Voter Information
October 5, 2010 Municipal Election

Proposition 1:
Authorizing $18.7 Million in General Obligation Bonds For Auke Bay School Renovation

Proposition 2:
Extend Temporary 1% Sales Tax For Ten Years

Proposition 3:
Charter Commission
Proposition 1 - Authorizing $18.7 Million in General Obligation Bonds For Auke Bay Elementary School Renovation

What is the purpose of Proposition 1?

If voters approve Proposition 1, $18.7 million in general obligation bonds will be issued to renovate Auke Bay Elementary School. Renovations would include, but not be limited to, site improvements, mechanical upgrades, electrical upgrades, building code upgrades, hazardous materials abatement, general renovation of the building including the entry, classrooms, music, library, and administration spaces, and other programmatic and functional improvements required to meet current District standards.

Why renovate Auke Bay Elementary School?

Auke Bay Elementary School was built in 1968. Major structural improvements were completed in 1980 and the library and a pair of kindergarten classrooms were added in 1991. The school is over 40 years old and the facility is in need of significant renovations to meet the School District educational requirements. The proposed renovation is the top priority of the Juneau School District. Harborview and Glacier Valley Elementary Schools have undergone similar major facility renovations in the past three years and Gastineau is scheduled to begin major renovations in 2011.

How does the State of Alaska reimburse cities for school projects, and what will happen if there is no funding?

Lawmakers adopted Senate Bill 73 this past year, allowing certain school construction projects to qualify for 70% debt reimbursement. This school project qualifies for 70% State reimbursement under the State’s School Construction Bond Debt Reimbursement Program. The funding for the State’s reimbursement program is subject to annual appropriation by the Legislature. The City and Borough of Juneau is responsible for the full payment of the debt on the bonds, regardless of whether the Legislature funds the 70% share.

If Proposition 1 is approved, how will it affect property taxes?

If voters approve Proposition 1, the CBJ estimates that the total debt service on the general obligation bonds, assuming an interest rate of 2.8%, will be $651,000 annually. This amount of debt service would require an annual tax levy of approximately $16 per $100,000 of assessed value for each of the next ten years.

These calculations assume the state reimburses the City and Borough of Juneau for 70% of the annual debt service for each of the ten years of debt payment. The actual mill levy will vary depending on total assessed property values and annual appropriations for the State’s School Construction Bond Debt Reimbursement Program.
What is the purpose of Proposition 2 and how will it affect the sales tax I pay?

The current 5% sales tax consists of the following three pieces:

- a 1% permanent tax,
- a 3% temporary (5 year) tax expiring 7-1-2012; and
- a 1% temporary (5 year) tax expiring 9-30-2013

This year, the question before voters is whether to approve an extension of the 1% temporary sales tax for ten years, with the intent to fund the design, permitting, and construction of a North Douglas Transportation Crossing.

If Proposition 2 is approved, the overall sales tax would remain at 5%. If the voters do not approve the extension, the sales tax would be reduced to 4% on October 1, 2013.

If Proposition 2 is approved, how would the sales tax revenues be spent?

It is the intent of the Assembly of the City and Borough of Juneau that taxes collected under this proposed extension of the temporary 1% sales tax shall be appropriated by the Assembly for the purpose of design, permitting, and construction of a North Douglas transportation crossing between the Glacier Highway interchange and Henrickson Point.

If approved, how long would the temporary sales tax be in effect and how much money would it generate?

The temporary 1% sales tax would be in effect from October 1, 2013 until September 30, 2023. The CBJ Finance Director estimates that the tax would generate approximately $94 million. These tax collections would be used to pay for both the project and anticipated project bond interest (financing) costs.

When would the project start if the voters approve Proposition 2?

If Proposition 2 is approved, the collection of the temporary sales tax for this project will not begin until October 1, 2013. To begin construction before all the sales tax revenues are realized (2023), some form of project borrowing would need to be identified, such as a General Obligation bond. If a General Obligation bond is required, voters would be given an opportunity to vote on the bonding at a future election.
Proposition 2
Extend Temporary 1% Sales Tax for Ten Years
Statement in Support
Rick Shattuck, Chair of the S.A.F.E. Committee

WHY BUILD THE CROSSING?

For close to a decade, a North Douglas Crossing has been the #1 transportation and emergency planning priority for our community.

Surveys have indicated that this may be among the most widely supported of any large infrastructure projects proposed in Juneau. The Juneau Police Department and Fire and Rescue have both strongly supported this project because it would:

- decrease the critical response time by police, fire and rescue to North Douglas;
- bypass the most dangerous stretch of North Douglas Highway; and
- provide critical secondary access in the event of Egan drive or Douglas bridge closure.

Among the reasons that Juneau residents support this project is that it would:

- reduce round trip travel distances to Eaglecrest from Lemon Creek and areas to the north by 22-24 miles; and
- open opportunities for future residential and economic development on West Douglas. Adding CBJ land and developed private property to the tax rolls would help offset the costs to our community.

WHY USE SALES TAX TO FUND THE CROSSING?

The North Douglas Crossing was removed from the State funding priority list in 2006. State or federal funding is highly unlikely. This will be an extension, not an addition, to the sales tax we already pay. The selected crossing corridor is within a cost range that can be funded with local dollars and can be built entirely on CBJ properties. The CBJ Assembly is in control at all times of the allocation of the sales tax revenues, if funds are needed for other priorities that supersede this voter approved ballot measure.

WHAT IS THE PROPOSED PROJECT?

The proposed corridor connects the Sunny Point interchange near Wal-Mart with CBJ land in the Henrickson Point area, approximately ½ mile south of Fish Creek Road. It can connect to a future bench road on Douglas Island. The estimated cost of the proposed project assumes reasonable environmental study and mitigation costs, similar to the recent airport safety improvements. Because the selected corridor can make use of the new Sunny Point intersection, it reduces costs by approximately $35 million compared to other alternatives.

The cost estimate is based on a proposed two lane 1.5 mile crossing with a separated grade bike and pedestrian path, midpoint turnout, and a 550’ bridge across the navigable channel providing 16’ of clearance at a 22’ high tide.

SUMMARY

By extending the sale tax we currently pay, we can fund this #1 transportation priority project for Juneau. The location identified provides the least costly option, and is one of two corridors identified in previous environmental studies as having the least impact on the wetlands. Without local support and funding, this project is highly unlikely to be completed within the next generation, and costs will continue to escalate.

Let’s take control of our destiny, and send a clear message to our community leaders that we need this crossing for safety, access and our community’s future!
Proposition 2
Extend Temporary 1% Sales Tax for Ten Years

Statement in Opposition
Ernst Mueller, Former CBJ Public Works Director and ADEC Commissioner
Jon K. Tillinghast, Local Business Owner and 36-year Natural Resource Attorney

Proposition 2 is about neither the value of a North Douglas crossing nor anybody’s safety. Indeed, this proposal will, in our judgment, probably delay completion of a crossing by years.

Rather, Prop. 2 is a proposed tax increase, extending our so-called “temporary” sales tax (representing 20% of the total sales tax) for 10 more years with the intent of earmarking $91 million (almost all of the proceeds of that tax) in an attempt to build a dam-like structure across Sunny Point. Sunny Point, of course, is not the crossing location chosen by years of study and public input (the preferred alternative is Vanderbilt Hill).

This would be the largest single diversion of city sales tax revenue in the CBJ’s history, and it would leave (in the words of one City finance official) “no viable funding source” for any of the other projects that are usually built with this temporary tax money—projects like the ice rink, the new police station and Bartlett renovations. Want a second ice rink, or the Arctic Winter Games? Want to contribute to a new state capitol building? Does your neighborhood association have a project in mind? You can forget all of that until 2024, if Prop. 2 passes.

In personal terms, the scheme will cost the average Juneau family about $6000 over the 10-year period. And, the actual impact of this project on your own pocketbook is probably greater, given the notorious inaccuracy of initial cost estimates. Two recent examples: the WalMart overpass (estimate: $20 million; cost: $40 million) and the Gustavus Dock (estimate: $7.5 million; ultimate cost: over $20 million). Already, unbiased estimates for this project, including necessary bond interest, run to $135 million.

So why are we using a decade, or more, of your grocery money to build this project when, based on first quarter FY 2011 allocations, the federal government will be apportioning to Alaska about $500 million in highway aid (not counting earmarks) in this upcoming fiscal year alone?

It is because the proponents hope to avoid federal environmental laws intended to protect parks and wetlands.

But the scheme won’t work. The project will be subject to rigorous federal scrutiny, and we do not believe there is any reasonable chance that this project can be permitted. S.A.F.E.’s rough drawing of this proposal depicts a rock fill splitting the Mendenhall Refuge in two, with three culverts to let some water through and a navigation chute with 16-ft. clearance at high tide—34 feet short of Coast Guard minimums. Regulators won’t be amused.

And so, the CBJ will spend millions of dollars of your sales tax money pushing a proposed project that will likely die, years from now, on the permitter’s desk, wasting those years in the building of a responsible second crossing. For everyone waiting for a second route to Bartlett Hospital, that is indeed a serious safety concern.
Proposition 3
Charter Commission

What is the purpose of Proposition 3?
The CBJ Charter was ratified by voters in 1970 after three years of work sessions and public hearings by the voter elected Charter Commission. The Charter, Juneau’s “constitution,” is the document that establishes the name and the boundaries of the City and Borough of Juneau, sets out the powers and duties of the Assembly and the officers of the city, and lays out the general organization of the city. Only the voters can amend the Charter, and they have approved several amendments since 1970. The Charter also requires that the question “Shall there be a Charter Commission to review or amend the Charter?” be put before the voters every ten years.

What is the difference between charter amendments on the regular election ballot and the creation of the Charter Commission?
A charter amendment is a specific change to an identified section of the Charter. A Charter Commission is like a constitutional convention; it is an unrestricted review of the Charter by an elected nine member Charter Commission.

What is the next step if voters approve Proposition 3?
If Proposition 3 is approved, Charter Amendment Section 14.4 provides that “If a majority of the qualified voters voting on the question vote “yes,” nine qualified voters to serve as the Charter Commission shall be chosen at the next regular election or at a special election. The commission members shall be elected on the same basis of representation as assembly members. A vacancy shall be filled by the commission with a qualified voter representing the same area as the vacating member.”

The Charter requires the costs, fees, and other expenses of the Charter Commission to be paid by the municipality, and the assembly shall provide compensation for commission members. Amendments proposed by the majority of the commission members must be submitted to the voters for approval.

What charter amendments have been on the ballot since the Charter Commission question in 2000?
Juneau voters have voted on three charter amendments since 2000. In 2005, voters adopted two amendments to the charter; one regarding competitive bidding procedures and the other regarding special elections. In 2006, voters adopted an amendment revising Section 10.13 Interest and Profits From Investments.
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<th>Precinct Number</th>
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<tr>
<td>03 300</td>
<td>Douglas</td>
<td>Douglas Library</td>
<td>1016 Third Street, Douglas</td>
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<tr>
<td>03 310</td>
<td>Juneau No. 1</td>
<td>Juneau Arts and Culture Center (aka Downtown Armory)</td>
<td>350 Whittier Ave., Juneau</td>
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<td>03 320</td>
<td>Juneau No. 2</td>
<td>Holy Trinity Church</td>
<td>325 Gold St., Juneau</td>
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<td>03 330</td>
<td>Juneau No. 3</td>
<td>Juneau Senior Center</td>
<td>895 W. 12th St., Juneau</td>
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<td>Juneau No. 4</td>
<td>Cedar Park</td>
<td>3414 Foster Ave., Juneau</td>
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<td>03 350</td>
<td>Juneau Airport</td>
<td>Nugget Mall</td>
<td>8745 Glacier Highway, Juneau</td>
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<td>03 360</td>
<td>Lemon Creek</td>
<td>AEL&amp;P</td>
<td>5601 Tonsgard Ct., Juneau</td>
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<td>03 370</td>
<td>North Douglas</td>
<td>Juneau Fire Station</td>
<td>820 Glacier Ave., Juneau</td>
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<td>03 380</td>
<td>Salmon Creek</td>
<td>Tlingit &amp; Haida Community Council Building</td>
<td>3235 Hospital Drive, Juneau</td>
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<td>Gruening Park Recreation Center</td>
<td>1800 Northwood Drive, Juneau</td>
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<td>Mendenhall Valley No. 1</td>
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<td>9105 Mendenhall Mall Rd., Juneau</td>
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<td>Aldersgate United Methodist Church</td>
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<td>Glacier Valley Baptist Church</td>
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<td>04 450</td>
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<td>04 460</td>
<td>Lynn Canal</td>
<td>Auke Bay Ferry Terminal</td>
<td>13.8 Mile Glacier Highway, Juneau</td>
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The polls will be open on Tuesday, October 5th
7:00 a.m. to 8:00 p.m.

If you don’t know which precinct you are in, call the State of Alaska Polling Place Locator at 888-383-8663. If you have questions regarding absentee or early voting, please contact the Municipal Clerks Office at 586-5278.
Postal Customer
Juneau, Alaska

Paid for by the City and Borough of Juneau, 155 South Seward Street, Juneau, Ak 99801