

**ALASKA STATE LEGISLATURE
LEGISLATIVE COUNCIL**

**AUGUST 28, 2023
2:00 PM**

MEMBERS PRESENT

Senator Elvi Gray-Jackson, Chair
Representative Kevin McCabe, Vice Chair
Senator Click Bishop
Senator Matt Claman
Senator Jesse Kiehl
Senator Bert Stedman (alternate)
Senator Gary Stevens
Representative Bryce Edgmon
Representative Sara Hannan
Representative Craig Johnson
Representative George Rauscher
Representative Dan Saddler
Representative Cathy Tilton

MEMBERS ABSENT

Senator Lyman Hoffman
Senator Donny Olson

AGENDA

APPROVAL OF AGENDA
APPROVAL OF MINUTES
CONTRACT APPROVALS
COMMITTEE BUSINESS - EXECUTIVE SESSION
OTHER COMMITTEE BUSINESS

SPEAKER REGISTER

Jessica Geary, Executive Director, Legislative Affairs
Agency (LAA)
JC Kestel, Procurement Officer, LAA
Rayme Vinson, Chief of Security, LAA (Executive Session)

I. CALL TO ORDER

2:02:56 PM

CHAIR GRAY-JACKSON called the Legislative Council meeting to order at 2:03 pm on August 28, 2023. Present at the call were: Senators Bishop, Claman, Gray-Jackson, Kiehl, Stedman; Representatives Edgmon, Hannan, Johnson, McCabe, Rauscher, Saddler, Tilton.

Twelve members present at the call.

Senator Stevens joined the meeting at 4:32 pm.

II. APPROVAL OF AGENDA

2:04:31 PM

VICE CHAIR MCCABE moved that Legislative Council approve the agenda as presented.

The agenda was approved without objection.

III. APPROVAL OF MINUTES

2:04:52 PM

VICE CHAIR MCCABE moved that Legislative Council approve the minutes for April 18, 2023, as presented.

The minutes were approved without objection.

IV. CONTRACT APPROVALS

a. Anchorage Legislative Office Building (ALOB) Building Contracts

i. Janitorial Contract Renewal

2:05:15 PM

VICE CHAIR MCCABE moved that Legislative Council approve Renewal Number 2 of the contract for janitorial services with Q1 Services, LLC, in the amount not to exceed \$56,000.

CHAIR GRAY-JACKSON objected for the purpose of discussion and asked Mr. Kestel to speak to this item.

JC KESTEL, Procurement Officer (LAA), said contract Renewal Number 1 with Q1 Services, LLC for janitorial services at the ALOB expires August 31, 2023. The second renewal option is for the period of September 1, 2023, through August 31,

2024. If approved, there would be three one-year renewal options remaining before a new solicitation must be issued.

There was no discussion and Chair Gray-Jackson removed her objection.

2:07:10 PM

A roll call vote was taken.

YEAS: Senators Bishop, Claman, Gray-Jackson, Kiehl, Stedman; Representatives Edgmon, Hannan, Johnson, McCabe, Rauscher, Saddler, Tilton

NAYS: None

The motion passed 12-0.

ii. Snow Removal Contract Renewal

2:07:50 PM

VICE CHAIR MCCABE moved that Legislative Council approve Renewal Number 2 of the contract for snow removal services at the Anchorage Legislative Office Building with Kelly Incorporated, dba A-1 Lawn and Landscaping, in an amount not to exceed \$65,000.

CHAIR GRAY-JACKSON objected for the purpose of discussion and asked Mr. Kestel to speak to this item.

MR. KESTEL stated that this was the second contract renewal for snow removal services; and the Agency has been satisfied with the contractor's services thus far. Renewal Number 2 is for the period of October 5, 2023, through October 4, 2024, and would leave the Agency with three one-year renewal options.

REPRESENTATIVE SADDLER asked if the contract amount was a flat rate for snow removal for the year or was there opportunity for overages if it was a heavy snowfall year.

MR. KESTEL stated the contractor bills an hourly rate for required services, including snow removal, sanding, and de-icing in addition to plowing. If the total amount of all snow removal services exceeds the contract limit of \$65,000 for the year, there would be additional charges. In response to a follow-up question by Representative Saddler, he confirmed that if it was a light snow year, the total amount spent for snow removal services could be less than

\$65,000; and any unspent funds would be returned to the budget for ALOB operations.

There was no further discussion and Chair Gray-Jackson removed her objection.

2:11:08 PM

A roll call vote was taken.

YEAS: Senators Bishop, Claman, Gray-Jackson, Kiehl, Stedman; Representatives Edgmon, Hannan, Johnson, McCabe, Rauscher, Saddler, Tilton

NAYS: None

The motion passed 12-0.

b. Kodiak LIO Lease Renewal

2:11:57 PM

VICE CHAIR MCCABE moved that Legislative Council approve Renewal Number 1 of the lease extension for Kodiak office space in the amount of \$69,979.56.

CHAIR GRAY-JACKSON objected for the purpose of discussion and asked Mr. Kestel to speak to this item.

MR. KESTEL stated that this is the first renewal of the lease extension for the Kodiak office space for the period of November 1, 2023, through October 31, 2024. If approved, there would be four one-year renewal options remaining before a new solicitation would have to be issued.

VICE CHAIR MCCABE asked if there was a Request for Proposals (RFP) performed for the Kodiak office space, and if so, how many proposals were received.

MR. KESTEL said he believed the RFP for Kodiak office space was conducted in 2011, which was before his time as procurement officer, so he would need to get back to the Committee with that answer. He said what is currently before Council is the first renewal of a lease extension for this facility.

VICE CHAIR MCCABE followed up to ask for confirmation that because this was a lease extension, no RFP was required.

MR. KESTEL confirmed that RFPs were not required for lease extensions, which are instead determined by a fair market

value analysis conducted by a third-party broker. The Agency is statutorily required to obtain ten percent below market value to proceed with a lease extension offer to the lessor. When the lease extension was authorized by Legislative Council five years ago, LAA obtained ten percent below the market value of office space lease rates in that area. As a result of recent consumer price index (CPI-U) increases, which are based on the rate of inflation, there has been a slight increase in office space lease costs statewide. Legislative leases are calculated to include an annual adjustment based on annual CPI-U rates.

Mr. Kestel, in response to a follow-up question by Vice Chair McCabe, stated that the building is owned by Trident Seafoods Corporation.

There was no further discussion and Chair Gray-Jackson removed her objection.

[2:16:02 PM](#)

A roll call vote was taken.

YEAS: Senators Bishop, Claman, Gray-Jackson, Kiehl, Stedman; Representatives Edgmon, Hannan, Johnson, McCabe, Rauscher, Saddler, Tilton

NAYS: None

The motion passed 12-0.

V. COMMITTEE BUSINESS - EXECUTIVE SESSION

[2:16:57 PM](#)

VICE CHAIR MCCABE moved and asked unanimous consent that Legislative Council go into Executive Session under Uniform Rule 22(B)(1), discussion of matters, the immediate knowledge of which would adversely affect the finances of a government unit, and 22(B)(3), discussion of a matter that may, by law, be required to be confidential. The following individuals may remain in the room or online during Executive Session: Jessica Geary, Emily Nauman, Molly Kiesel, JC Kestel, Rayme Vinson, Alex Fredrick, Megan Wallace, Matt Simpson, Ernest Daigle, any legislators not on Legislative Council, and any staff of Legislative Council members.

[2:17:42 PM](#)

A roll call vote was taken.

YEAS: Senators Bishop, Claman, Grey-Jackson, Kiehl, Stedman; Representatives Edgmon, Hannan, Johnson, McCabe, Rauscher, Saddler, Tilton

NAYS: None

The motion passed 12-0

[2:18:00 PM](#)

Council went into Executive Session.

[4:09:51 PM](#)

Council came out of Executive Session.

A roll call vote was taken to establish a quorum.

YEAS: Senators Bishop, Claman, Gray-Jackson, Kiehl, Stedman; Representatives Edgmon, Hannan, Johnson, McCabe, Rauscher, Saddler, Tilton.

Twelve members present.

a. RFP - Assembly Building Furnishings

[4:10:43 PM](#)

VICE CHAIR MCCABE moved that Legislative Council approve the award of RFP 662 - Assembly Building Apartments Furnishings to Capital Office Systems not to exceed contract value of \$734,465.

CHAIR GRAY-JACKSON objected for the purpose of discussion and asked Ms. Geary and Mr. Kestel to speak to this item.

JESSICA GEARY, Executive Director (LAA), stated that the overall Assembly Building project is slightly ahead of schedule and slightly under budget. In a recent tour of the building, she noted the third floor was fully sheet-rocked and painting had started; and she was available for questions about the overall construction project.

REPRESENTATIVE RAUSCHER expressed his appreciation for all the hard work that has gone into this project.

CHAIR GRAY-JACKSON asked for the record what would happen if Council did not approve this contract.

MS. GEARY said at this point, if it was acceptable to the Chair, it might be helpful for Mr. Kestel to first briefly

speak to the RFP, then discuss what would happen if the RFP was not awarded.

MR. KESTEL stated that the Agency issued RFP 662 on August 1, 2023, to solicit furnishings for the Assembly Building Apartments. The Agency published the RFP on the State's online public notice site, as well as contacting several dealers throughout the state. When RFP 662 closed on August 22, 2023, only one proposal was received that was considered responsive to the RFP and it was scored by the Performance Evaluation Committee (PEC) to ensure it met all requirements and intent of the RFP. The PEC recommended the award of that contract to Capital Office Systems for the furnishings.

Mr. Kestel, in response to Vice Chair McCabe, said that a total of two proposals were received; however, one proposal was received after the RFP deadline and Legislative Procurement Procedures prohibits consideration of late proposals. RFP 662 had a 21-day solicitation period that closed August 22.

MS. GEARY stated that failure to award this contract to Capital Office Systems would result in the Agency having to essentially throw this procurement away and go back out to bid. She said there is the possibility that, after award of the contract, the Agency may be able to negotiate with the contractor to work to lower the price per some item and/or reduce the item list; however, she cautioned that the bid submitted is based on purchasing 484 items so reducing the number of items could result in an increase in price per item. She asked Mr. Kestel if he had anything useful to add.

MR. KESTEL stated that in his experience there are only one or two vendors in the state capable of projects like this, and only one of them submitted a proposal for this project; so if the Agency were to re-solicit, the outcome would be similar. He added that if a new solicitation were required, furnishings would not be received before the start of session.

REPRESENTATIVE HANNAN, expressing her support for the motion, stated that it is critical that the 33 apartments are ready for occupancy on the first day of session, to include furnishings, otherwise the units won't be rented by those for whom the building was intended. She said the Juneau Community Foundation gifted this building to lessen the burden of finding housing for those who serve in the

Legislature, both elected officials and their staff, who migrate to Juneau for up to five months each session. She concluded that this vote is important to take, and the purchase of furniture needs to go forward for our investment and to be able to serve us as we hoped.

SENATOR CLAMAN called the question.

4:20:18 PM

Council took a brief at-ease.

4:23:28 PM

Council returned from at-ease. Senator Claman withdrew his calling of the question.

VICE CHAIR MCCABE, after confirmation by Ms. Geary that the Legislature has approximately 250 employees, estimated that around 310 people would potentially be eligible for an apartment in this building, which means that less than ten percent could be accommodated. He said at a cost of \$750,000 he was not sure the expense for furniture was a sound return on investment or that this was an appropriate use of state funds.

REPRESENTATIVE EDGMON said that this process is fairly far along, and he was unsure if a second solicitation would provide different results. He asked if Council could table this motion for now or perhaps request a second RFP, though there might not be time for that.

REPRESENTATIVE SADDLER suggested cutting items that may not be essential from the list to reduce costs.

CHAIR GRAY-JACKSON asked Mr. Kestel to comment on the process related to reissuing the RFP.

MR. KESTEL stated that reissuing an RFP would take a couple of weeks to prepare. The RFP would then need to be posted for 21 days unless otherwise authorized to shorten that time. Once the solicitation period ended, there would be an additional one to two weeks for the PEC to evaluate the proposals, then Council would need to meet to consider and potentially award a contract. He concluded by saying that during the process for this RFP, vendors indicated that furniture orders would need to be placed by mid-September to ensure receipt of the items in December.

CHAIR GRAY-JACKSON asked Ms. Geary her thoughts regarding Representative Saddler's remarks.

MS. GEARY said the question would be if the Agency would be able to renegotiate with the vendor to reduce the scope without first awarding the contract. She asked Mr. Kestel, or perhaps Ms. Nauman, or Ms. Wallace to speak to what might be possible.

MR. KESTEL responded that typically the ability to negotiate needs to be written into the RFP for negotiations to be allowable; in this particular RFP, that option was not included. Changing the terms of the RFP after a contract is awarded could result in challenges and potential lawsuits.

[4:31:54 PM](#)

Council took a brief at-ease.

[4:33:24 PM](#)

Council returned from at-ease.

Senator Stevens joined the meeting at 4:32pm. Seeing and hearing no further discussion, Chair Gray-Jackson removed her objection.

[4:33:33 PM](#)

A roll call vote was taken.

YEAS: Senators Bishop, Claman, Gray-Jackson, Kiehl, Stedman, Stevens; Representatives Edgmon, Hannan

NAYS: Representatives Johnson, McCabe, Rauscher, Saddler, Tilton

The motion passed 8-5.

b. RFQ 665 - Assembly Building Window Coverings

[4:34:51 PM](#)

VICE CHAIR MCCABE moved that the Legislative Council approve the award of RFQ 665 - Assembly Building Apartments Window Shades to Don Abel Building Supply Incorporated with a not-to-exceed contract value of \$74,750.

CHAIR GRAY-JACKSON objected for the purpose of discussion and asked Mr. Kestel to speak to this item.

MR. KESTEL stated that RFQ 665 was issued to secure window shades for the Assembly Building Apartments. On August 4, 2023, LAA published RFQ 665 on the State's public notice

site and emailed it to several known contractors in the state. On August 28, 2023, RFQ 665 closed with three bids received: Dawson Construction, Don Abel Building Supply, and Premier Construction, LLC. The RFQ evaluation was based on best total price on all work products combined. Each bid was evaluated to ensure it met the minimum requirements, and Don Abel Building Supply was determined to have submitted the lowest bid; therefore, it is recommended Council award RFQ 665 to Don Abel Building Supply.

REPRESENTATIVE RAUSCHER stated his support for this item.

There was no further discussion and Chair Gray-Jackson removed her objection.

4:37:06 PM

A roll call vote was taken.

YEAS: Senators Bishop, Claman, Gray-Jackson, Kiehl, Stedman, Stevens; Representatives Edgmon, Hannan, Johnson, McCabe, Rauscher, Saddler

NAYS: Representative Tilton

The motion passed 12-1.

VI. PRINT SHOP POLICY DISCUSSION

CHAIR GRAY-JACKSON said that this item is on the agenda at the request of House Rules Chair Representative Johnson for discussion and consideration by Legislative Council. She said she looks forward to hearing Representative Johnson's suggestions and the initial thoughts of the members. She said it was her intent to listen, to learn, and to work with members to determine whether to proceed with a change to the Print Shop policy at a future meeting.

REPRESENTATIVE JOHNSON said that for the sake of transparency when something is printed by the Print Shop it should indicate that it was paid for with State funds, specifically member newsletters and perhaps other documents. He explained that it was not always clear who paid for a publication, which should be transparent. He said he would like Council to consider and provide guidance, whether that be to revise the policy or to continue with the status quo, as that would be beneficial to the Rules Chairs, both current and in the future.

DISCUSSION FOLLOWED regarding what types of documents should have a disclaimer; the format of the disclaimer; and the verbiage of disclaimer, such as "Paid for with State Funds", "Paid for by the Office of...", and/or "Printed by the Legislative Print Shop."

CHAIR GRAY-JACKSON thanked Representative Craig Johnson for bringing this matter forward and agreed to include a proposal to amend the Print Shop policy for consideration at a future meeting. She then asked if members had anything to discuss prior to adjourning.

REPRESENTATIVE RAUSCHER expressed his frustration with the affidavit requirement for transporting personal items between district and the Capital City. He also proposed increasing office allowance accounts for those legislators with districts that are geographically big, and for which travel to meet with constituents was expensive.

CHAIR GRAY-JACKSON, after a brief discussion of the issues, suggested making the proposal to increase office allowance accounts a topic for a future meeting.

VICE CHAIR MCCABE expressed frustration with the RFP process for the furniture, specifically the expense and timing.

CHAIR GRAY-JACKSON asked Mr. Kestel if he would like to respond.

MR. KESTEL said he understood Vice Chair McCabe's frustration with the process and vowed to do what he could to ensure the next RFP was conducted in a timelier manner.

MS. GEARY added that it took the Agency a long time to get room dimensions and information back from the design team, so it was not for lack of trying to accomplish this sooner. She said she understood Vice Chair McCabe's frustrations and apologized for the unavoidable delays.

VII. ADJOURN

CHAIR GRAY-JACKSON thanked Legislative Council members, LAA staff, the subcommittee chairs, and her Council aide for all their work.

With no further business before the committee, the meeting was adjourned at 4:58 PM.

4:58:31 PM