

**ASSEMBLY FINANCE COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
Wednesday, May 6, 2020, 5:00 PM.
Virtual Meeting via Zoom <https://juneau.zoom.us/j/94669879139>**

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

- a. **Wednesday April 15, 2020**
- b. **Wednesday April 22, 2020**

IV. ITEMS FOR ACTION

- a. **School District Funding Ordinance 2020-10 - For Final Action**

V. ITEMS FOR DISCUSSION

- a. **Update on COVID-19 Response**
- b. **Ordinance for Electronic Procurement**
- c. **Collection of Past Due Accounts**
- d. **Ordinances for Bond Refunding's**

VI. INFORMATION ITEMS

- a. **Update on Assessment Appeals**
- b. **Update on FY2020 Q3 Sales Tax Returns**
- c. **Update on CARES Act Funding**
- d. **Revised Macro Budget Tool**
- e. **FY2021 Budget Pending List**
- f. **AFC Meeting Schedule**

VII. SUPPLEMENTAL MATERIALS

- a. **EOC COVID-19 Update**
- b. **COVID-19 City Cost Savings**
- c. **Senator Sullivan - Coronavirus Relief Fund Flexibility Act**
- d. **Coronavirus Relief Fund FAQ**
- e. **Wednesday, April 15, 2020 Minute Corrections - Ms. Hale**
- f. **Wednesday, April 22, 2020 Minute Corrections - Ms. Hale**

VIII. NEXT MEETING DATE

- a. **Wednesday, May 13, 2020**

IX. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

DRAFT
City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, April 15, 2020, 5:00 PM

I. Call to Order

The meeting was called to order at 5:01 PM by Loren Jones, Chair.

II. Roll Call

Committee Members Present: Loren Jones, Chair, Mayor Beth Weldon, and Carole Triem.

Committee Members Participating Telephonically: Rob Edwardson, Alicia Hughes-Skandijs, Maria Gladziszewski, Wade Bryson, Greg Smith, and Michelle Bonnet Hale.

Committee Members Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Jeff Rogers CBJ Finance Director; Adrien Speegle, CBJ Budget Analyst.

Others Present Telephonically: Nancy DeCherney, Juneau Arts and Humanities Council (JAHC) Executive Director; Brian Holst, Juneau Economic Development Council (JEDC) Executive Director; Liz Perry, President & CEO, Travel Juneau.

III. Items for Discussion

A. Update on COVID-19 Response

Mila Cosgrove, Deputy City Manager, presented an update on CBJ's response to COVID-19. Highlights include a new website for information updates; CBJ remains at a level two (2), with 23 confirmed cases of COVID-19 with one (1) currently hospitalized; supply chains remain operational.

Ms. Cosgrove gave an update on Lemon Creek Correctional Center (LCCC) COVID-19 cases and response.

Ms. Cosgrove responded to Assembly questions.

Chair Jones responded to Assembly questions.

B. Update on JEDC loan program

Brian Holst, Executive Director for JEDC, gave a report on the JEDC loan program. Applications continue to come in rapidly with a current loan request total matching the 3 million dollar fund dedicated by the Assembly.

Mr. Holst responded to Assembly questions.

Chair Jones requested that Mr. Holst provide a balance sheet of loan applications and statuses that accurately portrays the current numbers. Mr. Holst agreed.

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Wednesday, April 15, 2020, 5:00 P.M.

Rorie Watt, CBJ Manager, clarified information regarding the loan resolution in regards to business employee numbers.

Mr. Watt responded to Assembly questions.

The meeting recessed at 5:58 PM.

The meeting reconvened at 6:08 PM.

IV. Budget Presentations

A. Hotel Bed Tax Funding (budget page 46)

Jeff Rogers, CBJ Finance Director, discussed Hotel Bed Tax information as presented in the packet memo.

Mr. Rogers responded to Assembly questions.

Nancy DeCherney, JAHC Executive Director, discussed concerns regarding Centennial Hall.

Ms. DeCherney responded to Assembly questions.

Mr. Rogers responded to Assembly questions.

B. Travel Juneau (budget page 46 and 66)

Liz Perry, President & CEO, Travel Juneau; presented budget and COVID-19 response for Travel Juneau.

Ms. Perry responded to Assembly questions.

Mr. Rogers responded to Assembly questions.

Mr. Rogers discussed potential options to address Travel Juneau, Centennial Hall and JAHC budget shortfalls.

Mayor Weldon requested Mr. Watt ask the Cruise Lines International Association (CLIA) for a reallocation of previously collected Marine Passenger Fee funds to Travel Juneau. Mr. Watt confirmed that he will contact CLIA to discuss this topic.

The meeting recessed at 7:24 PM.

The meeting reconvened at 7:29 PM.

Ms. Hughes-Skandijs was not present telephonically when meeting reconvened.

Minutes - Assembly Finance Committee Meeting

Wednesday, April 15, 2020, 5:00 P.M.

C. Revised Passenger Fee Recommendations – For Review (budget pages 49-50)

Mr. Watt presented revised Marine Passenger Fee memo that reflects an assumption of no cruise ships in 2020.

Ms. Hughes-Skandijs rejoined meeting telephonically at 7:33 PM.

Mr. Rogers responded to Assembly questions.

Mr. Watt responded to Assembly questions.

D. Childcare

Ms. Cosgrove presented Childcare Costing Options which include a model based on increasing capacity over a period of time. Infants and toddlers presented the highest need. The model reflects a \$200 per child monthly stipend to infants and toddlers and \$50 per child for the 3-5 year old age group which presented a lesser need. Additional stipends for children in low income households has been considered. The total cost for the program is projected to be \$765,190.00.

Ms. Cosgrove responded to Assembly questions.

V. Information Items

A. Budget Tools

Mr. Watt presented “red folder items” (in-meeting handouts) to be discussed at the meeting. Mr. Watt recommended a delay of the renovation to Augustus Brown Pool in favor of continued essential maintenance in order to reallocate the 3.3 million dollars for this CIP to the current budget challenges. Mr. Watt suggested revisiting this CIP in 6 months. Mr. Watt will meet with the Aquatics Board and will report back at a later date.

Mr. Watt discussed the Macro Budget Balancing Tool.

Mr. Watt presented a draft of the Manager’s 30-Month Budget Plan.

B. Resolution 2629 Restricted Budget Reserve

Mr. Watt discussed CBJ Resolution 2629 that was passed in 2012 which establishes guidelines for the amount, use, and replenishment of the restricted budget reserve.

Mr. Watt responded to Assembly questions.

Mr. Rogers responded to Assembly questions.

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Ms. Bonnet Hale requested that the Assembly begin discussion with CBJ unions regarding a temporary reduction in CBJ employee salaries in order to reduce CBJ-wide personnel costs in response to the projected budget deficit.

C. AFC Meeting Schedule

VI. Next Meeting Date

Wednesday, April 22, 2020, immediately following the Special Assembly Meeting at 5:00 P.M.

VII. Adjournment

Meeting was adjourned at 8:48 PM.

DRAFT
City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Virtual Meeting Only
Wednesday, April 22, 2020

**The AFC meeting convened immediately following a Special Assembly
Meeting beginning at 5:00 PM**

I. Call to Order

The AFC meeting was called to order at 6:41 PM by Loren Jones, Chair.

II. Roll Call

Committee Members Participating Virtually: Mayor Beth Weldon; Loren Jones, Chair; Rob Edwardson, Alicia Hughes-Skandijs, Maria Gladziszewski, Wade Bryson, Greg Smith, Michelle Bonnet Hale and Carole Triem.

Committee Members Absent: None.

Staff Present Virtually: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Rob Palmer, City Attorney; Kevin Benson, Bartlett Regional Hospital Chief Financial Officer; Rose Lawhorne, Bartlett Regional Hospital Chief Nursing Officer; Patty Wahto, Airport Manager; Brenwynne Grigg, CDD Administrative Officer; Bridget Weiss, Juneau School District Superintendent; George Schaaf, Parks and Recreation Director, Matt Scranton, MIS Director; Robert Barr, Juneau Public Libraries Director; Sarah Jahn, Juneau School District Administrative Services Director.

Others Present Virtually: Dennis Harris, Airport Board Member; Jerry Godkin, Airport Board Member; Kenny Solomon-Gross, Hospital Board Member; Rosemary Hagevig, Hospital Board Member; Brian Holst, Juneau School District Board Member.

III. APPROVAL OF MINUTES

- a. The April 8, 2020 minutes were approved as presented.

IV. BUDGET PRESENTATIONS

a. **Juneau International Airport (budget page 138)**

Patty Wahto, Airport Manager, presented the FY21 and FY22 Proposed Airport Budget. Ms. Wahto discussed increased expenses and the Airport's proposed plan of increased fees and use of Airport fund balance in order to arrive at a balanced FY21/22 budget.

Minutes - Assembly Finance Committee Meeting

Wednesday, April 22, 2020

Immediately following a Special Assembly Meeting beginning at 5:00 PM

Ms. Wahto discussed a significant budget increase to monitor and address PFAS contamination.

Ms. Wahto discussed the impact of COVID-19 on the Airport as outlined in the provided memo dated April 13, 2020. Ms. Wahto stated that Airport variable revenues could be decreased by approximately 95% in April 2020. Revenue is projected to decrease significantly over the next several years. The Juneau Airport is projected to receive 21.7 million dollars in federal CARES Act money, separate from the AIP (Airport Improvement Project) grant that the Airport expects to receive.

Ms. Wahto responded to Assembly questions.

Jeff Rogers, CBJ Finance Director, responded to Assembly questions.

Rorie Watt, City Manager, responded to Assembly questions.

Motion: by Maria Gladziszewski that the Airport Manager work with the City Manager on the issue of FAA CARES Act funding in the best interests of the entire borough.

No objection, motion passed unanimously.

Chair Jones stated that the Airport budget will be held for later discussion consistent with other department budgets.

The meeting recessed at 7:36 PM.

The meeting reconvened at approximately 7:45 PM.

b. Bartlett Regional Hospital (budget page 150)

Kevin Benson, Bartlett Regional Hospital Chief (BRH) Financial Officer, presented the FY21 Proposed Hospital Budget. Mr. Benson presented plan information for a new detox unit. 65% of Bartlett Hospital's revenue is generated by Medicaid and Medicare. In October 2019 the State of Alaska implemented a 5% reduction in Medicaid reimbursements. A 4% rate adjustment increase in cost for services has been included in the budget proposal. The Rural Demonstration Project has been eliminated, reducing Hospital additional reimbursements by approximately 3.7 million dollars. Bartlett Hospital could now participate in the low volume adjustment from CMS, however that program would only provide up to 1.5 million dollars.

Mr. Benson responded to Assembly questions.

Charles "Chuck" Bill, BRH Chief Executive Officer, responded to Assembly questions regarding BRH's response to COVID-19.

Rose Lawhorne, BRH Chief Nursing Officer, responded to Assembly questions.

Minutes - Assembly Finance Committee Meeting

Wednesday, April 22, 2020

Immediately following a Special Assembly Meeting beginning at 5:00 PM

Mr. Benson presented Bartlett Hospital's COVID-19 response as presented in the memo included in the packet.

Motion: by Mayor Beth Weldon to accept the FY21 Hospital budget as presented due to high level of available fund balance.

No objection, motion passed unanimously.

The meeting recessed at 8:26 PM.

The meeting reconvened at approximately 8:32 PM.

c. **Debt Service (budget page 182)**

Mr. Rogers presented Debt Service Overview Memo.

Mr. Rogers responded to Assembly questions.

Motion: by Maria Gladziszewski to not transfer general fund balance monies into the debt service reimbursement fund balance in FY20.

Mayor Weldon objected to ask a clarifying question.

Mr. Rogers responded to question regarding the schedule of actions.

Mayor Weldon withdrew her objection.

Mr. Bryson objected to the motion in order to preserve at least a portion of the fund balance.

Mr. Rogers responded to Assembly questions.

Roll call votes:

Ayes: Gladziszewski, Edwarson, Hughes-Skandijs, Smith, Jones.

Nays: Bryson, Hale, Triem, Weldon.

Absent: None

Motion passed 5/4.

d. **Proposed Mill Rate (budget pages 27-31)**

Mr. Rogers presented proposed Mill Rate information.

Minutes - Assembly Finance Committee Meeting

Wednesday, April 22, 2020

Immediately following a Special Assembly Meeting beginning at 5:00 PM

Chair Jones responded to Assembly questions.

Mr. Watt will email relevant charter regarding mill rates to assemblymembers.

V. ITEMS FOR ACTION

a. School District - Funding "Outside the Cap"

Sarah Jahn, Juneau School District Administrative Services Director; Bridget Weiss, Juneau School District Superintendent; and Brian Holst, Juneau School District Board Member; responded to Assembly questions.

Motion: by Mr. Edwardson to postpone action on the school district above the cap funding until the May 6, 2020 AFC meeting.

No objection, motion passed unanimously.

b. School Operating Budget (budget pages 87-89)

No additional discussion.

VI. INFORMATION ITEMS

a. AFC Meeting Schedule

VII. SUPPLEMENTAL MATERIALS

a. DEED COVID-19 CARES Act Allocation Memo

b. CARES Act Allocation by District

VIII. NEXT MEETING DATE

a. Wednesday, May 6, 2020 5:00 PM.

IX. Adjournment

The meeting adjourned at approximately 9:44 PM.

Presented by: The Manager
 Introduced: April 1, 2020
 Drafted by: Finance

Ordinance of the City and Borough of Juneau

Serial No. 2020-10

**An Ordinance Appropriating Funds from the Treasury
 for FY21 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, 2020, and ending June 30, 2021. It is anticipated that these estimated funding sources will meet the appropriations set forth in Section 3 of this ordinance.

ESTIMATED REVENUE:

State Support	\$ 45,835,700
Federal Support	5,500,000
User Fees, Permits, and Donations	4,377,000
Student Activities Fundraising	2,100,000
Total Revenue	\$ 57,812,700

TRANSFERS IN:

General Governmental Fund School District Support:	
Operations	26,842,100
Special Revenue	1,676,500
Total Transfers In	\$ 28,518,600

Fund Balance Decrease	1,006,100
Total Estimated Funding Sources	\$ 87,337,400

Section 3. Appropriation. The following amounts are hereby appropriated for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

APPROPRIATION:

General Operations	\$ 71,122,400
Special Revenue	16,215,000
Total Appropriation	\$ 87,337,400

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

Adopted this ____ day of ____, 2020.

Beth A. Weldon, Mayor

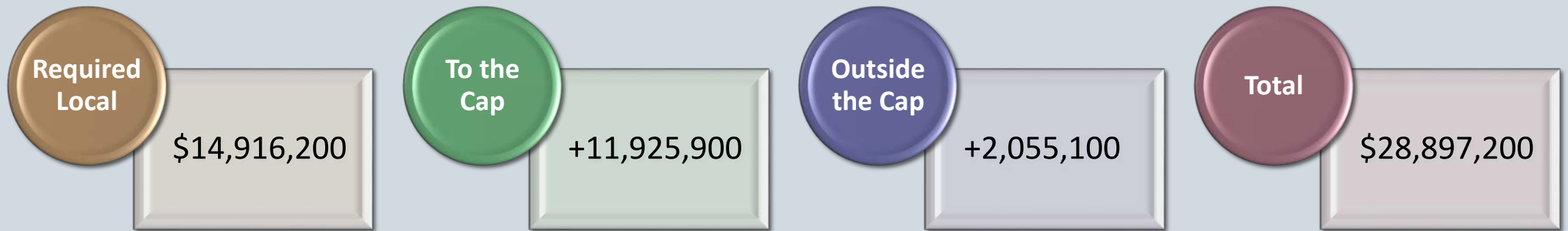
Attest:

Elizabeth J. McEwen, Municipal Clerk

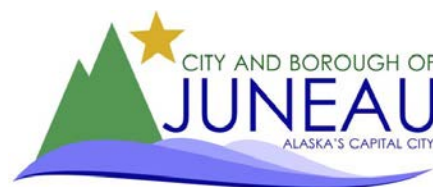
FY 21 Funding Request Detail

Type	Description	FY20	FY21 Increase	FY21 Total	Notes
K-12	HS Activities	1,079,300	20,000	1,099,300	Increase for variable salaries
K-12	MS Activities	102,200	-	102,200	Fixed salaries
K-12	UAS Auto Shop	N/A	-	N/A	No longer an option
K-12	Transportation	50,000	-	50,000	
K-12	Food Service	50,000	243,600	293,600	Cashier salaries and avg deficit
Other	Kinder Ready	300,000	-	300,000	Last minute state funding in FY20
Other	Community Schools	95,000	-	95,000	
Other	RALLY	-	115,000	115,000	Average deficit
Total		1,676,500	378,600	2,055,100	

FY 21 Funding Request Summary



MEMORANDUM



DATE: April 30, 2020

TO: Assembly Finance Committee

FROM: Jeff Rogers, Finance Director

SUBJECT: Ordinance for Electronic Procurement

155 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

The proposed amendment to sections of the CBJ Procurement Code (53.50.010, 53.50.040, 53.50.050, and 53.50.060) will start to bring CBJ's procurement processes into the digital age. The transition to electronic procurement will allow for on-line advertising of solicitations, electronic encrypted bid submittals, and most importantly will maximize ease of access for the public.

In summary, this ordinance makes two principal changes to CBJ's procurement process:

- Online advertisement of bids, requests for proposals, and all other solicitations
 - Reach more prospective vendors
 - Expand private sector competition
 - Reduces costs for printing of notices
- Requiring electronic submission of formal sealed bids and RFP's
 - Ensures fair competition by electronically encrypting bid/proposal packages until deadline
 - Reduces administrative inefficiency of hard copy acceptance of bid/proposal packages
 - Reduces incidents of mathematical errors by automatically tabulating bid amounts
 - Aligns CBJ procurement services across all CBJ departments
 - Centralizes public to access all CBJ solicitations
 - Mirrors Alaska Department of Transportation electronic bid/proposal submission processes

This modernization of the procurement code has been in development for the past several years—prior to the COVID-19 pandemic. However, the change is particularly timely because electronic procurement procedures would minimize hand-to-hand physical interaction between CBJ staff and the public. Furthermore, in the highly unlikely event of a complete closure of City Hall, electronic procurement would allow CBJ's purchasing functions to continue uninterrupted.

CBJ staff have completed the necessary research and planning to implement a system of electronic procurement effectively and efficiently once these changes are made to the procurement code. No significant disruption to current operations is expected.

Presented by: The Manager
Introduced:
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-23

An Ordinance Amending the Purchasing Code to Allow for Additional Methods of Public Notice and Electronic Receipt of Bids.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Sections. CBJ 53.50.010, 53.50.040, 53.50.050, and 53.50.060 are amended to read:

53.50.010 Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Bidder with disabilities means a bidder who:

- (1) Is certified as disabled by a state or federal procurement program and adds value by actually manufacturing, assembling, creating, performing, controlling, managing, or supervising the services provided; or
- (2) Will perform the contract with a work force at least 75 percent of which is composed of persons having significant physical or mental disabilities, provided that such disabilities do not adversely affect the ability of the bidder to perform the service or provide the product bid; and
- (3) As of the date and time of the bid deadline, is not delinquent in the payment of any taxes or associated penalties, interest, or fees, or any special assessments, owing to the City and Borough on account of that business.

Change order means a written amendment to a public improvement project construction contract regarding work that is within the scope of the project. The manager or his or her designee shall review and approve, disapprove, or modify, change orders in accordance with a written policy adopted by the manager.

Class 2 emergency means circumstances less grave than those justifying the declaration of a civil defense emergency pursuant to section 03.25.040 but still sufficient to pose a threat to public

health, welfare or safety. A class 2 emergency shall be declared by the manager upon a written statement of the reasons therefor.

Juneau bidder and *Juneau proposer* mean a person who:

- (1) Submits a bid or proposal under the name of the business appearing on the bidder's or proposer's City and Borough business registration required under CBJ 69.05.170;
- (2) Has maintained, for a period of six months immediately preceding the date of the bid or proposal deadline, a place of business within the City and Borough staffed by the bidder or proposer or an employee of the bidder or proposer;
- (3) Provides in the normal course of business, goods or services of the general nature being solicited and adds value to those goods or services by manufacturing, assembling, creating, performing, controlling, managing, or supervising the goods or services provided;
- (4) As of the date and time of the bid or proposal deadline, is in compliance with the registration and filing requirements for sales tax and business personal property tax on account of that business; and
- (5) As of the date and time of the bid or proposal deadline, is not delinquent in the payment of any taxes or associated penalties, interest, or fees, or any special assessments, owing to the City and Borough on account of that business.

Lowest qualified bidder means the person submitting the lowest responsive and responsible bid.

Party means, with respect to a particular procurement, a person submitting a bid or proposal to contract with the City and Borough pursuant to that procurement. The manager may adopt regulations under chapter 01.60 to implement the provisions of this section.

Public improvement, as used in this chapter, and only for purpose of competitive bidding, includes the erection, building, construction, placement, creation and expansion of an improvement to land; it does not include rebuilding, repair, removing, resurfacing, rehabilitating or replacing any chattel, fixture or improvement to land;

Public notice, as used in this chapter, means notice posted on the City and Borough of Juneau online procurement site. When practicable, public notice may include:

- (1) Publication in a newspaper, trade journal, online notification service, or other publication calculated to reach prospective bidders; and
- (2) Notices posted in public places within the area where the work or services are to be performed or the supplies furnished.

Services means labor, professional services and consulting services;

Supplemental agreement means a written amendment to a public improvement project construction contract regarding work that is outside the scope of the original project and approved pursuant to CBJ 53.50.040(c).

Supplies means all supplies, materials and equipment;

53.50.040 Public improvement contracts.

(a) Except as provided in subsection (c) of this section, contracts for public improvements for an amount estimated to exceed \$50,000.00 shall be by competitive sealed bid and be awarded to the lowest qualified bidder.

(b) Contracts for public improvements for an amount estimated to be \$50,000.00 or less may be made when feasible and when in the best interest of the City and Borough by binding competitive written bid, but ~~without newspaper advertisement and~~ without observing the procedure prescribed for the award of formal sealed bid purchases and contracts.

(c) Supplemental agreements. A supplemental agreement shall be approved only as provided in this subsection (c). Competitive sealed bids shall not be required for public improvement projects procured by supplemental agreement. A supplemental agreement may be approved only if the manager makes a written finding that procuring a particular public improvement by supplemental agreement would be in the best interests of the City and Borough because doing so would save substantial and verifiable amounts of money for the City and Borough. In making this finding, the manager shall consider bid preparation costs, contractor mobilization costs, similarity of work, schedule savings, weather or environmental factors, site constraints, inspection and administration efficiencies, and other factors found relevant by the manager. The manager may approve supplemental agreements not greater than \$250,000.00 or 25 percent of the contract amount, whichever is less, per contract. The manager shall notify the assembly, at its next regular meeting, of any supplemental agreement approved. Prior assembly approval shall be required for any supplemental agreement greater than \$250,000.00. Nothing in this subsection shall be applied or construed in any manner inconsistent with the requirements of CBJ Charter Section 9.13. The manager shall seek an appropriation or transfer of funds by the assembly prior to incurring any obligation for any supplemental agreement unless the manager ascertains that there is a sufficient unencumbered balance in an appropriation for the project the agreement supplements, and that sufficient funds are or will be available to cover the obligation. As used in this subsection, "manager" shall have the meaning set forth in CBJ Charter Section 4.1.

53.50.050 Contract amounts.

Unless otherwise prohibited by this Code:

(a) All contracts for an amount estimated to be \$5,000.00 or less shall be made on the open market with such competition as is reasonable and practical in the circumstances.

(b) All goods and services, other than professional services, shall be awarded as follows:

(1) Contracts in an amount estimated to be greater than \$5,000.00 but not more than \$50,000.00 shall be made when feasible and when in the best interest of the City and Borough in the open market by written quotation, ~~without newspaper advertisement and~~ without observing the procedure prescribed for the award of formal sealed bid purchases. Such open market contracts, whenever practicable, shall be based on at least three competitive quotations and shall be awarded to the lowest qualified bidder. The basis for determining the lowest qualified bidder shall be the same as that used in formal bid purchases, including any preferences established by law.

(2) Reserved.

(3) Contracts in an amount estimated to be more than \$50,000.00 shall be by formal competitive sealed bid.

(c) All professional services shall be purchased as follows:

(1) Contracts in an amount estimated to be greater than \$5,000.00 but not more than \$25,000.00 shall be made when feasible and when in the best interest of the City and Borough in the open market by written proposal, ~~without newspaper advertisement and~~ without observing the procedure prescribed for the award of formal sealed bid purchases. Such open market contracts, whenever practicable, shall be based on at least three competitive proposals and shall be awarded to the responsive and responsible offeror whose proposal is determined to be the most advantageous to the City and Borough. The method for determining the most advantageous proposal shall be set forth in the request for proposals, shall be based upon a numerical point score, and shall, unless contrary to applicable state or federal statute, regulation or grant requirements, provide that five percent of the total points possible for each proposal shall be awarded if and only if the proposal is submitted by a Juneau proposer.

(2) Contracts in an amount estimated to be more than \$25,000.00 but not more than \$50,000.00 shall be by written proposal after ~~local newspaper advertisement~~ public notice, and shall be awarded to the responsive and responsible offeror whose proposal is determined to be the most advantageous to the City and Borough. The method for determining the most advantageous proposal shall be set forth in the request for proposals, shall be based upon a numerical point score, and shall, unless contrary to applicable state or federal statute, regulation or grant requirements, provide that five percent of the total points possible for each proposal shall be awarded if and only if the proposal is submitted by a Juneau proposer.

(3) Contracts in an amount estimated to be more than \$50,000.00 shall be by formal competitive sealed proposal after ~~newspaper advertisement~~ public notice, and shall be awarded to the responsive and responsible offeror whose proposal is determined to be the most advantageous to the City and Borough. The method for determining the most advantageous proposal shall be set forth in the request for proposals, shall be based upon a numerical point score, and shall, unless contrary to applicable state or federal statute, regulation or grant requirements, provide that five percent of the total points possible for

each proposal shall be awarded if and only if the proposal is submitted by a Juneau proposer.

53.50.060 Competitive sealed bid procedure.

(a) Publication. Where competitive sealed bidding is required, sealed bids shall be solicited by ~~publication in a newspaper~~public notice in a manner calculated to reach prospective bidders. Such publication shall contain at least a general description of the item or work required and shall designate the place where detailed requirements and specifications may be obtained and the time and place where the sealed bids will be opened. The bids shall be opened publicly. Such publication shall be made at least twice, with at least a week and not more than two weeks intervening between publications, and there shall be sufficient time between the date of last publication and the opening of bids for preparation of bids, which time shall not be less than two weeks unless the manager finds that an emergency exists. The manager may also solicit bids by sending notice by mail or electronic mail to any active prospective bidders known to him or her.

(b) Bid bond on deposit. All bids for the construction or reconstruction of public improvements required to be submitted by competitive sealed bid shall be accompanied by either cash, a certificate of deposit or certified check or draft, or a cashier's check, or draft on some responsible bank in the United States, in favor of and payable at sight to the City and Borough, in an amount not less than five percent of the aggregate amount of the bid. If the bidder to whom the contract is awarded, for 15 days after the award of the contract, fails or neglects to enter into the contract and file the required bonds, the City and Borough treasurer shall draw the money due on the certificate of deposit or check or draft and pay the same or any cash deposited into the treasury, and under no circumstances shall it be returned to the defaulting bidder. In lieu of the foregoing, any bid may be accompanied by a surety bond in such amount furnished by a surety authorized to do a surety business in the state, guaranteeing that the bidder will enter into the contract and file the required bonds within such period. The manager may require bid bonds in an amount appropriate for any bid not required by this subsection to be accompanied by a bid bond.

(c) Pre-bid conference. The purchasing officer may conduct a pre-bid conference for any competitively bid contract or purchase. Notice of the conference shall be provided to all bidders. Bidders shall be responsible for acquiring all information announced or distributed at a pre-bid conference.

(d) Opening of bids. All bids shall be sealed, identified as bids ~~on the envelope~~ and shall be submitted to the purchasing agent at the place and time specified in the public notice inviting bids. Bids shall be opened by the purchasing agent, in public, at the time and place designated in the notice inviting bids. Bids received after the specified time shall not be accepted and shall be returned to the bidder unopened.

(1) Electronic bids. When specified by the purchasing officer, bids may be received electronically in addition to or instead of by sealed paper bids. Procedures for receipt of electronic bids shall be designed to ensure the security, authenticity, and confidentiality of the bids to the same or greater extent as is provided for with sealed paper bids.

(e) Award. A contract or purchase for which competitive bids are required shall be awarded by the manager to the lowest qualified bidder taking into consideration conformity with the specifications, terms of delivery and other conditions imposed in the call for bids, except that:

- (1) For bids in excess of \$100,000.00 for contracts, and \$1,000,000.00 for public improvement contracts, the award shall not be made until after assembly approval; and
- (2) A bid shall be awarded to a Juneau bidder if its bid is not more than five percent higher than the lowest responsive nonresident bidder's, but shall be awarded to a bidder with disabilities if its bid is not more than ten percent higher than the lowest responsive nondisabled bidder's, unless the bid is for a capital construction improvement or such an award is contrary to state or federal law or regulations. A bid shall be rejected if it contains a material alteration or an erasure. The manager may reject the bid of a bidder who failed to perform on a previous contract with the City and Borough. The manager may reject any and all bids and waive any informalities or minor irregularities in the bids. Where all bids are rejected, and new bids are called for on substantially the same purchase or contract, each of the bidders whose bids were rejected shall be timely notified of the new call for bids and of changes, if any, in the specifications and requirements.

(f) Disposition of bid bond or deposit. All deposits and bonds shall be returned to the unsuccessful bidders after execution of the contract and the deposit of the required bonds by the successful bidder.

(g) Approval of faithful performance and labor and materials bonds. Faithful performance or labor and material bonds required by the City and Borough specifications or contract shall be approved as to form by the City and Borough attorney.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 25th day of November, 2019.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk

MEMORANDUM



DATE: April 30, 2020

TO: Assembly Finance Committee

FROM: Jeff Rogers, Finance Director

SUBJECT: Collections Activity During COVID-19

155 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

With concurrence from the Assembly and the Assembly Finance Committee, CBJ staff have already taken measures to extend or delay collection activity on certain past-due CBJ accounts, including:

- Stopping water shut-offs and forbearing penalties/interest on past-due utility accounts through May 25th
- Extending deadlines on Sales Tax remittances as follows
 - February monthly filing and remittance deadline extended 15 days
 - March monthly and FY2020-Q3 remittance deadline extended 30 days

The following summarizes the billing and collection efforts of CBJ staff. If the Assembly wants staff to take a different approach, please give alternate direction accordingly.

- Sales Tax
 - Staff will continue to send 15-day and 30-day demand letters for past-due balances
 - Staff will proceed with Confessions of Judgment to secure repayment of past-due balances
 - Historically, CBJ has not offered informal installment payment plans
 - Staff will proceed with sending delinquent accounts to CBJ's 3rd-party collection agency for past-due balances
 - Staff will initiate civil/criminal proceedings for significant past-due balances
 - If alternate direction is preferred, committee may wish to consider the time period when the past-due liability was accrued
 - Past-due balances accrued prior to COVID-19
 - Past-due balances accrued during COVID-19
- Property Tax
 - Unpaid 2018 taxes (33 parcels- payment was due September 30, 2018)
 - Staff will proceed with property foreclosure process for unpaid 2018 taxes
 - CBJ already obtained foreclosure judgments against delinquent owners in 2019
 - "Year of redemption" ends October 31, 2020
 - Upon "end of redemption," CBJ will obtain property deeds
 - Unpaid 2019 taxes (133 parcels- payment was due September 30, 2019)
 - Staff will proceed with foreclosure publications for unpaid 2019 taxes
 - In April, CBJ would typically notify owners of foreclosure publishing
 - In May, CBJ would typically publish delinquent properties for potential foreclosure
- Utility Billing
 - Should staff continue forbearing on water shut-offs and penalties/interest after May 25th?
- Miscellaneous Billing
 - Staff will proceed with sending delinquent accounts to CBJ's 3rd-party collection agency for past-due accounts
 - This category includes:
 - Airport leases and badges
 - Gravel purchases
 - Land leases

MEMORANDUM



DATE: May 1, 2020
TO: Assembly Finance Committee
FROM: Jeff Rogers, Finance Director
SUBJECT: Ord 2020-19 and Ord 2020-21 – Bond Refundings

155 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

Summary

The Alaska Municipal Bond Bank Authority (AMBBA) has identified several CBJ bond issues that show a potential for savings at current interest rates. A bond “refunding” is the method used to refinance municipal debt. In coordination with AMBBA, financial analysts, underwriters and CBJ bond counsel, refundings will occur when the municipal bond market produces a reasonable amount of cost savings over the remaining term of the bond(s).

The level of savings is uncertain, as the municipal bond market has been highly volatile recently. AMBBA is watching for an opportunity to capitalize on savings.

Ord 2020-19 General Obligation Refunding Bond (Tax Exempt)

The 2010A bonds were issued June 1, 2010 to pay a portion of Dimond Park Aquatic Center construction. These bonds have qualified for Recovery Zone Economic Development Bonds (RZEDB) federal interest subsidy as well as State of Alaska School Bond Debt Reimbursement.

The tax exempt current refunding of \$7.58M outstanding is planned to take place in late June, provided the market conditions remain steady or improve.

The refunded bonds will no longer qualify for RZEDB subsidy. The overall cost savings calculations will factor in the loss of the federal subsidy.

February 2020 savings projections were in the neighborhood of \$285,000 (approximately 3.8%) over the remaining term of the bond; however, current market projections are closer to \$140,000 (approximately 1.9%). A general practice considers 3% savings a reasonable target.

Ord 2020-21 Refunding Bonds (Taxable)

AMBBA identified potential refundings of various maturities within five outstanding bond issues: Bartlett Hospital, Port Expansion and Seawalk, and 2013 & 2014 GO CIP. Approximately \$19.2M of \$51M total outstanding principal was showing favorable savings in February 2020.

In February 2020, projections showed approximately \$2.5M cost savings for all five bond issues. Bartlett Hospital and CBJ Port would realize the majority of savings with approximately \$200,000 of the savings reducing GO debt.

Given market volatility, AMBBA is watching for an opportunity to capitalize on savings. This refunding is not yet set on a final date but it currently moving toward a July closing, if market conditions improve.

MR Ordinance 2020-19

This ordinance would authorize the issuance of up to \$7.5 million in bonds to refund (refinance) the 2010B general obligation school/pool bonds. The original \$7.58 million in bonds were sold June 1, 2010 through the Alaska Municipal Bond Bank to fund a portion of the Dimond Park Aquatic Center. The bonds were issued as Recovery Zone Economic Development Bonds (RZEDB) and receive a federal interest subsidy. These bonds were issued together with multiple series, and CBJ has been paying interest-only on these bonds since they were issued. The first scheduled principal payment would be August 2020 without the refunding.

The amount to be funded with the refinance is \$7.58 million of existing debt plus costs of issuance. If CBJ issues the refunding bonds in July 2020, the refunding will result in an estimated total savings of \$100,000-\$200,000 over the remaining life of the bonds. The current bond market has been volatile with the COVID-19 pandemic crisis, and potential savings are currently on the lower end of the range. However, the financing team is hopeful that the market will recover and return higher savings as the pricing date in June approaches. The term of the new issue will be the same as the original (final payment December 2024).

These bonds qualify for 60% reimbursement under the State's School Construction Bond Debt Reimbursement Program. The reimbursement under the State's Debt Reimbursement Program is subject to annual appropriation by the Legislature. The debt service component of the property tax mill rate funds the remaining portion of the payments.

More detailed information will be made available prior to public hearing.

The Manager recommends this ordinance be introduced and set for public hearing at the next regularly scheduled Assembly meeting.

MR Ordinance 2020-21

This ordinance would authorize the participation in the Alaska Municipal Bond Bank's "Exchange" refunding (refinance) of multiple bond issues: 2013 Bartlett Hospital Refunding, the 2013 and 2013 GO and 2014 GO CIP bonds, and the 2014 Seawlak and 2015 Cruise Ship Dock Expansion bonds. The original bonds were sold through the Alaska Municipal Bond Bank.

Bond	Issue Date	Original Principal	Current Principal	Refunding Principal
2013 BRH (2004 Refunding)	3/1/2013	\$23,660,000	\$18,130,000	\$8,715,000
2013I GO CIP	3/1/2013	\$2,600,000	\$2,045,000	\$1,125,000
2014III GO CIP	10/1/2014	\$11,210,000	\$9,160,000	\$1,420,000
2014IA	2/1/2014	\$6,055,000	\$5,130,000	\$890,000
2015B	6/1/2015	\$20,595,000	\$16,545,000	\$7,045,000
Total		\$64,120,000	\$51,010,000	\$19,195,000

The current total remaining debt service payments (bonds + interest) approximately \$71.5 million dollars. AMBBA is proposing a partial exchange refunding based on various scheduled maturities that show substantial cost savings. Approximately \$19.2 million in debt principal will be refinanced. In early March 2020, AMBBA estimated savings to CBJ of approximately \$280,000 in a partial Exchange refunding.

As a result of the COVID-19 pandemic, considerable market volatility has erased much of the projected savings. The financing team is watching the markets and anticipating a bond sale later in the summer with the hope of market recovery. The bond refunding transaction will not extend the term of the bonds.

More detailed information will be made available prior to public hearing.

The Manager recommends this ordinance be introduced and set for public hearing at the next regularly scheduled Assembly meeting.

**Coronavirus Relief Fund
Guidance for State, Territorial, Local, and Tribal Governments
April 22, 2020**

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act established the Coronavirus Relief Fund (the “Fund”) and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.¹

The guidance that follows sets forth the Department of the Treasury’s interpretation of these limitations on the permissible use of Fund payments.

Necessary expenditures incurred due to the public health emergency

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

Costs not accounted for in the budget most recently approved as of March 27, 2020

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost

¹ See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.

is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

A cost is “incurred” when the responsible unit of government has expended funds to cover the cost.

Nonexclusive examples of eligible expenditures

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
 - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
 - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 - Costs of providing COVID-19 testing, including serological testing.
 - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
 - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
 - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
 - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
 - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
 - Expenses for public safety measures undertaken in response to COVID-19.
 - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
 - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
 - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
 - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
 - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
 - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
 - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
 - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

Nonexclusive examples of ineligible expenditures²

The following is a list of examples of costs that would *not* be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.³
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

² In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

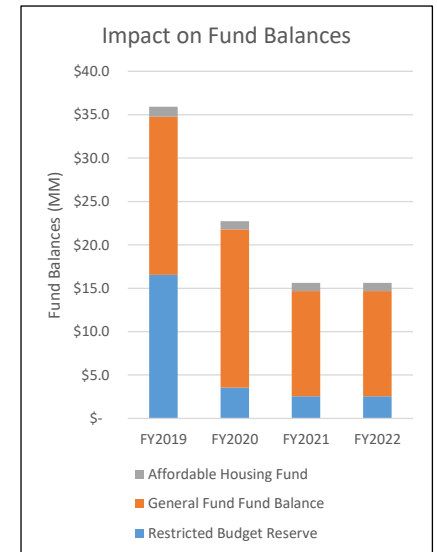
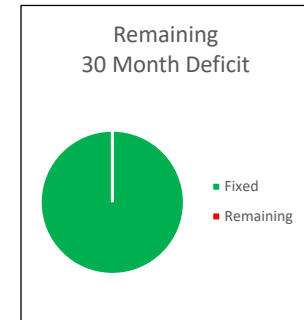
³ See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.

4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

Macro CBJ Budget Balancing Concept Tool

	Adjust the Numbers Highlighted Yellow Represents Locked or Formulated Cells				Fund Balances: FY2019 FY2020 FY2021 FY2022								
					Restricted Budget Reserve	\$	16.6	\$	3.6	\$	2.6	\$	2.6
					General Fund Fund Balance	\$	18.2	\$	18.2	\$	12.1	\$	12.1
					Affordable Housing Fund	\$	1.1	\$	0.9	\$	0.9	\$	0.9
					Total:	\$	35.9	\$	22.7	\$	15.6	\$	15.6
Projected 30 Month Budget Deficit (M):	\$	7.5	\$	16.0	\$	11.0	\$	34.5					
Changes to Revenue		FY20		FY21		FY22	Change Function						
Mill Rate Increase/(Decrease)				1.00		1.00	\$	11.0	(positive = increase from 10.66, negative = decrease from 10.66)				
Change in Property Tax Revenue				\$	5.5	\$	5.5	\$	11.0	(positive number equals use of reserve)			
Draw from Restricted Budget Reserve	\$	10.0	\$	1.0			\$	6.1	(positive number equals use of fund balance)				
Draw from Unrestricted Fund Balance			\$	6.1			\$	-	(negative number equals lost revenues)				
Lost User Fees and Charges for Service CARES Act Thru SOA							\$	-	(positive number equals funds received)				
% School Debt Reimbursement from SOA				50%		50%	\$	-	(percentage equals expected reimbursement from SOA)				
Impact from School Bond Debt Reimb			\$	-	\$	-	\$	1.0	(positive number equals funds received)				
FEMA COVID19 Reimbursement:			\$	0.5	\$	0.5	\$	-	(positive = improved outlook, negative = diminished outlook)				
Economic Rebound/Decline Adjustment:													
Changes to Expenditures							\$	1.4	(positive number equals cost reduction)				
GF Reduction to CBJ Operations			\$	0.7	\$	0.7	\$	-	(positive number equals cost reduction)				
GF Reduction to Assembly Grants			\$	(0.8)	\$	(0.9)	\$	(1.7)	(positive number equals cost reduction)				
New CBJ Programs or Grants			\$		\$		\$	7.1	(positive number equals reduction to current projects)				
Deappropriation of CIPs	\$	1.2	\$	5.0	\$	0.9	\$	3.3	(positive number equals reduction to project)				
Reduction of Augustus Brown Pool CIP					\$	3.3	\$	1.0	(positive number equals reduction to project)				
Reduction of Centennial Hall CIP					\$	1.0	\$	(1.5)	(negative number equals new funding for projects)				
Added Priority CIP Projects			\$	(1.5)			\$	-	(negative number equals transfers to other funds)				
Transfers to other funds (HBT, JNU, etc)							\$	(3.0)	(negative number equals appropriation already made)				
Small Business Loan Program	\$	(3.0)					\$	(0.2)	(negative number equals grants for rental assistance)				
Rental Assistance Grants	\$	(0.2)					\$	(1.0)	(negative number equals costs incurred for COVID)				
COVID19 FEMA Eligible Costs Incurred	\$	(0.5)	\$	(0.5)									
30-Month Deficit after Adjustments:	\$	-	\$	-	\$	-	\$	-	You Balanced the Budget				

Fund Balances:	FY2019	FY2020	FY2021	FY2022
Restricted Budget Reserve	\$ 16.6	\$ 3.6	\$ 2.6	\$ 2.6
General Fund Fund Balance	\$ 18.2	\$ 18.2	\$ 12.1	\$ 12.1
Affordable Housing Fund	\$ 1.1	\$ 0.9	\$ 0.9	\$ 0.9
Total:	\$ 35.9	\$ 22.7	\$ 15.6	\$ 15.6



MANAGER'S PROPOSED 30-MONTH BUDGET PLAN

[Download the spreadsheet version of this tool here.](#)

CITY AND BOROUGH OF JUNEAU
AFC's Pending List - FY21 Proposed Budget Process
As of May 1, 2020

Item		Expenditure Description		Proposed in Budget		Request		GF Request Over FY20		Status	
<u>Operating Budget Items for Further Review</u>											
1	P&R Waterfront Maintenance			240,700	R	240,700	MPF	Unreviewed			
2	JOA groundkeeper			17,900	R	17,900	17,900	Unreviewed			
3	PLM Lead Park Ranger			12,900	R	12,900	12,900	Unreviewed			
4	Election Equipment			107,100	1	107,100	107,100	Unreviewed			
5	Engineering – Architectural CIP projects-			128,600	R	-	CIP	Deleted			
6	Grant to JEDC			400,000	R	325,000	-	Unreviewed			
7	Grant to JCOA (through JEDC)			-	R	10,000	-	Unreviewed			
8	Youth Activities Board (YAB)			332,500	R	350,000	17,500	Unreviewed			
9	Facilities Maintenance			-	R	107,900	107,900	Unreviewed			
10	AHF Support (outgoing grants)			525,400	1	525,400	AHF	Unreviewed			
11	Sealaska Heritage			-	1	1,500,000	1,500,000	Unreviewed			
12	Childcare (excluding HEARTS and Kinder Ready)			-	R	765,000	765,000	Pending			
13	Alaska Heat Smart Support			-	R	235,000	235,000	Unreviewed			
14	School District Outside the CAP			1,676,500	1	2,055,100	378,600	Pending			
15	Biathlon Range			-	1	30,000	30,000	Unreviewed			
16	Docks Budget			2,150,000	R	2,150,000	DOCK	Pending			
17	Harbors Budget			4,375,400	R	4,375,400	HARBOR	Pending			
18	Eaglecrest Budget			3,087,400	R	3,087,400	275,000	Pending			
19	Airport Budget			10,348,500	R	10,348,500	AIRPORT	Pending			
20	Grant to Travel Juneau (HBT funding)			885,000	R	625,000	265,000	Pending			
21	Centennial Hall Funding (HBT funding)			664,700	R	534,400	84,400	Pending			
22	Downtown Business Association (HBT historically)			75,000	?	75,000	75,000	Pending			
23	MPF Recommendations			6,286,600	R	2,751,850	MPF	Pending			
24											
25											
26											

Waterfront Maintenance – Parks and Recreation

\$240,700 MPF (\$117,100 P/S + \$123,600 Comm/Serv) & 2.2 FTE

The Manager proposes that Parks and Recreation will provide additional services for the operation and maintenance of parks and facilities located in the Maritime Industry Zone. The funding will pay for 2.20 FTE equivalent for park maintenance and commercial use monitoring; commercial use enforcement; equipment and cans for garbage pickup; commercial use monitoring equipment, such as cameras and signage; power washing and other cleaning equipment and supplies; small repair projects; cleaning and maintenance of shelter, decking, and bathroom structures; lighting repair; painting, and signage maintenance. These costs represent additional work resulting from the construction of new facilities, including the Seawalk and Overstreet Park, as well as increased use by cruise ship passengers of existing parks and facilities in the Maritime Industry Zone. As usage of the waterfront has increased, the department has absorbed the associated increase in work by diverting resources away from other parts of the community to maintain a minimum level of service.

This request will be funded by the portion of Marine Passenger Fees retained by CBJ for the provision of centralized general government services applicable to maritime visitation. These services are proposed by the Manager to be funded in FY2021 per the Memorandum of Agreement, without objection from CLIAA.

Jensen-Olson Arboretum Groundskeeper

\$17,900 GF (\$17,900 P/S) & 0.11 FTE

The Manager proposes an increase of .11 FTE in the Jensen-Olson Arboretum Groundskeeper Assistant position, increasing the FTE for this position from a .39 FTE to a .50 FTE. This increase in FTE creates a benefitted position that is more attractive for applicants and will help to retain seasonal staff year to year as seen in the Parks and Landscape Maintenance seasonal staff. Additionally, with the warmer shoulder seasons that Juneau is experiencing, the extended growing season requires additional labor. This increase in cost is partially offset by a \$16,600 increase in funding from the Jensen-Olson Arboretum Endowment over FY20.

Parks and Landscape Lead Ranger

\$12,900 GF (\$12,900 P/S) & 0.14 FTE

The Manager proposes an FTE increase for the Lead Park Ranger Position from .51 to .65. Revenues from the new city owned public use cabin at Amalga Meadows Park/Eagle Valley Center are anticipated to offset this increase. Park Ranger duties directly related to the cabin construction include management and maintenance of trail and park facilities. This position will assist with management needs due to the increased visitation to the park with the rental of the new cabin. Additionally, in the past two to three years, the Department has experienced increased use of parks and Thane Campground.

Election Equipment

\$107,100 GF (\$107,100 Comm/Serv)

The Manager proposes an upgrade to election equipment in FY2021. The Clerk's office has historically borrowed the necessary ballot reader/tabulation equipment from the State of Alaska Division of Elections in order to conduct its regular and special municipal elections. However, the State upgraded to new equipment in 2020, and CBJ must upgrade its equipment accordingly. This request will fund the purchase of necessary ADA election equipment, central tabulation equipment for election central as well as the suite of administrative software and hardware needed to conduct a fair, impartial and paper verifiable accurate election.

Facilities Maintenance

\$107,900 GF (\$107,900 Comm/Serv)

The Manager recommends the Assembly consider the urgency of the following request but has not proposed it in the Manager's Budget. The Facility Maintenance Division maintains approximately 50 CBJ facilities to a service level that provides preventative and required maintenance on systems and structures to ensure the manufacturer's life expectancy is reached. The industry standard to achieve this service level is to provide a clean, comfortable, safe and secure environment for all CBJ employees and for visitors to CBJ facilities. This includes performing preventative maintenance tasks as indicated by equipment manufacturers, responding to emergencies 24 hours a day and seven days a week, maintaining appropriate levels of janitorial services, maintaining heating and air systems to comfortable levels for occupants, monitoring and maintaining fire alarm and suppression systems, and maintaining building exteriors and interiors to prevent water intrusion, mold, and other weather related issues.

Facility Maintenance requests \$107, 900 to fund an increase in services related to maintenance of building exteriors, repair and maintenance of fire station exhaust systems, and replacement of equipment, materials and consumables that have reached their useful life. The additional cost for exterior maintenance and equipment replacement is \$96,050 and includes power washing exteriors, maintaining roofs, gutters, windows, and exterior envelope elements to address significant issues with water intrusion, caulking of windows, roof maintenance needs, and mold and growth on exteriors. Protecting the building envelope prevents water intrusion, which can reduce life expectancy of the building structure, equipment, and impact building programs and functions. Additionally, staff frequently patches and repairs equipment that has reached its useful life such as door operators because there is inadequate funding to replace the equipment. Additional funding to replace small equipment will reduce ongoing maintenance to keep outdated systems running. The additional cost for fire station exhaust systems is \$11,850 and will allow Facility Maintenance to assume the repair and preventative maintenance work on the vehicle exhaust systems.

From: [Brian Holst](#)
To: [Jeff Rogers](#)
Cc: [Adrien Speegle](#); [Sam Muse](#); [Rorie Watt](#); [Mila Cosgrove](#)
Subject: RE: JEDC for AFC
Date: Saturday, April 4, 2020 1:40:22 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

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

Thanks Jeff. Happy to hear that.

JEDC Core Grant from CBJ for FY19 and FY20 was \$325,000. JEDC Board requests (per their April 1 meeting) that CBJ fund us for \$325,000 for FY21 (no change to core funding). So, it is nice that we are all aligned.

A little additional information:

Additional Priorities of CBJ/JEDC

CBJ has provided JEDC additional resources in FY19 of \$75,000 and FY20 \$90,000 for additional priorities identified by Assembly/JEDC Board. At this point, JEDC is not requesting additional resources, given the current situation. JEDC anticipates using some of our emergency reserves in FY21 as needed.

Juneau Coalition on Aging

CBJ has asked us to support the Juneau Coalition on Aging for FY19 at \$10,000 and FY20 at \$8,000* (we do not know why it was reduced). If CBJ would like JEDC to continue to support the Juneau Coalition on Aging (JCOA), we would appreciate \$10,000 (or \$8,000?) to support this work. The rationale for having JEDC support the JCOA is because they are especially active in the Decennial Senior Survey (2020). While the survey work and report will be complete by June 30, we anticipate that JCOA will continue to have need for support well into FY21. Tasks include disseminating the results of the report and engaging stakeholders on needs/services identified in the report. So, please consider adding support for JEDC to continue to support JCOA in FY21.

JEDC Funding from CBJ for FY21:

CBJ Core Support: \$325,000

JCOA Support: \$10,000*

For core support funding, CBJ typically sends us an MOA with the amount and we review, sign and return.

Happy to keep things simple this year!

Brian

Brian Holst | Executive Director

Juneau Economic Development Council

Direct: 907-523-2333 | 612 West Willoughby Avenue

Invest in Juneau: www.JEDC.org/investors



From: Jeff Rogers <Jeff.Rogers@juneau.org>

Sent: Saturday, April 4, 2020 12:52 PM

To: Brian Holst <bholst@jedc.org>

Cc: Adrien Speegle <Adrien.Speegle@juneau.org>; Sam Muse <Sam.Muse@juneau.org>; Rorie Watt <Rorie.Watt@juneau.org>; Mila Cosgrove <Mila.Cosgrove@juneau.org>

Subject: JEDC for AFC

Brian,

I met with Loren this morning about the AFC schedule and how to proceed given our topsy-turvy situation. Loren sees the need to focus/shape the AFC's attention on bigger budget issues. Hence, unless something changes, JEDC will not be asked to present to the committee. You were previously on the schedule for April 15th.

I believe we have a memo from you regarding JEDC's grant funding, but if that's not the case, please send that. The AFC will proceed with consideration of assembly grants at prior levels.

Thanks Brian,
Jeff

Jeff Rogers *he/him*

Finance Director

City & Borough of Juneau, Alaska

Desk: (907) 586-0300

Cell: (907) 723-6907

www.juneau.org





TO: Loren Jones, Assembly Finance Committee Chair
THROUGH: Jeff Rogers, Finance Director
FROM: George Schaaf, Parks & Recreation Director
DATE: April 22, 2020
RE: FY20 Youth Activity Grants

The Youth Activity Grant program provides funding to a wide range of nonprofit organization and other groups that deliver academic, arts, and sports programs to Juneau's youth. Grant proposals are reviewed by the Youth Activity Board (YAB), which makes funding recommendations to the Assembly. For FY20, the Assembly approved the YAB's recommendation to provide \$332,500 in funding to 27 applicants.

Due to the COVID-19 public health emergency, a number of organizations that received Youth Activity Grants in FY20 are unable to implement their programs as planned. These organizations rely heavily on Youth Activity Grants, and anticipate delivering programs when public health restrictions are eased. The Parks & Recreation Department recommends that recipients of Youth Activity Grants in FY20 be allowed to roll over unspent funds until July 1, 2021. Any unspent funds remaining at that time would be returned to the City & Borough of Juneau.



TO: Loren Jones, Assembly Finance Committee Chair
THROUGH: Jeff Rogers, Finance Director
FROM: Tom Rutecki, Youth Activity Board Chair
DATE: April 30, 2020
RE: FY21 Youth Activity Grant Funding

FY21 Funding

The City Manager has submitted a balanced budget that recommends allocating \$332,500 of the 1% Sales Tax for youth activity grants in Fiscal Year 2021 (FY21). The Youth Activity Board (YAB) is tasked with allocating these funds amongst various community non-profit organizations serving the youth of Juneau.

The YAB is required by Resolution 2820 to place a sum equal to five percent of the amount allocated into a contingency account to fund unanticipated events. \$332,500 minus the five-percent contingency (\$16,625) leaves the general youth activities fund with **\$315,875 to distribute for FY21 overall grant funding.**

CBJ share of Youth Activity funding	\$332,500
Contingency Fund (5%)	<u>(\$16,625)</u>
Total grant funding	\$315,875

FY21 Grant Process

This year the YAB reviewed 28 proposals totaling **\$561,131.00** in requests and is recommending funding for all 28 of the programs. In FY20, the YAB reviewed 27 proposals totaling \$517,210.00 and funded all 27 of those programs.

Grant proposals are divided into three categories: Sports, Arts, and Academic/Other for evaluation and ranking. The nine Youth Activity Board members* are each assigned to one of those categories so that three members review all grants in each category. In addition to the many hours spent individually evaluating and scoring each proposal, Board members typically spend two evenings publicly reviewing the proposals. Due to COVID-19 concerns and mandates, one public meeting was canceled this year. The second and final meeting consisted of the Board reaching agreement on the groups to be funded and their recommended funding level. The attached list contains the Board's recommendations for FY21.

Recommendation

The Youth Activity Board recommends that the Finance Committee approve the funding recommendations on the attached list.

*** Youth Activity Board Members**

Chair: Tom Rutecki

General Public representatives: Bonita Nelson, Kiana Potter, Joyce Vick, Kristen Romanoff, Michelle Burlin, Elizabeth Balstad

Youth representative: Caleb Peimann

Juneau Arts and Humanities representative: Della Cheney

Parks and Recreation Advisory Committee representative: Tom Rutecki

FY21 YOUTH ACTIVITY GRANT TOTALS

REQUESTING ORGANIZATION	NAME OF PROGRAM	AMOUNT REQUESTED	Final Recommendation
ACADEMIC			
Discovery Southeast	Nature & Exploration- Discover Juneau	\$13,070.00	\$8,431.00
SAIL	ORCA Youth Program	\$20,200.00	\$8,207.00
AWARE, Inc	Girls on the Run/Boys Run	\$8,910.00	\$8,175.00
AEYC-SEA	Dimond Park Preschool Health Club	\$12,700.00	\$8,078.00
Girl Scouts of Alaska	G.I.R.L. Power in Juneau	\$12,500.00	\$7,758.00
Big Brothers, Big Sisters	Juneau Youth Activities Program	\$14,000.00	\$6,732.00
	Total Program Amount Requested	\$81,380.00	\$47,381.00
ARTS			
Juneau Dance Theatre	Juneau Fine Arts Camp	\$26,000.00	\$17,800.00
Juneau String Ensembles	New York Internatinal Music Festival	\$45,000.00	\$12,000.00
Juneau Jazz & Classics	JJ&C Education & Outreach	\$20,000.00	\$14,300.00
Juneau Symphony, Inc.	Juneau Student Symphony	\$10,000.00	\$8,000.00
Friends of Alaska State Museum	Alaska Art at the APK	\$9,940.00	\$8,086.00
Perseverance Theatre	Summer Theatre Art Rendezvous-STAR	\$25,000.00	\$15,624.00
	Total Program Amount Requested	\$135,940.00	\$75,810.00
SPORTS			
Gastineau Channel Little League	Youth Baseball, Softball and tball	\$38,000.00	\$27,548.00
Juneau Douglas Ice Association	Youth Hockey Program	\$20,800.00	\$12,065.00
Juneau Soccer Club	JSC Competitive & Developmental Soccer	\$34,955.00	\$23,944.00
Glacier Swim Club	Youth Competitive Swimming	\$18,350.00	\$18,350.00
Juneau Youth Football League	Standards & Practices of Safety for Participants	\$28,000.00	\$19,600.00
Juneau Youth Sailing	Youth on the Water	\$11,490.00	\$4,598.00
Hooptime Basketball	Hooptime Basketball	\$13,987.00	\$8,513.00
Juneau Skating Club	Youth Ice Skating	\$33,175.00	\$16,090.00
Midnight Suns Fastpitch Softball	Girls Fast Pitch Softball	\$25,000.00	\$9,430.00
Juneau Jumpers	Juneau Jumpers	\$20,350.00	\$6,502.00
Juneau Ski Club	JSC Safety & Training Equipment	\$17,500.00	\$11,113.00
Juneau Trap Team	Juneau Trap Team Program	\$12,500.00	\$3,875.00
Midnight Suns Baseball Club	Youth Baseball	\$29,500.00	\$15,783.00
Hoop Rats Basketball Club	Hoop Rats Basketball	\$19,500.00	\$7,312.00
Juneau Nordic Ski Club	Youth Nordic Ski Program	\$16,400.00	\$7,134.00
Sealaska Heritage Institue	Latseen Hoop Camp	\$4,304.00	\$827.00
	Total Program Amount Requested	\$343,811.00	\$192,684.00
	Total FY21 Amount Requested	\$561,131.00	\$315,875.00

Juneau Affordable Housing Fund Model

REVENUE

EXPENSE

<i>Fiscal Year</i>	<i>Legislative Grants</i>	<i>Sales Tax*</i>	<i>Loan Repayments</i>	<i>Other Revenue</i>	<i>Grants</i>	<i>Loans</i>	<i>Programs</i>	<i>Ending Fund Balance</i>	<i>Fund Balance Target Range</i>	<i>Fund Balance Available for Projects</i>
FY18	17,000	-	6,578	281	(24,000)	(16,950)	-	732,200	300,000	432,200
FY19	-	400,000	9,800	300	(30,000)	(15,200)	-	1,097,200	300,000	797,200
FY20	-	400,000	50,000	100	(496,000)	(30,000)	-	1,021,300	1,021,300	-
FY21	-	400,000	30,000	100	(96,000)	(30,000)	-	1,325,400	800,000	525,400
FY22	-	400,000	30,000	100	(96,000)	(30,000)	-	1,629,500	300,000	1,329,500
FY23	-	400,000	30,000	100	(96,000)	(30,000)	-	1,933,600	300,000	1,633,600
FY24	-	-	30,000	100	-	(30,000)	-	1,933,700	300,000	1,633,700
FY25	-	-	30,000	100	-	(30,000)	-	1,933,800	300,000	1,633,800

Program Assumptions:	Y/N
xxxxx	0
xxxxx	0
xxxxx	0

March 2, 2020 Assembly Committee of the Whole DRAFT Minutes Excerpt re: Affordable Housing Fund

Chief Housing Officer Scott Ciambor gave a presentation on the Affordable Housing Fund Program. The packet contained a memo from Mr. Ciambor setting out three decisions the Assembly should consider in order to fully implement the JAHF program.

- 1) Determine the funding amount available for the initial competitive round;
- 2) Confirm a timetable for Round One; and
- 3) Confirm a review committee structure.

Mr. Ciambor answered questions from Assemblymembers regarding various aspects of the program, terminology, and fund amounts and who would be eligible to receive the grants.

Mr. Jones said that the Assembly has not really had a chance to discuss the details and one of those details is the grant amount of \$50,000 and he said that if they are

Assemblymembers then discussed the JAHF program proposals, grant amounts, the competition, the use of funds and leveraging dollars, who was eligible to apply and what that might look like.

MOTION #1 by Mr. Jones to accept the \$50,000 grant level provided the first year of the program was limited for downtown housing only.

ROLL CALL VOTE on Motion #1:

Ayes: Jones, Bryson

Nays: Edwardson, Hale, Hughes-Skandijs, Smith, Triem, Gladziszewski, Weldon

Motion failed 2 Ayes:7 Nays

Additional discussion took place on the program, the and whether the downtown area should be prioritized over other areas of town.

MOTION #2 by Ms. Triem to add downtown housing to the list of priorities in the evaluation criteria as found on packet page 23 and add a new bullet item for Box #2 on the scoring sheet as downtown housing.

Ms. Hale objected and said she thought they should try to let the process work without micromanaging piece of it and not incentivize some areas of town over others. Additional discussion took place about what that might look like in the evaluation criteria and how the scoring might be changed.

ROLL CALL VOTE on Motion #2:

Ayes: Jones, Bryson, Hughes-Skandijs, Smith, Triem, Gladziszewski

Nays: Edwardson, Hale, Weldon

Motion passed 6 Ayes:3 Nays

They then went through the three decisions requested as follows (and found on page one of Mr. Ciambor's memo - packet page #13).

1) Determine the funding amount available for the initial competitive round. As of July 1, 2020, the Juneau Affordable Housing Fund will have \$1325,400 available for use toward the creation of the affordable and workforce housing units in the City and Borough of Juneau. *This amount was affirmed by unanimous consent.*

2) Confirm a timetable for Round One. Staff recommended establishing an annual competition timeline similar to other CBJ processes for grant funding, like the CDD Block Grant process and would begin July 2020. Discussion took place regarding the reasoning behind the timing/calendar. They agreed that the consistency piece is the most important. *The timetable referenced in the memo passed by unanimous consent.*

3) Confirm a review committee structure. Ms. Gladziszewski noted that Mr. Ciambor's memo suggested the committee would include one member of the local housing development or banking community who is not associated with any potential JAHF applications to assist in ranking and review of applications.

MOTION #3 by Mayor Weldon that the review committee include staff plus two people - 1 representative from the local housing development community, 1 member of the banking community.

Objection by Ms. Hale and said that Mr. Ciambor ran the senior housing proposal through an internal staff review process.

Mr. Ciambor said there are a number of ways they could review this. It could be done through a staff review process similar to the Community Development Block Grant review process or it could be done with a small committee with members from the banking and housing development community on the committee.

The committee then discussed the terminology related to the types of bankers and/or those familiar real estate also asked the Mayor for clarification on the intent of her motion. Mayor Weldon clarified that she preferred one member to come from the local housing development community and one member from the banking community as they would have experience with local housing and local banking knowledge.

Mr. Edwardson said he didn't object but that there are a lot of different flavors of bankers and asked if it should be specified that it should be someone familiar with commercial and residential construction for banking. Mayor Weldon said that is what she was assuming and would include that in her motion. Mr. Bryson clarified that "commercial lenders" is the terminology the Mayor was searching for. *Hearing no objection, that motion, as clarified, passed by unanimous consent.*

MOTION #4 by Ms. Triem that the Committee of the Whole forward to the Assembly Finance Committee a recommendation of expending \$525,400 in the first year of the Affordable Housing Fund grants. *Hearing no objection, that motion passed by unanimous consent.*

DRAFT



March 18, 2020

Rorie Watt, Manager
City and Borough of Juneau
155 South Seward Street
Juneau, Alaska 99801

Dear Mr. Watt,

Last October the Assembly appropriated a grant to Alaska Heat Smart ("AHS") to assist Juneau homeowners with the process of retrofitting their homes with heat pumps. Augmented by more than 350 hours of volunteer effort to date, AHS has supported more than 100 people, completed 25 initial home assessments, and has an additional 21 home assessments underway.

Homeowners participating in the program receive assistance with understanding their home's energy systems, and, after learning about the homeowner's needs and goals, AHS identifies heat pump options, assesses financial and emissions impacts, assists with obtaining quotes from installers, and analyzes data to refine the program. At least 12 heat pumps are currently being installed by homeowners who received assistance from AHS. Attached is a short report on program progress through mid March.

AHS will leverage CBJ support in the coming years through a partnership with Cold Climate Housing Research Center (CCHRC), who have contracted with the US Department of Energy to conduct a research project titled ICE-Juneau (Incentivizing Cold-Climate Efficiency in Juneau). This three-year, \$600,000 research project will hinge around the efforts of AHS and extend our work to multi-family housing and additional energy efficiency measures.

To continue the good work of AHS in FY21, we request that CBJ provide a grant of \$200,000 for base operations. In addition to this base request, we are developing an incremental request of \$35,000 to provide credit enhancements for a heat pump loan program through a local financial institution.

Thank you for your support of this program and its work toward achieving the goals of the Juneau Renewable Energy Strategy and of reducing the cost of living in the community.

Sincerely,

Steve Behnke, Chair

Cc: CBJ Assembly Finance Committee

Alaska Heat Smart Progress Report

3/18/2020

Summary

In October 2019 the Assembly appropriated \$147,000 to assist Juneau homeowners in deciding to retrofit their heating systems with heat pumps. Alaska Heat Smart hired an energy advisor, developed home energy assessment tools, and began providing assistance to homeowners. As of March 9, AHS has spent \$31,000 and contributed 350 hours of volunteer effort in providing information to more than 100 people, and completing 25 home assessments, with 21 more underway.

Background

Shifting to heat pumps contributes to the community goals of the Juneau Climate Action Plan (2011) and the Juneau Renewable Energy Strategy (2018), as well as the Assembly goal of reducing Juneau's cost of living. Powered by clean hydropower, heat pumps not only reduce carbon emissions, but save homeowners money, create new jobs, and keep more money circulating in the community. Alaska Heat Smart's program addresses one of the major barriers to heat pump adoption: consumer confusion.

Start-up highlights

- Hired part-time lead energy advisor/coordinator.
- Trained 3 home energy advisors.
- Created website (akheatsmart.org)
- Heat Pump Workshop in December attracted 85 participants; 60 signed up for AHS.
- Developed home assessment procedures, heat pump calculator, and report format.
- Began to ramp up the program, completing 25 home assessments, with 21 more in the works. At least 12 heat pump installations in process.
- Conducted survey of Juneau heat pump owners during January cold snap; shared tips on social media on getting the most from heat pumps during cold weather.
- Provided technical assistance to the Juneau Carbon Offset Fund, resulting in heat pump installations and ongoing savings for 3 low-income households.
- Developed a standardized Request For Quotes template that homeowners can use to solicit bids from local installers, enabling 'apples-to-apples' comparisons.

Alaska Heat Smart Energy Services

- Helps homeowner understand how their house's energy and heating systems work.
- Identifies the heating goals of the homeowner.
- Identifies options for how a heat pump could work for the house.
- Estimates the potential economic and greenhouse gas (ghg) savings of the changes.
- Assists in getting comparable quotes from installers and assessing them.

- Collects and analyzes energy data to refine project and services.

Some Preliminary Findings

- Households assisted represent Juneau's diversity: houses range in size from 700—5,000 sq. ft., and in age from 3 to 116 years.
- Average current annual heating costs are \$2,275. An estimated average 42% savings (\$937) would be realized by converting to heat pump heating.
- Estimated capital costs range from \$4,200-\$15,000 (ave. \$6,200), with payback periods ranging from 4-20 years (ave. 8); annual CO₂ reductions range from 0 (for electric resistance) to 26,500 lbs (ave. 10,000 lbs).
- A typical Juneau household can save the equivalent of most of a recent PFD by shifting over to a heat pump — and pay it off in 8 years — while saving 10,000 lbs of CO₂ per year -- the amount emitted annually by the average U.S. car.
- A high proportion of applicants appear to be interested in more complex and expensive conversions — a significant number have older heating equipment, or want to get off oil because of climate concerns or old fuel tanks.
- The most cost-effective heat pump conversion is to install a ductless heat pump in a main living space, to supplement the existing heating system — these often provide payback periods of just 4-7 years.

Next Steps

- Near-term: develop electronic advising alternatives to maintain value to the community while supporting social distancing.
- Capitalize on program infrastructure and excellent word-of-mouth to increase home energy assessment completions.
- Develop an easy-to-use loan program for purchase of heat pumps.
- Identify additional sources of funding for AHS.
- Coordinate with CCHRC in a new 3 year federal DOE research project, and share information with other communities and organizations.

"I sure appreciate your time and this excellent service!" -T.C.

"Carl, I appreciate your coaching and helping us figure what will work best for us."
-long-time Juneau resident -K.M.

"I like the approach. It'll mean more informed customers." C.P. -heating contractor.

February 2020

Biathlon Range -Project Proposal

Amount \$30,000 Design/Planning

There is ongoing interest in Juneau for the sport of biathlon (skiing and shooting). Biathlon is a growing international sport for athletes and spectators. The Juneau Nordic Ski Club (JNSC) is requesting funds to design and plan a new biathlon facility adjacent to the Hank Harmon Rifle Range in Montana Creek Natural Area Park. This project would complement existing CBJ facilities and partnerships, leverage significant grant funds, and alleviate seasonal parking congestion at this popular recreation area.

Currently the JNSC has ~550 members. At any one time dozens of skiers use the 3 km (one-way) groomed Montana Creek Trail. The combined pullout and Hank Harmon parking areas are often full with over two dozen cars, with additional cars lining Montana Creek Road. It makes logical sense to build a biathlon range next to the current shooting range and contiguous to current ski trails. Additionally, though traditional biathlon is a winter skiing sport, a facility in Juneau could be expanded to include the season of spring/summer/fall utilizing biking, roller-skiing, and running supplanting the snow.

The Pittman-Roberts Hunter Access DWC Grant is available for application and provides the opportunity to forge a partnership with the CBJ-HHRR and JNSC and other user groups. Currently up to \$1.5 million is available from this fund with no upper limit on project size. Using USFWS funds via ADF&G to fund shooting related infrastructure, 75% of funds could be leveraged through this program. A 25% non-federal match is required which could be from CBJ, donors, and in-kind volunteers. When approved, this funding request will allow a year for CBJ to plan and design a grant submission in April 2021.

Additional funding in subsequent years can be sought to develop the facility which would be owned and maintained by CBJ Parks and Recreation Department. The JNSC would continue to groom and maintain the trail portion. We have met with staff from the Parks & Recreation and the Department supports this project.

Project Plan and Design Basics:

-Biathlon Range - ~10 shooting lanes with appropriate targets. Backstop/berm would be constructed next to the current Hank Harmon Gun Range.

-Penalty Loop- ~150 meter penalty loop would be constructed near the range. (Athletes must ski a penalty loop for each of the 5 targets that they miss.)

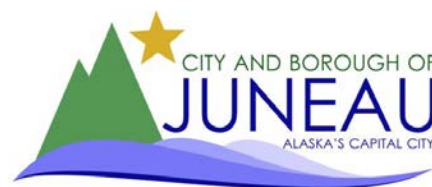
-Trails- new trails would be identified and designed to connect the penalty loop and biathlon range to the Montana Creek Road/trail (that is groomed by the Juneau Nordic Ski Club). Additional side trails/loops could be constructed with possible connection across State of Alaska land to Spaulding Meadows (USFS) and a future connector trail across USFS land to the Mendenhall Glacier Recreation Area.

- Increased Parking for 20-30 additional cars.

- Safe spectator area.

- Grant application for 2021

MEMORANDUM



DATE: April 30, 2020

TO: Assembly Finance Committee

FROM: Jeff Rogers, Finance Director

SUBJECT: FY2021 Hotel Bed Tax & Funded Services Recommendation

155 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

Introduction

The COVID-19 epidemic has resulted in travel restrictions and shelter-in-place orders that severely impact CBJ's forecasted Hotel Bed Tax revenue for FY2021. The Proposed FY2021 Budget forecasts \$810,000 of hotel bed tax revenue.

This memo discusses the FY2021 budget and recommendations for the expenditure of hotel bed tax receipts. These recommendations are designed to continue CBJ's support of Centennial Hall management and operations while also maintaining CBJ's contribution to tourism promotion, two important elements of Juneau's recovery in the aftermath of COVID-19.

The April 8, 2020 memo from the Finance Director to the Committee outlined the historically agreed-upon distribution of hotel bed tax receipts at the January 1, 2020 voter approved 4%/3%/2% split of the total 9% hotel bed tax rate. Considering the current forecast for hotel bed tax revenue in FY2021, maintaining these proposed splits without additional funding would result in detrimental budget reductions to the community services and tourism promotion provided by these grants.

In order to adequately fund both the City's obligation to the operation and management of Centennial Hall and to tourism promotional needs, it is necessary to restructure how the hotel tax revenues that CBJ receives in FY2021 will be allocated. The proposal below is a revised distribution of the hotel bed tax receipts, ensuring Centennial Hall and Travel Juneau receive the minimum support needed to maintain operations while still serving their intended purposes.

Purpose	Organization	Approved %	FY2021	FY2020	Reduction
Tourism Promotion	Travel Juneau	4%	\$625,000	\$885,000	\$260,000
Centennial Hall Operations	CBJ (via JAHC)	3%	\$534,400	\$664,000	\$129,600
Centennial Hall Improvements	CBJ	2%	\$ 0	N/A	N/A

Recommendation – Centennial Hall Improvements

I recommend that the Committee delay planned FY2021 capital improvements to Centennial Hall until more is known about the extent of the epidemic and the trajectory of the economic recovery. Additionally, there is no legal requirement that CBJ use the 2% of the 9% hotel bed tax for future improvements. I propose the FY2021 forecast \$180,000 initially planned for facility improvements be used to support Centennial Hall operations in the near-term.

Recommendation – Centennial Hall Operations

To sustain the continued management of Centennial Hall by the Juneau Arts and Humanities Council (JAHC), the cost of facility operations and management agreement fee must be maintained at \$270,000 and \$90,000, respectively. In the event that projected rental fees fall below budgeted revenues, the Management Agreement

requires CBJ to make up the shortfall through the Centennial Hall fund balance and Hotel Bed Tax fund balance. In order to comply with this likely scenario, budgetary savings have been identified in the allocation of CBJ costs to Centennial Hall in FY2021, resulting in a reduced budgetary proposal of \$534,400 for Centennial Hall operations. Under this recommendation, funding for facility operations will be comprised of \$270,000 allocated as intended as 3% of the 9% hotel bed tax, \$180,000 reassigned from 2% of the 9% tax originally intended for Centennial Hall improvements, and the remaining \$84,400 funded by the General Fund.

FY21 Proposed Hotel Bed Tax Fees for CH Ops	
Centennial Hall Operations	\$ 270,000.00
Management Agreement Fee	\$ 90,000.00
City Manager	\$ 3,800.00
Finance (controller, purchasing)	\$ 7,000.00
Parks & Rec Admin	\$ 43,500.00
Parks and Landscape Maintenance	\$ 19,700.00
Insurance	\$ 13,700.00
Building Maint	\$ 77,700.00
Fleet reserve	\$ 9,000.00
Subtotal CBJ Allocated Costs	\$ 174,400.00
Total Centennial Hall	\$ 534,400.00

Recommendation – Travel Juneau

I recommend that the Committee approve the minimum requested FY2021 grant of \$625,000 from Travel Juneau's April 8, 2020 memo to the Assembly. This represents a reduction of \$260,000 from FY2020 grant funding of \$885,000; however, it still ensures Travel Juneau will be able to fulfill its intended purpose – maintaining a baseline for marketing Juneau to travelers and meeting planners while continuing to provide services to partners and in-bound visitors. Under this recommendation, funding for Travel Juneau will be comprised of \$360,000 allocated as intended from 4% of the 9% hotel bed tax and the remaining \$265,000 funded by the General Fund.

Recommendation – Downtown Business Association

Beginning in 2018, the Assembly granted \$75,000 hotel bed tax receipts each year to the Downtown Business Association for the Main Street America Program. These grant funds were made from accumulated fund balance that had resulted from actual hotel tax receipts being greater than forecasted. In light of reduced hotel bed tax revenue and the depletion of Hotel Bed Tax fund balance, the Assembly will need to decide if it wishes to continue this grant. If funding is continued, this grant will need to be funded outside the Hotel Bed Tax Fund through the General Fund, as there are insufficient hotel bed tax receipts to meet the funding request.

Summary Recommendation

In consideration of the economic downturn resulting from COVID-19, and the related reduction in hotel bed tax revenue, I recommend the Committee fund Travel Juneau and Centennial Hall operations as described in the aforementioned narrative, and detailed in the below budget itemization. Under this recommendation, the General Government Fund will pay for \$358,400 of the grants for services outlined for FY2021. This assumes that the \$75,000 grant for the Downtown Business Association is funded outside the Hotel Bed Tax Fund or not funded at all. This proposal includes the use of the remaining estimated fund balance of \$23,600 at the end of FY2020.

				FY21 Proposed Budget
Expenditures				
Sales Tax Division Allocation	\$		16,700	
Interdepartmental Charges	\$		15,900	
Support to:				
General Fund				
Centennial Hall	\$		534,400	
Mayor & Assembly Grants				
Travel Juneau	\$		625,000	
Capital Projects				
Total Expenditures	\$		1,192,000	
Funding Sources				
Hotel Tax Revenue	\$		810,000	
Support from:				
General Fund	\$		358,400	
Total Funding Sources	\$		1,168,400	
Fund Balance				
Beginning of Period	\$		23,600	
Increase (decrease) in Fund Balance	\$		(23,600)	
End of Period Fund Balance	\$		-	



MEMORANDUM

Date: April 8, 2020
To: Assembly Finance Committee
From: Nancy DeCherney, Executive Director

Status of Centennial Hall

Centennial Hall shut its doors on March 16 due to the Covid-19 epidemic. Almost all events are cancelled through August, with a loss of revenue in the neighborhood of \$80,000.

Many of the events that cancelled are attempting to rebook in late fall or spring, and we are working hard to squeeze more weekends into the year, or have simply booked them for the same time next year, rolling their deposits forward.

The temporary part time crew is on furlough and applying for unemployment insurance.
The balance of the staff (3 FTE and 2 PTE) is either on furlough or working from home on a part time basis.

As of April 1, the City took over the Hall to serve as a shelter for homeless (Ballrooms 1 & 2) and quarantine space (Ballroom 3), and today the Council has moved its operations entirely out either into locked storage rooms in the building or into container vans.

Budget concerns

Utility bills, specifically the electric bill, are exceedingly high, in the \$15,000 to \$21,000/month range. It is my understanding that the City will assume those costs for the period of time that the facility is being used as a shelter. That said, there are months where the utility costs exceed the rental income, even in very busy month. It had been our plan to revisit the rental fee structure, but this may not be a good time to attempt to raise rates.

Optimistically, the building will resume a semblance of normal operations in the fall. Currently there is about \$83,000 in anticipated rental income booked, and as we work to rebook cancelled events, we may gain ground.

The Arts Council manages the Hall on a very slim margin in the best of times. It itself does not have adequate savings to carry on operations with the projected revenue outlined by Jeff Rogers, especially in light of the fact that the City has also called the Juneau Arts and Culture Center into duty as a shelter, leaving it with no base of operations.

We have applied for the Payroll Protection Program, assistance from the Alaska Community Foundation, a Small Business emergency loan, and did submit an application for the emergency fund from the City but we are not eligible because of our staff size. We are looking at funding through the National Endowment for the Arts, National Endowment for the Humanities, and through any other avenue that seems likely, but have no idea if those will pan out, to allow us to resume operations later this year or next spring.

Summary

It has been our pleasure to manage the Hall efficiently and hospitably to help make Juneau a desirable location for meetings, visits, celebrations, and we are pleased to be able to provide shelter to people in this emergency.

I hope that we can find some way to continue to be of service.



To: Loren Jones, Chair, Assembly Finance Committee; Rorie Watt, CBJ City Manager; Jeff Rogers, CBJ Finance Director; Beth Weldon, CBJ Mayor
From: Liz Perry, President & CEO, Travel Juneau
Date: April 8, 2020

To the Assembly Finance Committee, through the Chair:

Travel Juneau submits this memo outlining our response to the financial effects of COVID-19 on our travel industry partners and our organization.

Financial impact of COVID-19 to-date (cost, revenue, fund balance)

- Cost in meetings: \$2M in cancellations for FY20-early FY21. \$1.4M in postponements past 2nd quarter FY21 and into FY22
- Cost in partnerships: because most of Travel Juneau partnership businesses are small, sole proprietors, we anticipate that many will not operate after July 2020, reducing our partnership numbers; est a minimum 10% loss
- Associated partner marketing purchases will drop; est a minimum 50% loss
- Ad revenues for visitor guide – 100% loss
- Event revenues – est a minimum 30% loss
- HBT loss – through the Finance Director

Strategy for managing through remainder of the pandemic

- Retooled to “soft marketing” – image driven, “we’ll be here when it’s time to travel again” messaging
- Creating new post-pandemic campaigns and early fall campaign (for winter) aimed at luxury & upper mid-market independent travelers (fastest to rebound) and meeting planners. Will include video rolled out on all social media platforms. Timing for release depends upon the lifting of quarantine mandates.
- As much as possible, maintain relationships among trade partners, including travel agents, media, tour operators, and meeting planners to aim for postponed rather than canceled vacations, meetings, and events.
- Offer grace periods and other options to partners along with other budget cuts (see below).
- Eliminated 3% match of staff 401(K)
- Staff voluntary pay cuts

How are you going to “make it work”?

Plan B:

- Roll unspent budgeted dollars to FY21
- Draw from savings accounts (earned income) to support FY21 budget
- Reduce staff benefits, including professional development and match on 401(k); maintain health insurance



- Participate only in trade shows contracted for FY20 that will not refund registration
- Offer a fiscal quarter extension to paid partnerships
- Offer quarterly payment option to partners
- Extend paid visitor guide advertising into 2021
- No 2021 print guide; updated PDF on website only
- Maintain the traveljuneau.com website as primary marketing tool, followed by social media platforms
- Maintain key association memberships to have access to research and marketing opportunities

Plan C – all of the above, *plus*

- Reduce staff – 4 FTE, 1PTE - NOTE: there is no support or admin staff currently employed
- Reduce salary of remaining 3 staff
- Eliminate volunteer recruitment, acknowledgements; minimize training
- Eliminate visitor print information, including visitor guide, maps, and informational materials
- Eliminate professional development, regardless of pre-paid registration
- Reduce meeting support & Centennial Hall assistance
- Eliminate premiums and incentives for travel agents, operators, and meetings
- Reduce or eliminate association memberships (some already paid into FY21)
- Eliminate community relations (includes Chamber participation and small sponsorships for events bringing in out-of-town attendees)
- Eliminate mailout of remaining visitor guides through the office
- Reduce or eliminate paid marketing for both Convention Sales and Destination Marketing
- Reduce media and tour operator assistance; eliminate FAMs
- Reduce or eliminate partners education and other programs

What is specifically needed from the Assembly

Travel Juneau respectfully requests a minimum FY21 grant of \$625,0000 to maintain a baseline for marketing Juneau to travelers/meeting planners and providing services to partners and in-bound visitors. Destinations International predicts much higher, pent-up demand as the crisis abates (see Image 1). Research also indicates that robust destination marketing also positively influences decisions for relocating – a halo effect (*Forbes* article) – and benefits communities directly (USTRavel Key Points).

The \$360,000 in suggested grant funding will be undermine Travel Juneau’s marketing and erode more than 10 years’ of efforts on behalf of the community. Funding at this level confines the organization’s efforts to its website and associated database, social media, and reduced paid advertising. Research shows that such a cut eliminates a destination from the minds of both leisure and business travelers, and that recovery of market share and brand recognition requires a market cycle.

**Downtown Business Association
Request for CBJ Funding Support for FY21
May 1, 2020**

The Downtown Business Association [DBA] requests \$75,000 in CBJ support for the fiscal year 2021.

Main Street America

This funding, as in FY19 and FY20, supports the DBA to create a thriving downtown. Funding supports the DBA to continue our efforts as an accredited Main Street America city as well as dedicate staff time to strategically implement the work of our volunteer committees that work within the Main Street approach of Design, Promotion, Economic Vitality, and Membership. Downtowns play a unique role in the vitality of local economies and communities. As the Capital of Alaska, the most visited city in Alaska during the summer, and the heart of this fantastic community, it is critical that we continuously work to improve downtown so that locals and visitors alike have great experiences.

Covid19

Downtown businesses, the 160 members of the DBA, have almost all been severely impacted by Covid19, and the outlook for the normally busy summer season is bleak, at best. Many businesses are struggling for survival. Our membership needs the support of the DBA more than ever. The timing of Covid19 has affected the organization's operations, including fundraisers, activities downtown, promotions, and member mixers. We have shifted our efforts to encompass full-on membership support in relationship to COVID-19. With DBA help, members have come together to share adaptations, advocated for financial support via the CBJ Emergency Loan Program, heightened online communication through our social channels, and reached members through personalized emails and phone calls. The timing of the pandemic has affected our ability to complete our annual membership campaign and renewal process. We continue to offer support to all members, regardless of dues payments.

Focus Areas

DBA works closely with CBJ and other partners such as the JAHC, Travel Juneau, Juneau Chamber of Commerce, Alaska Committee and JEDC to achieve goals identified in the Blueprint Downtown, Visitor Task Force and implementing activities in the Juneau Economic Plan. Outlined below are the DBA objectives and events that support the successful implementation of these objectives.

1. Downtown is a Family-Friendly Destination

Examples of activities/programming:

- Downtown Color Run
- Southeast Cornhole Tournament
- Piratical Murder Mystery Dinner
- Winter Marketing Program (Public Market, Gallery Walk, Tree Lighting Ceremony, Kids Day, Free Movie Screening, Solstice Celebration)
- Business Resumption Plans: market downtown as a locally owned and operated business core, promote local purchases, adapt to changes in consumer behavior with new marketing initiatives.

2. Foster an Attractive, Safe, and Clean Environment that Attracts People Downtown

Examples of activities/programming:

- Implement an Ambassador Program (with passenger fee funds, when available)
- Develop & Implement a Downtown Ambient Lighting Plan
- Provide support for Winter Windows: working with businesses on South Franklin to put a cheerful face on their storefronts for the winter.

3. Improve Access To, From and Within Downtown

Examples of activities/programming:

- Downtown informational videos: Help the public better understand why downtown is a great place to live, work, and play.
- Umbrella Project: Umbrella sharing service for visitors to the downtown corridor.
- Downtown Map: Increases the ease of walking downtown.

The Members and Board of the Downtown Business Association greatly appreciate the support provided to the DBA in the past. We recognize that downtown plays a critical role in making Juneau an attractive place to live, work, raise a family, experience our rich diversity, and serve our State as its Capital City. We thank the CBJ in advance for your commitment to a vibrant downtown.



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

DATE: April 8, 2020

TO: Chair Jones and Assembly Finance Committee

FROM: Rorie Watt, City Manager

RE: Revised Draft Passenger Fee CIPs, Operations and Grant Appropriations

This memo discusses this year's budget and recommendations for the expenditure of passenger derived fees (CBJ \$5 Marine Passenger Fee, \$3 Port Development Fee and \$5 State Commercial Passenger Vessel Fee).

The recommendations are made in accordance with the MOA that was reached with CLIA in March of 2019 and are designed to provide services and solve community issues related to cruise ship tourism. Recall that the MOA and litigation was about the two CBJ fees (MPF and PDF) but not the State fee (CPV).

Significantly, this revised recommendation recognizes the urgency and uncertainty surrounding the COVID-19 pandemic. As with the revenue forecast that accompanies the Proposed FY2021-2022 Budget, this revised recommendation assumes no cruise ships and no passenger fees in the summer of 2020. In the absence of passenger fees to be received this summer, no capital projects are recommended for funding. Additionally, grants to third parties for services rendered to passengers are not recommended.

CBJ has two essential funding requirements for passenger fees, even in the absence of passengers. First is the debt service on the new 16B docks of \$2.1 million per year. Second is the maintenance of CBJ operational capacity that allows the community to be able receive passengers in the future. These operational costs include police, emergency services, maintenance, and overhead totaling \$2.75 million per year.

Accumulated fund balances and the small amount of passenger fees to be received in FY2020 are sufficient to pay for the required debt service and CBJ operational costs.

	FY21 MPF Proposal		
		CBJ	
Municipal Service Provided	Direct Cost	Overhead*	Total
Ambulance/EMS Support	805,200	59,500	864,700
Police Support	740,650	54,700	795,350
Seawalk, Open Space and Restroom Maintenance	359,800	26,600	386,400
Street Cleaning/Repair	208,300	15,400	223,700
Docks and Harbors - Port Management	315,000	23,300	338,300
Docks and Harbors - Port Customs Office Building Maintenance	133,500	9,900	143,400
Total CBJ Cost	2,562,450	189,400	2,751,850

Assembly Finance Committee (AFC)

FY21/22 Proposed Budget Calendar and Key Dates – as of 4/29/2020

Wednesdays at 5:00pm, unless otherwise stated

All meetings will include an update on COVID-19 as necessary

APRIL 2020

- 1st Special Assembly Meeting – 5:30pm – Followed by Assembly Finance Committee**
Special Assembly Meeting to Introduce FY21/22 Proposed budget, immediately Followed by Assembly Finance Committee meeting, Chambers
- A. Introduction of the General Operating CBJ Budget Ordinance 2020-09
 - B. Introduction of the General Operating School District Budget Ordinance 2020-10
 - C. Introduction of the Mill Levy Ordinance 2020-08
 - D. Introduction of the CIP Resolution 2877
- 1st AFC Meeting #1 – 5:30pm - Immediately following Special Assembly Meeting**
- A. Distribution of the Operating Budget, Capital Budget and Capital Improvement 6-Year Plan
 - B. FY21/22 Proposed Budget Overview
 - C. School District Budget Presentation
 - D. Docks & Harbors (Carl Uchytel, Port Director)
- 8th AFC Meeting #2 – 5:00pm**
- A. FY21/22 Proposed Budget Overview (cont.)
 - B. Eaglecrest Ski Area (Dave Scanlan, Eaglecrest General Manager)
 - C. Capital Improvements Projects Program Budget/Plan
- 15th AFC Meeting #3 – 5:00pm**
- A. Hotel-Bed Tax Funding
 - B. Travel Juneau (Liz Perry, President/CEO)
 - C. Revised Passenger Fee Recommendations – For Review
 - D. Childcare
- 22nd Special Assembly Meeting - 5:00pm - Followed by Assembly Finance Committee**
Within 30 days after receipt of the (school) budget, the assembly shall determine the amount to be made available from local sources for school purposes, and shall furnish the School board with a statement (motion) of the amount to be made available for FY21 School District operations. (Charter Section 13.6 (b))
- Public hearings on the following (must be completed by May 1, per Charter Section 9.6)
- A. General Operating CBJ Budget Ordinance 2020-09
 - B. General Operating School District Budget Ordinance 2020-10
 - C. Capital Improvement Program (CIP) Resolution 2877
 - D. Mill Levy Ordinance 2020-08
- 22nd AFC Meeting #4 (Immediately following Special Assembly Meeting)**
- A. Juneau International Airport (Patty Wahto, Airport Manager)
 - B. Bartlett Regional Hospital Presentation (Kevin Benson, CFO)
 - C. Debt Service Presentation
 - D. Proposed Mill Rate Presentation
 - E. School District - Funding “Outside the cap” – For Action
 - F. School Operating Budget – For Action

29th AFC Meeting - Cancelled

MAY 2020

6th AFC Meeting #5 – 5:00pm

- A. School District Funding Ordinance 2020-10 – For Final Action
- B. Ordinance 2020-23 for Electronic Procurement
- C. Collection of Past Due Accounts
- D. Ordinances 2020-19 and 2020-21 for Bond Refundings
- E. Update on Assessment Appeals
- F. Update on FY2020-Q3 Sales Tax Returns
- G. Update on CARES Act Funding
- H. Revised Macro Budget Tool
- I. FY2021 Budget Pending Items List

13th AFC Meeting #6 – 5:00pm

- A. TBD – Continued discussion of all pending budget items

18th Regular Assembly Meeting – Monday – 7pm

- A. Adoption of the School District's General Operating Budget Ordinance 2020-10

<p><u>By May 31st</u>, the assembly must determine the amount to be made available from local sources for school purposes (Charter Section 13.6 (b))</p>
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20th AFC Meeting #7 – 5:00pm

- A. TBD – Continued discussion of all pending budget items

27th AFC Meeting #8 – 5:00pm

- A. Pending Items List – For Final Action
- B. Capital Improvements Projects Program Budget/Plan – For Final Action
- C. Set Mill Rates – For Final Action
- D. Final FY21/22 Proposed Budget Decisions –
 - a. CIP Resolution 2877
 - b. Mill Levy Ordinance 2020-08
 - c. General CBJ Operating Ordinance 2020-09

JUNE 2020

3rd AFC Meeting

- A. TBD

8th Regular Assembly Meeting – Monday – 7pm

- A. Adoption of the General Operating CBJ Budget Ordinance 2020-09
- B. Adoption of the CIP Resolution 2877
- C. Adoption of the Mill Levy Ordinance 2020-08

10th BREAK – No meeting unless needed for critical items.

<p>The Charter requires that the following budget actions be made <u>by June 15th</u>:</p> <ul style="list-style-type: none">• Appropriating Ordinances Adopting a Budget (Charter Section 9.7 (a))• Mill Levy Ordinance (Charter Section 9.7 (b))• CIP by Resolution (Charter Section 9.8)
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City and Borough of Juneau
 City & Borough Manager's Office
 155 South Seward Street
 Juneau, Alaska 99801
 Telephone: 586-5240 | Facsimile: 586-5385

DATE: May 6, 2020

TO: CBJ Assembly

FROM: Mila Cosgrove, Incident Commander

RE: City & Borough of Juneau COVID-19 Response – Emergency Operations Center Update

Situational Update – Incident Level 2 - Operational Period 11 (4/30/2020 – 5/07/2020).

Disease Transmission/Contact Tracing:

The number of COVID positive individuals currently identified in Juneau is 1 and that person is not physically in Juneau. DPH continues to follow 2 additional people for contact tracing. The overall numbers are increasing statewide at a very slow rate. There was one additional death reported today. .

Testing:

Testing capacity and supplies remain good. We continue to work with DPH and BRH to develop a testing plan for individuals experiencing homelessness.

Hospital Response:

BRH reports adequate supply of PPE and no concerns related to workforce availability.

Issues of Note:

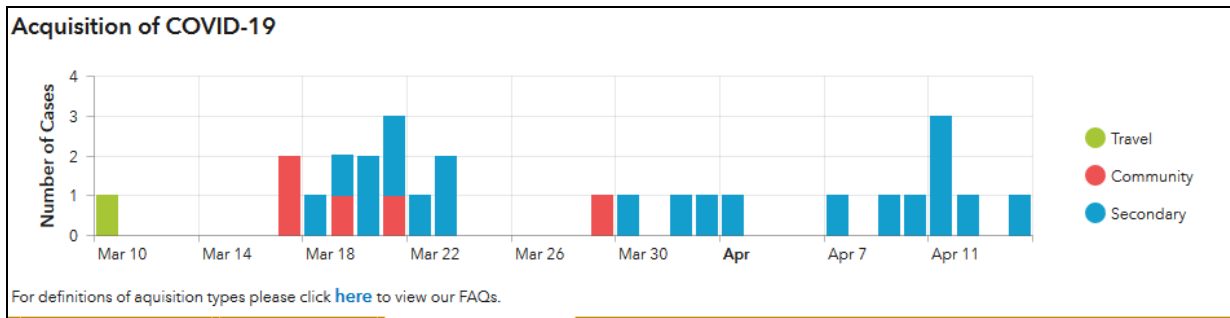
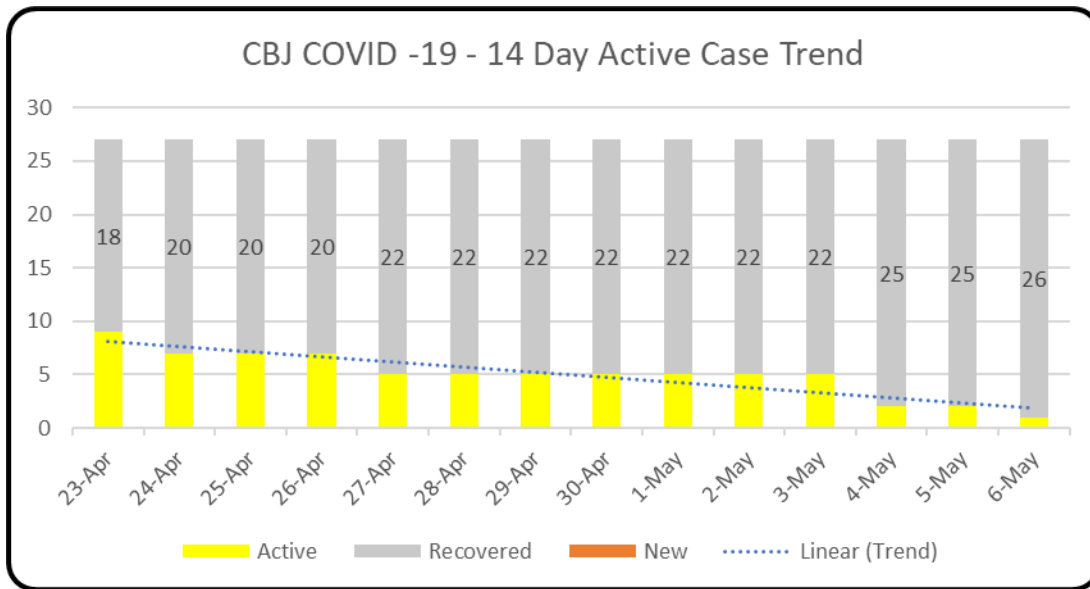
EOC continues to work through sheltering issues in general.

Holland America, Princess, and Seabourn cancelled all Alaskan sailings for the summer.

Numbers changed from yesterday are highlighted.

Category	Juneau		Statewide
Total Confirmed cases	27		372
Recovered	26		284
Cumulative Tests & % of population tested	1,209	3.78%	23,655
Average # of tests per day over the last 7 days	24.71	Down	
Positive tests over the last 7 days (# and % of positive)	0	0%	
DPH PUIs	2		
Hospitalized COVID +	0		38 (Cumulative)
Ventilated Patients	0		
Fatalities	0		10

May 6, 2020
 Assembly EOC Update
 CBJ COVID-19 Response



Positive cases are back dated by the Division of Public Health during their contact tracing phase to the day of onset of COVID-19 symptoms.

Additional detail is available on the CBJ & DHSS Dashboards which can be found on at:
www.Juneau.org/COVID-19

Operational Highlights

Airport Screening: provided quarantine information and Juneau specific COVID related materials to 102 arriving passengers.

Mobile Screening:

38 calls came into the hotline, 19 referred for testing, 18 appointments scheduled.

There were 17 tests at drive through, 8 of which were for medical related appointments. To date, sampled 376 for testing. 3 welfare check were completed via phone.

Mt. Jumbo: No clients

May 6, 2020
Assembly EOC Update
CBJ COVID-19 Response

BRH: Opened up non-emergent surgeries at BRH. That has gone reasonably well though testing timeframes are somewhat problematic. Continuing to work through logistical issues as they emerge. BRH is also in the process of defining a broader plan for reopening which still needs to be finalized and reviewed by the BRH board.

BRH is reporting a \$1.3 million loss in March and a \$2.5 million loss in April after counting in stimulus money. BRH received \$5.2 million stimulus payment today that will help offset any financial losses in May.

Public Health: DHSS will be changing their dashboard this evening. There will be metrics provided on people presenting to ERs across the state with COVID like symptoms. That will provide some early insight prior to those test results being available. Beginning planning on vaccination strategies for when they become available.

JSD: 3.5 weeks until the end of the school year. Working on graduation plans. Shifting gears administratively to be looking at what might be possible in the summer and how the fall might look.

Wednesday Focus: **Volunteer and Community Collaboration Task Force**

Volunteer Applications Submitted to Date: 289

Volunteers Referred: 238 (some volunteers have been referred to more than one activity)

- Delivery of Food: 52
- Sewing Masks and PPE: 124
- Screening Incoming Passengers: 18
- Other: 61
 - ROCK Juneau note writing initiative
 - Alaskan Brewery hand sanitizer distribution

****288 volunteers were also invited to participate in the Thank You card writing activity for Hospital Workers Week****

Agencies Supported with Volunteers: 11

- Meals on Wheels (CCS)
- The Glory Hall
- St. Vincent de Paul
- CBJ
- Southeast Mask Makers
- Southeast PPE Rapid Response
- Salvation Army
- ROCK Juneau
- Alaskan Brewing
- Bartlett Regional Hospital
- Southeast Food Bank

Requests for Assistance Submitted: 90 (Please note that many people have more than one request).

- Delivery of Pre-Paid Items: 11
- Delivery of Donated Food: 25
- Cloth masks: 35

May 6, 2020
Assembly EOC Update
CBJ COVID-19 Response

- Questions About Current Mandates: 4
- Questions about how to get screened for COVID: 4
- Questions about rent/utility assistance: 40
- Small business support: 6
- Organizations requesting support: 11
- Other: 62

Weekly Highlights

- We have continued to respond to multiple needs requests and at this point we have more incoming requests for assistance than offers to volunteer. This seems commiserate with the economic impact of the pandemic.
- We are currently working with BRH to assist in supporting activities for Hospital Appreciation Week next week.
- The Southeast Food Bank reached out this week to ask for volunteer assistance and we referred several volunteers to them.
- We are starting to get questions from businesses around protective equipment for re-opening and are linking them with Logistics as appropriate.
- The hand sanitizer distribution is working well and we are working on ways to deliver small amounts of sanitizer to folks who cannot make it to the filling station. Hand sanitizer is also coming back into the stores.

COVID-19 City Cost Savings				
Type	Amount Per Week		Avg # of Weeks	Total
Aquatics	\$	14,300		200,200
<i>Staff</i>		<i>14,300</i>		<i>200,200</i>
Furloughed/Not scheduled		6,500	14.00	91,000
Unfilled Vacancy		4,500	14.00	63,000
On-loan for Vacant postion		-	-	-
On-loan for COVID-19 response		3,300	14.00	46,200
<i>Commodities and Services</i>		-	-	-
Treadwell	\$	1,200		13,200
<i>Staff</i>		<i>1,200</i>		<i>13,200</i>
Furloughed		-	-	-
Unfilled Vacancy		-	-	-
On-loan for Vacant postion		-	-	-
On-loan for COVID-19 response		1,200	11.00	13,200
<i>Commodities and Services</i>		-	-	-
Parks and Landscape	\$	8,050		16,100
<i>Staff</i>		<i>8,050</i>		<i>16,100</i>
Furloughed/Not scheduled		-	-	-
Unfilled Vacancy		8,050	2.00	16,100
On-loan for Vacant postion		-	-	-
On-loan for COVID-19 response		-	-	-
<i>Commodities and Services</i>		-	-	-
Facilities Maintenance	\$	6,300		88,200
<i>Staff</i>		<i>5,300</i>		<i>74,200</i>
Furloughed/Not scheduled		-	-	-
Unfilled Vacancy		-	-	-
On-loan for Vacant postion		-	-	-
On-loan for COVID-19 response		5,300	14	74,200
<i>Commodities and Services</i>		<i>1,000</i>	<i>14.00</i>	<i>14,000</i>
Arboretum	\$	750		750
<i>Staff</i>		<i>750</i>		<i>750</i>
Furloughed/Not scheduled		-		-
Unfilled		750	1.00	750
On-loan for Vacant postion		-	-	-
On-loan for COVID-19 response		-	-	-
<i>Commodities and Services</i>		-	-	-
Recreation	\$	15,200		212,800
<i>Staff</i>		<i>15,200</i>		<i>212,800</i>
Furloughed/Not scheduled		300	14.00	4,200
Unfilled Vacancy		1,300	14.00	18,200
On-loan for Vacant postion		-	-	-
On-loan for COVID-19 response		13,600	14.00	190,400
<i>Commodities and Services</i>		-	-	-
Libraries & Museum	\$	16,613		211,054
<i>Staff</i>		<i>16,613</i>		<i>211,054</i>
Furloughed/Not scheduled		1,036	14.00	14,504
Unfilled Vacancy		1,656	1.00	1,656
On-loan for Vacant postion		3,543	14.00	49,602
On-loan for COVID-19 response		10,378	14.00	145,292
<i>Commodities and Services</i>		-	-	-
TOTAL STAFF	\$	61,413	\$	728,304.00
TOTAL COMMODITIES & SERVICES	\$	1,000	\$	14,000.00
TOTAL COVID-19 COST SAVINGS	\$	62,413.00	\$	-
			\$	742,304.00

116TH CONGRESS
2D SESSION

S. _____

To allow Coronavirus Relief Fund payments to be used to replace revenue shortfalls resulting from COVID-19.

IN THE SENATE OF THE UNITED STATES

Mr. SULLIVAN (for himself, Mr. WHITEHOUSE, Ms. MURKOWSKI, Mrs. CAPITO, Mr. CRAMER, and Mr. KING) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To allow Coronavirus Relief Fund payments to be used to replace revenue shortfalls resulting from COVID-19.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Coronavirus Relief
5 Fund Flexibility Act”.

6 **SEC. 2. USE OF CORONAVIRUS RELIEF FUND PAYMENTS TO** 7 **REPLACE LOST REVENUE.**

8 Effective as if included in the enactment of the
9 Coronavirus Aid, Relief, and Economic Security Act (Pub-
10 lic Law 116–136), subsection (d) of section 601 of the

1 Social Security Act, as added by section 5001(a) of the
2 Coronavirus Aid, Relief, and Economic Security Act, is
3 amended to read as follows:

4 “(d) USE OF FUNDS.—A State, Tribal government,
5 and unit of local government shall use the funds provided
6 under a payment made under this section to cover only
7 those costs of the State, Tribal government, or unit of
8 local government that—

9 “(1) are necessary expenditures incurred due to
10 the public health emergency with respect to the
11 Coronavirus Disease 2019 (COVID–19) during the
12 period that begins on March 1, 2020, and ends on
13 December 31, 2020; or

14 “(2) are necessary to replace State or govern-
15 ment revenue shortfalls resulting from the
16 Coronavirus Disease 2019 (COVID–19) during the
17 period that begins on March 1, 2020, and ends on
18 December 31, 2020.”.

**Coronavirus Relief Fund
Frequently Asked Questions
Updated as of May 4, 2020**

The following answers to frequently asked questions supplement Treasury’s Coronavirus Relief Fund (“Fund”) Guidance for State, Territorial, Local, and Tribal Governments, dated April 22, 2020, (“Guidance”).¹ Amounts paid from the Fund are subject to the restrictions outlined in the Guidance and set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

Eligible Expenditures

Are governments required to submit proposed expenditures to Treasury for approval?

No. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19 and do not need to submit any proposed expenditures to Treasury.

The Guidance says that funding can be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. How does a government determine whether payroll expenses for a given employee satisfy the “substantially dedicated” condition?

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

The Guidance says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a “substantially different use” for purposes of the Fund eligibility?

Costs incurred for a “substantially different use” include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty’s ordinary responsibilities.

Note that a public function does not become a “substantially different use” merely because it is provided from a different location or through a different manner. For example, although developing online

¹ The Guidance is available at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

May a State receiving a payment transfer funds to a local government?

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act. Such funds would be subject to recoupment by the Treasury Department if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

May a unit of local government receiving a Fund payment transfer funds to another unit of government?

Yes. For example, a county may transfer funds to a city, town, or school district within the county and a county or city may transfer funds to its State, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, a transfer from a county to a constituent city would not be permissible if the funds were intended to be used simply to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify as an eligible expenditure.

Is a Fund payment recipient required to transfer funds to a smaller, constituent unit of government within its borders?

No. For example, a county recipient is not required to transfer funds to smaller cities within the county's borders.

Are recipients required to use other federal funds or seek reimbursement under other federal programs before using Fund payments to satisfy eligible expenses?

No. Recipients may use Fund payments for any expenses eligible under section 601(d) of the Social Security Act outlined in the Guidance. Fund payments are not required to be used as the source of funding of last resort. However, as noted below, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement.

Are there prohibitions on combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief Federal funding?

Recipients will need to consider the applicable restrictions and limitations of such other sources of funding. In addition, expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds, are not eligible uses of Fund payments.

Are States permitted to use Fund payments to support state unemployment insurance funds generally?

To the extent that the costs incurred by a state unemployment insurance fund are incurred due to the COVID-19 public health emergency, a State may use Fund payments to make payments to its respective state unemployment insurance fund, separate and apart from such State's obligation to the unemployment insurance fund as an employer. This will permit States to use Fund payments to prevent expenses related to the public health emergency from causing their state unemployment insurance funds to become insolvent.

Are recipients permitted to use Fund payments to pay for unemployment insurance costs incurred by the recipient as an employer?

Yes, Fund payments may be used for unemployment insurance costs incurred by the recipient as an employer (for example, as a reimbursing employer) related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

The Guidance states that the Fund may support a “broad range of uses” including payroll expenses for several classes of employees whose services are “substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” What are some examples of types of covered employees?

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Payroll and benefit costs associated with public employees who could have been furloughed or otherwise laid off but who were instead repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency are also covered. Other eligible expenditures include payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction in response to COVID-19-related school closures. Please see the Guidance for a discussion of what is meant by an expense that was not accounted for in the budget most recently approved as of March 27, 2020.

In some cases, first responders and critical health care workers that contract COVID-19 are eligible for workers’ compensation coverage. Is the cost of this expanded workers compensation coverage eligible?

Increased workers compensation cost to the government due to the COVID-19 public health emergency incurred during the period beginning March 1, 2020, and ending December 30, 2020, is an eligible expense.

If a recipient would have decommissioned equipment or not renewed a lease on particular office space or equipment but decides to continue to use the equipment or to renew the lease in order to respond to the public health emergency, are the costs associated with continuing to operate the equipment or the ongoing lease payments eligible expenses?

Yes. To the extent the expenses were previously unbudgeted and are otherwise consistent with section 601(d) of the Social Security Act outlined in the Guidance, such expenses would be eligible.

May recipients provide stipends to employees for eligible expenses (for example, a stipend to employees to improve telework capabilities) rather than require employees to incur the eligible cost and submit for reimbursement?

Expenditures paid for with payments from the Fund must be limited to those that are necessary due to the public health emergency. As such, unless the government were to determine that providing assistance in the form of a stipend is an administrative necessity, the government should provide such assistance on a reimbursement basis to ensure as much as possible that funds are used to cover only eligible expenses.

May Fund payments be used for COVID-19 public health emergency recovery planning?

Yes. Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance.

Are expenses associated with contract tracing eligible?

Yes, expenses associated with contract tracing are eligible.

To what extent may a government use Fund payments to support the operations of private hospitals?

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

May payments from the Fund be used to assist individuals with enrolling in a government benefit program for those who have been laid off due to COVID-19 and thereby lost health insurance?

Yes. To the extent that the relevant government official determines that these expenses are necessary and they meet the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance, these expenses are eligible.

May recipients use Fund payments to facilitate livestock depopulation incurred by producers due to supply chain disruptions?

Yes, to the extent these efforts are deemed necessary for public health reasons or as a form of economic support as a result of the COVID-19 health emergency.

Would providing a consumer grant program to prevent eviction and assist in preventing homelessness be considered an eligible expense?

Yes, assuming that the recipient considers the grants to be a necessary expense incurred due to the COVID-19 public health emergency and the grants meet the other requirements for the use of Fund payments under section 601(d) of the Social Security Act outlined in the Guidance. As a general matter, providing assistance to recipients to enable them to meet property tax requirements would not be an eligible use of funds, but exceptions may be made in the case of assistance designed to prevent foreclosures.

May recipients create a “payroll support program” for public employees?

Use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

May recipients use Fund payments to cover employment and training programs for employees that have been furloughed due to the public health emergency?

Yes, this would be an eligible expense if the government determined that the costs of such employment and training programs would be necessary due to the public health emergency.

May recipients use Fund payments to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency?

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, a program to assist individuals with payment of overdue rent or mortgage payments to avoid eviction or foreclosure or unforeseen financial costs for funerals and other emergency individual needs. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a “small business,” and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

May Fund payments be used to assist impacted property owners with the payment of their property taxes?

Fund payments may not be used for government revenue replacement, including the provision of assistance to meet tax obligations.

May Fund payments be used to replace foregone utility fees? If not, can Fund payments be used as a direct subsidy payment to all utility account holders?

Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

Could Fund payments be used for capital improvement projects that broadly provide potential economic development in a community?

In general, no. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

The Guidance includes workforce bonuses as an example of ineligible expenses but provides that hazard pay would be eligible if otherwise determined to be a necessary expense. Is there a specific definition of “hazard pay”?

Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

The Guidance provides that ineligible expenditures include “[p]ayroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” Is this intended to relate only to public employees?

Yes. This particular nonexclusive example of an ineligible expenditure relates to public employees. A recipient would not be permitted to pay for payroll or benefit expenses of private employees and any financial assistance (such as grants or short-term loans) to private employers are not subject to the restriction that the private employers’ employees must be substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

May counties pre-pay with CARES Act funds for expenses such as a one or two-year facility lease, such as to house staff hired in response to COVID-19?

A government should not make prepayments on contracts using payments from the Fund to the extent that doing so would not be consistent with its ordinary course policies and procedures.

Questions Related to Administration of Fund Payments

Do governments have to return unspent funds to Treasury?

Yes. Section 601(f)(2) of the Social Security Act, as added by section 5001(a) of the CARES Act, provides for recoupment by the Department of the Treasury of amounts received from the Fund that have not been used in a manner consistent with section 601(d) of the Social Security Act. If a government has not used funds it has received to cover costs that were incurred by December 30, 2020, as required by the statute, those funds must be returned to the Department of the Treasury.

What records must be kept by governments receiving payment?

A government should keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act

May recipients deposit Fund payments into interest bearing accounts?

Yes, provided that if recipients separately invest amounts received from the Fund, they must use the interest earned or other proceeds of these investments only to cover expenditures incurred in accordance with section 601(d) of the Social Security Act and the Guidance on eligible expenses. If a government deposits Fund payments in a government’s general account, it may use those funds to meet immediate cash management needs provided that the full amount of the payment is used to cover necessary

expenditures. Fund payments are not subject to the Cash Management Improvement Act of 1990, as amended.

May governments retain assets purchased with payments from the Fund?

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act.

What rules apply to the proceeds of disposition or sale of assets acquired using payments from the Fund?

If such assets are disposed of prior to December 30, 2020, the proceeds would be subject to the restrictions on the eligible use of payments from the Fund provided by section 601(d) of the Social Security Act.

HALE CORRECTION
City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, April 15, 2020, 5:00 PM

B. Resolution 2629 Restricted Budget Reserve

Mr. Watt discussed CBJ Resolution 2629 that was passed in 2012 which establishes guidelines for the amount, use, and replenishment of the restricted budget reserve.

Mr. Watt responded to Assembly questions.

Mr. Rogers responded to Assembly questions.

Ms. Bonnet Hale requested that the City Manager begin discussion with CBJ unions regarding a temporary reduction in CBJ employee salaries in order to reduce CBJ-wide personnel costs in response to the projected budget deficit.

HALE CORRECTION
City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Virtual Meeting Only
Wednesday, April 22, 2020

C. **Debt Service (budget page 182)**

Mr. Rogers presented Debt Service Overview Memo.

In January the Assembly Finance Committee voted to direct staff to introduce an ordinance that would pay unrestricted school bond debt from the unrestricted fund balance. This appropriation would have transferred unrestricted general funds into the debt service fund. Once the COVID-19 pandemic was more fully understood, the Finance Department thought that the Assembly would be interested in reconsidering this issue.

For simplicity CBJ has recommended that unreimbursed school bond debt be paid from the debt service fund balance, and that the debt service mil rate be set at 1.2, which is consistent with the Manager's proposed budget.

Mr. Rogers responded to Assembly questions.

Ms. Gladziszewski stated she believes it is reasonable to assume that the 50% of school bond debt will continue to be unpaid by the State and the Assembly should account for that in the debt service mil levy v. masking the debt by transferring general funds in order to fund unpaid school bond debt.

Ms. Hale agreed with Ms. Gladziszewski for the sake of transparency. When the Assembly voted to assume the school bond debt last year in response to the governor's veto, there was discussion around how the school bond debt would be paid.

Motion: by Maria Gladziszewski to not transfer general fund monies into the debt service reimbursement fund balance in FY20.

Ms Gladziszewski clarifies that this motion is separate from the debt service mil levy and will not singularly affect the mil rate.

Mayor Weldon objected to ask a clarifying question.

Mr. Rogers responded to question regarding the schedule of actions.

Minutes - Assembly Finance Committee Meeting

Wednesday, April 22, 2020

Immediately following a Special Assembly Meeting beginning at 5:00 PM

Mayor Weldon withdrew her objection.

Mr. Bryson objected to the motion in order to preserve a portion of the debt service fund balance.

Mr. Rogers responded to Assembly questions.

Roll call votes:

Ayes: Gladyszewski, Edwarson, Hughes-Skandijs, Smith, Jones.

Nays: Bryson, Hale, Triem, Weldon.

Absent: None

Motion passed 5/4.