grant, Loan, Support Programs, from \$3.0M to \$2.0M.
Mr. Gregory objected.**

Roll call votes:

Ayes: Nankervis, Becker, White, Weldon, Gladziszewski, Kiehl, and Mayor Koelsch.
Nays: Jones, and Gregory.
Absent: None.

Motion to amend PASSED 7-2.

Roll call votes:

Ayes: Gladziszewski, Nankervis, Gregory, Becker, Weldon, White, Kiehl, and Mayor Koelsch.
Nays: Jones.
Absent: None.

Motion as amended PASSED 8-1.

Maria Gladziszewski, moved to add the Manager's 14th and 15th recommendations to the 1% Sales Tax Extension List, as follows:

<u>P&R Parks</u>	<u>\$ 0.5M</u>
<u>Harbor – Aurora Harbor Rebuild Phase III</u>	<u>\$ 1.5M</u>

Mr. Jones initially objected.

Loren Jones, moved to amend the motion, adjusting the amount for P&R Parks, from \$0.5M to \$0; and adjusting the amount for Harbor – Aurora Harbor Rebuild Phase III from \$1.5M to \$2.0M.

Ms. Gladziszewski and Mr. Gregory objected.

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Roll call votes:

Ayes: Jones, Becker, White, and Nankervis.
Nays: Gladziszewski, Gregory, Weldon, Kiehl, and Mayor Koelsch.
Absent: None.

Motion to amend FAILED 4-5.

Mr. Jones withdrew objection.

Without OBJECTION on MAIN MOTION.

Maria Gladziszewski, moved to amend the amount for Building Maintenance – JSD Major Maintenance / Match, from \$5.0M to \$4.0M; and give \$1.0M to the New JACC project. Motion WITHDRAWN and RESTATED.

Maria Gladziszewski, moved to amend the amount for Building Maintenance – JSD Major Maintenance / Match, from \$5.0M to \$4.0M; and give \$1.0M to the New JACC project; AND include the Manager's recommended language, "Given that the existing JACC and the proposed New JACC can significantly alter the financial success of Centennial Hall, consider providing language in the voter information guide that expresses the intent to provide funding only once the JAHC has entered into a cooperative MOA (includes coordinated facility planning) with Centennial Hall."

Mr. Gregory objected.

Roll call votes:

Ayes: Weldon, Jones, Gladziszewski, and Kiehl.
Nays: White, Nankervis, Becker, Gregory and Mayor Koelsch.
Absent: None.

Motion FAILED 4-5.

The meeting recessed at 8:13 PM.

The meeting reconvened at 8:21 PM.

Loren Jones, moved to direct staff to prepare necessary documentation to place the issue of an increase to Hotel Tax on the ballot in the upcoming election.

Motion WITHDRAWN, and RESTATED.

Loren Jones, moved to direct staff to prepare necessary documentation to place the issue of an increase to Hotel Tax on the ballot in the upcoming election, with the intent provided in the accompanying resolution outlining that the increase of up to \$1.6M would be used as capital funding for a cultural center.

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Mr. Nankervis and Mayor Koelsch objected.

Roll call votes:

Ayes: White, Gladyszewski, Gregory, Jones, Weldon, and Kiehl.

Nays: Nankervis, Becker, and Mayor Koelsch.

Absent: None.

Motion PASSED 6-3.

Jerry Nankervis, moved to direct staff to prepare the 1% Sales Tax Project List as approved during this evening's meeting and the necessary Ordinance and documentation to forward to the full Assembly for approval, and inclusion on the ballot in the upcoming election.

Without OBJECTION.

- V. Information Items – Memo from the New Juneau Arts and Culture Center (JACC)**
- VI. Information Items – Email from the Building Trades to the Full Assembly**
- VII. Information Items – Memo re: Scalability Options for Downtown Parking**
- VIII. Next Meeting Date**
Wednesday, August 9, 2017
- IX. Adjournment**
Meeting was adjourned at 8:48 PM.