City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, April 12, 2017, 5:30 p.m.

I. Call to Order

The meeting was called to order at 5:33 PM by Jesse Kiehl, Chair.

II. Roll Call

Committee Members Present: Jesse Kiehl, Chair; Beth Weldon, Maria Gladziszewski, Mary Becker, Debbie White, Loren Jones, and Mayor Ken Koelsch.
Committee Members Participating Telephonically**:** Norton Gregory and Jerry Nankervis.
Committee Members Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Bob Bartholomew, Finance Director; Robert Barr Library Director; Kirk Duncan, Parks & Rec Director; Lindsey Foster, Administrative Officer; Julie Jackson, Aquatics Manager; Roger Healy, Director, Engineering & Public Works; Patty Wahto, Airport Manager; John Coleman, Airport Business Manager; Ken Nichols, Airport Engineer; Carl Uchytil, Port Director; Teena Larson, Administrative Officer; Charles Bill, Chief Executive Officer, Bartlett Regional Hospital; Sam Muse, Controller; and Elisabeth Jensen, Budget Analyst.

Others Present: Joe Heueisen, Chair, Airport Board; David Epstein, Vice Chair, Airport Board; Dennis Harris, Airport Board; Tom Donek, Chair, Docks and Harbors Board; Max Mertz, Chair, Aquatics Board; Tom Rutecki, Aquatics Board; Ritchie Dorrier, Aquatics Board; Brenda Knapp, President, Bartlett Regional Hospital Board of Directors; and Kirby Day, Manager Port Operations Holland America Group.

III. Change to Agenda

Item V. "Informational Announcement – Contract Negotiations" was added.

IV. Approval of Minutes

The April 5, 2017 minutes were approved as presented.

V. Informational Announcement – Contract Negotiations

Mila Cosgrove, Deputy City Manager, said she was pleased to announce that the CBJ has achieved a tentative agreement today with the MEBA bargaining unit consistent with the terms outlined in prior direction from the Assembly. We will be bringing back more information next week regarding funding strategies. MEBA will not need to take this out for ratification.

Minutes - Assembly Finance Committee Meeting
Wednesday, April 12, 2017, 5:30 p.m.

VI. Juneau International Airport

Patty Wahto, Airport Manager; John Coleman, Airport Business Manager; Joe Heueisen, Chair, Airport Board; David Epstein, Vice Chair, Airport Board; Dennis Harris, Airport Board; and Ken Nichols, Airport Engineer, were in attendance.

Patty Wahto, Airport Manager; and John Coleman, Airport Business Manager presented the FY18 Revised budget for the Airport, including the need for $43,900 in supplemental spending authority for FY17. Ms. Wahto responded to questions from the committee.

Loren Jones, moved to accept the Juneau International Airport budget as submitted.
Without OBJECTION.

VII. Docks & Harbors

Carl Uchytil, Port Director; Teena Larson, Administrative Officer; and Tom Donek, Chair, Docks and Harbors Board were in attendance

Carl Uchytil, Port Director; and Teena Larson, Administrative Officer presented the FY18 Revised budget for Docks & Harbors, and responded to questions from the committee.

Loren Jones, moved to accept the Docks & Harbors budget as submitted.
Without OBJECTION.

The meeting recessed at 6:34 PM.
The meeting reconvened at 6:42 PM.

VIII. Aquatics

Kirk Duncan, Parks & Rec Director; Lindsey Foster, Administrative Officer; Julie Jackson, Aquatics Manager; Max Mertz, Chair, Aquatics Board; Tom Rutecki, Aquatics Board; and Ritchie Dorrier, Aquatics Board; were in attendance.

Kirk Duncan, Parks & Rec Director; and Max Mertz, Chair, Aquatics Board; presented the FY18 Revised budget for Aquatics (including the request for increased general government funding support), and responded to questions from the committee.

Loren Jones, moved the Aquatics budget and supplemental request be added to the AFC's Pending List.
Without OBJECTION.

Minutes - Assembly Finance Committee Meeting
Wednesday, April 12, 2017, 5:30 p.m.

IX. Capital Improvements Projects (CIP) Program Budget/Plan

Handout provided.

Roger Healy, Director, Engineering & Public Works presented information regarding the CIP Plan provide to the committee during the AFC meeting on April 5, 2017.

Mr. Healy, Mr. Bartholomew and Mr. Watt responded to questions from the Assembly members.

Charles Bill, Chief Executive Officer, Bartlett Regional Hospital; and Brenda Knapp, President, Bartlett Regional Hospital Board of Directors; provided information related to page 43 of the AFC meeting packet. The information listed options, other than a stand-alone CAHMU facility, for the use of sales tax capital projects funding.
Ms. Knapp provided an update on the status for CAMHU (Children Adolescent Mental Health Unit), in which there were no respondents to the RFP.

Committee members requested further information on BRH's recommendations at a later time, outside of the budget process.

Mr. Watt suggested the following edits to the CIP Resolution:

- Zeroing out the line for CAMHU in the edited version of the CIP Resolution, leaving the funds in Sales Tax Fund for the time being.
- Update MIS needs by $250,000 in the CIP Resolution
- Update WAC (Willoughby Arts Center) in the CIP Resolution - $250,000

Mr. Watt recommended creating a transfer ordinance to move $6 million in BRH funds previously appropriated by the Assembly for CAHMU, back to their fund balance.

Chair Kiehl acknowledged that the updated CIP Resolution would return to the AFC at a future meeting.

Assembly member, Norton Gregory signed off from the meeting as a telephonic participant at 8:04 p.m. in order to board a flight.

X. Marine Passenger Fee Recommendations

Rorie Watt presented the Marine Passenger Fee Recommendations Memo dated April 5, 2017. Mr. Watt responded to questions from the committee.

Loren Jones moved to approve the Marine Passenger Fee Recommendations as presented.
Mr. Nankervis objected.

Roll call votes:

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

Motion PASSED 7-1.

The meeting recessed at 8:21 PM.
The meeting reconvened at 8:31 PM.

XI. General Government Budget Balancing Options

Handout provided.

Rorie Watt addressed the body, remembering last summer, on the heels of the Governor's veto, Mr. Watt communicated to the Assembly that the CBJ needed to focus on the long run and sustainable budgeting. He had recommended strongly against across the board cuts, weakening staff training / development, or weakening of administrative support of our programs. Essentially, he said that everything we do, we should do well.
At this time, we've come back with efficiencies and a scalable approach to the budget. This is consistent with the message we've delivered since August, 2016.

Mila Cosgrove, presented the two page hand-out, noting the goal would be to introduce the list for now, and request that the Assembly members review the list for areas they may want more details on or have future conversations on throughout the budget process.
The list was developed through the PDB process and from Manager recommended efficiencies. The list is in excess of $500,000 as promised to allow for scalability.
Ms. Cosgrove responded to questions.

XII. Next Meeting Date

Wednesday, April 19, 2017

XIII. Adjournment

Meeting was adjourned at 9:18 PM