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Introduced: 1/9/84  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY LISKA

2

HOUSE BILL NO. 494

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to lease or construction of state  
7 office facilities used for a state capital; and  
8 providing for an effective date."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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\* Section 1. AS 35.10 is amended by adding a new section to read:

11

Sec. 35.10.017. CONSTRUCTION OF CERTAIN FACILITIES. Funds of

12

the state may not be used for the lease or construction of a new

13

public facility if the public facility is intended for use as legisla-

14

tive chambers, ~~as offices for members of the legislature, for staff of~~

15

~~members of the legislature, or for an agency of the legislature or as~~

16

~~offices for the governor and the immediate staff of the governor,~~

17

unless the proposal for the lease or construction is approved by a <sup>also by the legislature</sup>

18

~~vote of the qualified voters of the state at a general election or at~~

19

~~a special election called for that purpose.~~

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\* Sec. 2. This Act takes effect immediately in accordance with AS 01.-

21

10.070(c).

Rep. Liska  
would like to  
speak AGAIN.

HB 494

Alaska State Legislature  
House of Representatives

Write in Session  
Pouch V  
Juneau, Alaska 99811  
(907) 465-3733



Official Business

John J. Liska

Home - District 15  
P.O. Box 421  
Eagle River, Alaska 99577  
(907) 688-2526

January 10, 1984

MEMO

FROM: Rep. John J. Liska

HOUSE BILL 494 "An Act relating to lease or construction of the state office facilities used for a state capitol; and providing for an effective date."

The purpose of this act is to require any major changes in the housing of the State Capitol, to go before the Voters of the State of Alaska.

The voters of the State voted not to build a new capitol in Willow in the 1982 election.

If there is to be a new Capitol building or legislative hall the Voters of the State should decide if they want their money spent in this manner.

This bill is not a regional bill, it pretains to all locations of the State. In addition the bill includes the concept of "lease or construction" because it might be considered to build a new legislative hall and lease it to the State. In either case, the voter should have the right to decide if this State needs a new Capitol.

...anking official but was in fact a high-level spy, The New York Times reported today.

CIA spokesman Dale Peterson, asked if he knew anything about the defector, said, "We have been asked that question several times today and have no comment on it."

The Times quoted unidentified government and intelligence sources as saying the defector, Andrzej Treumann, and his wife and daughter were in protective custody in the Washington area while he is being interviewed by CIA and FBI agents.

Justice Department spokesman Tom Stewart said in Washington that he could not reach anyone who had information about Treumann.

The Times said Treumann came to New York in 1979 to open

The Times said U.S. government officials confirmed the defection and said it was particularly significant because Treumann was a highly placed spy for the Polish intelligence service.

Treumann's espionage activities and the reasons for his defection were tightly guarded secrets, the Times said, quoting officials as saying they could not discuss the case on the record because it involved intelligence matters.

However, based on interviews with government officials, the newspaper said it learned that Treumann stopped going to his Park Avenue office in late July and reports began circulating in the banking community that he had vanished. He had told friends that he had been scheduled to return to Poland in August, the Times said.

Associated Press

g for the late-season

## 1 subs

government, which at the height of the sub... former Foreign... en Andersson to head... investigation commis-

Minister Borg Andersson... commission would... mizational and other... prevent similar disap... sults in future inter... posed to elaborate.

Sweden, wary of its... soviet neighbor on the... of the Baltic Sea, has... angly sensitive to for... mes lurking in its wa... ist October when a So... ortedly armed with nu... torpedoes beached... rlskrona Naval Base... rces said it a ritual for... captains to earn their... missions penetrating... the rocky Swedish... rs. Other military ex... that the deep harbors... long Swedish coast... e lunch pads to... from the front... wartime.

**Capital Facts:**

**4. WILL A CAPITAL MOVE AFFECT PROPERTY TAXES?**

Municipal grants, revenue sharing, state and federal programs inject over 500 million dollars into our local government every year. State funding supports over 84% of our schools operating budget. Personal property taxes pay the difference. It's estimated that each district in Alaska could lose up to \$7,000 in funding--per person--if the capital is moved. Some people say a capital move won't affect property taxes. Now that you know the facts, you decide.

remember the difference. We service what we sell

# AUDIOVOX CLASSIC

AM-FM-Stereo Cassette Player  
w/Power Amp & 5 Band Graphic Equalizer • 45 watts power  
• "Audition" tuning • 4-way  
tune • FM Meter • Mono Stereo  
• Locking F. Lock • "Flex" inst.

The suits listed below are just a few of the many suits on sale today only. October 23.

**Sale \$160**

Orig. \$320. The time is to invest in a classic to your wardrobe. Our piece suit in 100% wool you timeless styling. Fully lined jacket and traditionally tailored. Get down to business check out our entire selection of stripes, herringbones and plaids.

**Sale \$280**

Reg. \$360. Our 3-piece a comfortable blend of polyester/45% wool gives you timeless styling. V lined two-button jacket, pocket vest and traditional tailored slacks. Get down to business and check out great selection of solid, pinstripes, plaids and Men's sizes.

**Sale \$165**

Reg. \$245. This Gentle piece classic has everything you look for in a suit. trimmer fit. And superior tailoring in a traditional of polyester/wool wool. Solids, stripes or fancy.

**Sale \$180**

**IMPROVED  
ROADS**

**WATER  
AND  
SEWERS**

**BETTER  
HOSPITALS**

# A capital movement or capital improvements?

**We can't have everything.**

\$2,843,000,000.00. That's what the proposed capital move would cost all of Alaska, including the Anchorage area. A lot of people think we have better things to do with our money. State construction engineers have identified nearly \$1 billion in improvements needed all over the Anchorage area, among them:

Minnesota Drive . . . . .	Phase II (International to O'Malley) . . . . .	\$75 Million
Northside Corridor . . . . .	Extend A & C Couplet . . . . .	\$50 Million
Anchorage Int. Airport . . . . .	Parking & terminal expansion . . . . .	\$65 Million
Seward Highway . . . . .	Rebuild 36th Ave. to Northside . . . . .	\$100 Million
Glenn Highway . . . . .	Rebuild 29.8 Miles . . . . .	\$25 Million
UA-Anchorage . . . . .	Lab/Classroom/Office Building . . . . .	\$25.3 Million

These are just a few of the positive things that could be accomplished with \$2.843 billion. Can't you think of more? Let's vote against Proposition 8 and use the money for things we really need — right here at home.

THE FOLLOWING DOCUMENT(S) MAY NOT FILM  
LEGIBLY BECAUSE OF POOR QUALITY OF THE  
ORIGINAL.



THE PRECEDING DOCUMENT(S) MAY NOT FILM  
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ORIGINAL.

JUNEAU CITY-BOROUGH ASSEMBLY MEETING  
JUNEAU CITY CITY-BOROUGH ASSEMBLY CHAMBERS  
FEBRUARY 1, 1984

(Considering construction of new Legislative Assembly Hall.)

Meeting called to order by Mayor Ulmer; brief introductory remarks.

First order of business: new Legislative Hall.

City Manager Teague: Staff has been "working with certain people at the state level" in planning efforts, etc.

Mr. Sam Granberg Financial Consultant of Seattle Northwest Securities, Investment Bankers:

"Good to be here after the third try" (note: at least one failure due to weather). "Want to avoid legal and political problems as much as possible; avoid financial exposure for Juneau. Noted that bond underwriters will have major concerns about possible legal problems. Reference to January 6th letter regarding financial services. Listed some services:

Development of lease;  
agreement between city/borough and state;  
pricing arrangements;  
selection of underwriter.

Reference to January 25th letter listing areas of concern for contracts. noted that underwriter needs to be selected immediately and Requests For Proposals (RFP's) should be sent soon.

Lease would involve the Juneau Assembly and "certain state agencies."

Granberg noted that Juneau assumes essentially no risk for his services, as his fees were contingent on the bond sale.

John Scribner, Deputy Commissioner, DOT/PF: Noted three areas/phases of concern.

1. Obtaining land
2. Design
3. Construction

Land: Legislature appropriated \$4.5 million last session for land acquisition for this project. Work on acquisition began in July; Telephone Hill site was selected. There are a total of 12 or 13 properties; one being contested on main footprint and one on the rim. People contesting only want more money. Land acquisition is on track.

Design: Have gone nationwide for RFP's and have received 12 responses; all from top architectural firms. These have been narrowed to 5, and are preparing to hold a design competition. This will begin this month and take about 5 weeks. A jury will then select a firm. Noted they have an advisor on the staff with State Department (DOT?) experience. By the end of March, they should have the design consultant, and design of the project will take about a year. Construction will be in 2 phases: site work and building construction.

Site work will begin late fall this year, and final construction will begin spring/summer 1985 and take about 2 years.

For planning and design work, Scribner noted that part of the \$4.5 million land acquisition money could be used for design and that they can use other planning funds available to the State. Stated they have enough design money to continue to late fall (this year.)

Bond Counsel Don Holmar (Attorney from law firm specializing in bonds): Noted they have "been working for some period of time"; have enough drafts of: land lease, facility, construction contract.

Noted that Juneau would "act as a conduit for finances, since the State can't obtain them without a statewide vote." Cautioned that leases and contracts "have to be structured very carefully so courts won't interpret the arrangement as a state debt." Noted that "city would, in effect, loan their bonding authority to the state." Stated that one area of concern was whether bonds could be marketed with a "subject to legislative appropriation" clause standard in current state lease contracts. The lease would have to be constructed so that courts would not construe it as a subterfuge to get around constitutional provisions for legislative appropriations. Stated that he believes they can be properly structured in this regard. Commented on the possibility of litigation; noted they might advise bringing a test suit at the appropriate time.

Said, "risks were extremely small to Juneau; the state will act as Juneau's agent and assume obligations and risks; provide defense against court suits, etc." Advised that an underwriter was needed immediately so that "underwriter and state can make decisions" before doing much more. Recommended revenue bonds be utilized as they are a cheaper means than certificates of participation. Mr. Holman completed his prepared testimony by stating that the total security of the project would be tied to the state's credit.

An assemblyperson: asked for an explanation of what a bond counsel and an underwriter do.

Holman responded that a bond counsel is an attorney who specializes in bonds, and that an underwriter is an investment banker who watches bond market and markets bonds.

Assemblyman Poor: asked if the Legislature didn't have to act; stating he thought legislative approval was needed for leases of over \$12,000. Holman responded that the Legislature has traditionally made lump sum appropriations for leases and the task is to structure arrangements so legislative approval was not required for this concern.

Mayor Ulmer noted that there were numerous precedents for the state leasing property, and that most state offices at present are leased.

Another assemblyman asked whether Holman had looked at the lease arrangement for the new state office building planned for Anchorage. Holman said yes, but noted that the arrangement was different as private capital was being used to develop it.

In answering another question from Assembly members, Holman stated that the bonds to be sold would have to disclose the political situation. He, also, noted that they would need the lease signed before they could market the bonds. He said the best time for this is immediately after receiving bids for construction.

One public (?) person (unknown) testified urging that two underwriters be used instead of one, with one specializing in retail bonds, and one in institutional bonds. He stated that bond sales were now about 70 percent retail and 30 percent institutional, where a few years ago, it was 60/40 institutional/public.

Assembly unanimously passed resolutions to press ahead with obtaining an underwriter; voted \$10,000 for "out of pocket" incidental expenses.

9545

Position Paper  
HB 494

This bill impacts the operations of the Department of Administration in that elections would be required prior to leasing space for the Governor's office. The Governor's office presently has ten leases in various locations in the state. There would have to be an election prior to renewing or replacing these leases.

The department is opposed to this bill as it would unnecessarily cause restrictions and delays in day-to-day operations and would make space management excessively complex.

*Robert J. Link*      *A*  
Robert J. Link  
Director  
Division of General Services & Supply  
Department of Administration

*1/26/84*  
Date

*Lisa Rudd*  
Commissioner Lisa Rudd  
Department of Administration

*1/26/84*  
Date

16/1103/0124-03

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_, 1984  
Page 1 of 2

**REQUEST**

Bill/Resolution No.: HB 494  
 Title: Lease or construction of State facilities.  
 Sponsor: Liska  
 Requestor: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Administration  
 Program Category Affected: Leasing and and Facilities - General Services & Supply  
 BRU, Program or Subprogram(s) Affected: Leasing and Facilities

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>	0	0	0	0	0	0
<b>REVENUE</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	0	0	0	0	0

**POSITIONS:**

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

**SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:**

ANALYSIS: Attach a separate page for any Analysis.

Prepared By: Robert Link *RL*  
 Division: General Services & Supply

Phone: 465-2250  
 Date: 2/1/84

Approved by Commissioner: Lisa Rudd *LR*  
 Agency: DEPARTMENT OF ADMINISTRATION

Date: 2/3/84

Distribution (by Agency preparing fiscal note):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

12/1/83

## Fiscal Note Analysis

Prepared by Division of General Services & SupplyDepartment of AdministrationDate: February 1, 1984

This bill would require an election prior to leasing or constructing offices for the Governor or the Governor's immediate staff. This fiscal note reflects only the impact on Department of Administration. It does not address the impact on the Division of Elections.

7/11FL/0201-03-2

# Alaska State Legislature

## COMMITTEES

Vice Chairman — Judiciary

Vice Chairman — Legislative  
Regulations Review

Resources

Finance Sub Committee on Labor



While in Session

Pouch V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-3733

Home - District 15  
Star Route Box 421  
Eagle River, Alaska 99577  
(907) 688-2526

## House of Representatives

John J. Liska

### MEMORANDUM

February 3, 1984

FROM: Representative John J. Liska

REF: HB 494, "An Act relating to lease or construction of the state office facilities used for a state capital; and providing for an effective date.

1. The purpose of this act is to require any major changes in the housing of the State Capital, to go before the Voters of the State of Alaska.
2. The following is submitted for your consideration:
  - a. Representative's Speech.
  - b. Copy of HB 494.
  - c. Copy of City of Juneau Resolution to build a new capital.
  - d. State of Alaska Dept. of Transportation invitation to negotiate a professional services for the design of the Alaska Legislative Hall.
  - e. Partial Report of studies of the New Capital site planning commission - State of Alaska.
  - f. News clippings.

JJL/tm

FEBRUARY 2, 1984

THE PURPOSE OF THIS ACT IS TO REQUIRE ANY MAJOR CHANGES IN THE HOUSING OF THE STATE CAPITAL, TO GO BEFORE THE VOTERS OF THE STATE OF ALASKA.

I AM GENUINELY CONCERNED ABOUT A NEW CAPITOL BEING BUILT - WHETHER IN JUNEAU OR ANYWHERE ELSE IN THE STATE - WITHOUT THE VOTERS APPROVAL.

I HAVE HERE A COPY OF THE VOTERS PAMPHLET.

IN NOVEMBER 1982 WE DIDN'T VOTE ON WHETHER OR NOT TO BUILD A NEW CAPITOL - WE VOTED SPECIFICALLY ON WHETHER IF WE SHOULD SPEND \$2,843,147,000 ON A NEW STATE CAPITOL AT WILLOW, ALASKA.

WHO HAS ASKED FOR A NEW CAPITOL?

I HAVE NOT SEEN ONE PETITION OR ONE LETTER FROM A CONSTITUENT TELLING US WE NEEDED TO BUILD A NEW CAPITOL.

WHO SAYS WE ARE BUILDING A NEW STATE CAPITOL?

THERE IS NO DOUBT IN MY MIND THERE ARE PLANS AFOOT TO BUILD A NEW CAPITOL.

IN AN INTERVIEW BETWEEN MARY LOU SPARTZ AND GOV. SHEFFIELD THE NEW LEGISLATIVE HALL IS REFERRED TO AS A NEW CAPITOL AND I CAN QUOTE FROM THAT INTERVIEW "GETTING THE LEGISLATIVE HALL BUILT, A NEW CAPITOL, WILL BE UP TO THE MUNICIPALITY OF JUNEAU TO GET IT FINANCED. SHEFFIELD

PAGE 2

IS GOING FORWARD WITH THE IDEA OF LEASING THE FACILITY FROM THE MUNICIPALITY ON A LONG TERM BASIS.

SHEFFIELD SAID, "WE HAVE ENOUGH MONEY FROM LAST YEAR TO SECURE THE LAND ON THE HILLSIDE FOR THE BUILDING - AS WE SEE IT NOW THE CITY AND BOROUGH OF JUNEAU WILL FINANCE THE BUILDING - AND SO WE DON'T NEED ANY MORE MONEY - THEY WILL FUND AND BUILD THE BUILDING AND THE STATE WILL LEASE THE BUILDING ON A LONG TERM LEASE WITH OPTION TO PURCHASE.

SURE SOUNDS LIKE A NEW CAPITAL TO ME - HERE IS THE TAPE IF YOU ARE INTERESTED IN PLAYING IT.

I HAVE IN FRONT OF ME A COPY OF RESOLUTION # 972 FROM THE CITY AND BOROUGH OF JUNEAU INTRODUCED 8/18/83.

THE FIRST LINE STATES, "IN 1982 THE PEOPLE OF ALASKA AFFIRMED THAT JUNEAU IS THEIR CAPITAL CITY".

I MUST REPEAT, I DON'T FEEL THAT IS WHAT WAS VOTED ON IN 1982.

THE SECOND LINE SAYS, "THE FORMER FEDERAL AND TERRITORIAL BUILDING NOW SERVING AS ALASKA'S CAPITOL IS NO LONGER ADEQUATE TO SERVE OR REPRESENT THE LEGISLATURE AND PEOPLE OF ALASKA".

I MUST ASK WHO MADE THESE DETERMINATIONS? SURELY NOT MY CONSTITUENTS!

PAGE 3

PARAGRAPH NO 4 RELATES TO A VOTE TAKEN ON MAY, 1960 - THAT IS 24 YEARS AGO! HOW MANY OF THE CURRENT RESIDENTS HAVE LIVED IN JUNEAU FOR 24 YEARS?

THEY DON'T EVEN SEEM TO WANT THE JUNEAU FOLKS TO VOTE ON WHETHER THEY WANT THE CAPITOL ON TELEPHONE HILL OF IF THEY WANT SOMETHING ELSE IN THAT LOCATION. THIS ENTIRE RESOLUTION REPEATEDLY REFERS TO "A NEW CAPITOL"

IS THERE ANY DOUBT AS TO WHAT IS BEING BUILT?

AND LASTLY, THE PROJECT IS REPEATEDLY REFERRED TO AS A "NEW CAPITOL" IN THIS RESOLUTION.

IN A RECENT JUNEAU NEWS ARTICLE, SENATOR RAY REFERRED TO THE "MORE RABID CAPITOL MOVERS". I DON'T KNOW WHO THIS IS REFERRING TO BUT I, FOR ONE, DO NOT AGREE AS HE DOES THAT "IT'S AN ISSUE THE PEOPLE VOTED TO PUT TO REST".

CLEARLY IF THERE ARE ANY DESIGNS ON BUILDING A NEW CAPITOL, SENATOR RAY AND THE CITY AND BOROUGH OF JUNEAU HAVE BEEN CAUGHT WITH THEIR HANDS, ELBOW DEEP IN THE PORK BARREL, WHICH ELECTED OFFICIALS ARE IN THERE HELPING THEM!

I WOULD LIKE TO HEAR HOW THE VOTERS FEEL -

1. DO YOU WANT A NEW CAPITOL?

2. WHERE DO YOU WANT A NEW CAPITOL?

3. HOW MUCH MONEY SHOULD BE SPENT ON A NEW CAPITOL?

I DO FEEL IF THE NEW CAPITOL IS BUILT IN JUNEAU THE REMAINDER OF THE STATE WILL GO ON RECEIVING THE "RAY AND KERTTULA STYLE OF POLITICS", WHICH GAVE US ONE SENATOR CONVICTED OF BRIBERY AND ANOTHER SENATOR WHO IS CURRENTLY UNDER CONSIDERATION FOR PROSECUTION OF MISUSE OF HIS LEGISLATIVE INFLUENCE.

IS THIS WHAT THE STATE REALLY WANTS - A GOVERNMENT NOT ACCESSIBLE TO THE PEOPLE AND QUITE OFTEN NOT REPRESENTATIVE OF THE VOTERS OF THE STATE?

MY SECOND AREA OF CONCERN IS ONE I SHARE WITH MANY OTHERS HERE IN THE HOUSE AND OVER IN THE SENATE.

THE ADMINISTRATION IS APPARENTLY ABLE TO ENTER INTO LONG TERM LEASE AGREEMENT - WITHOUT LEGISLATIVE APPROVAL.

THE RESULT BECOMES A BY PASS OF THE LEGISLATIVE PROCESS.

BY ELIMINATING THE PROCESS OF GOING TO THE LEGISLATURE FOR APPROPRIATIONS FOR MAJOR PROJECTS - PUBLIC INPUT IS ELIMINATED AND THE

PAGE 5

STATE CAN BE COMMITTED TO PAY EXPENSIVE LEASE AGREEMENTS FOR SEVERAL YEARS.

MANY OF US IN THE HOUSE WOULD LIKE TO SEE THE ISSUE DISCUSSED - BECAUSE WE FEEL THE PUBLIC WANTS SOME ACCOUNTABILITY ABOUT HOW PUBLIC FUNDS ARE SPENT IN THIS AREA.

IT APPEARS A SIGNIFICANT AMOUNT OF MONEY IS BEING COMMITTED BY ADMINISTRATIONS LEASING PRACTICES AND WE FEEL THIS DESERVES PUBLIC DEBATE.

THIS BILL IS A STEP IN MAKING THE STATE ACCOUNTABLE TO THE PUBLIC ON HOW A LARGE AMOUNT OF MONEY WILL BE SPENT.

# BALLOT MEASURE NO. 8 (cont.)

## LEGISLATIVE AFFAIRS AGENCY SUMMARY

(As required by law)

The FRANK Initiative was amended by the Legislature in 1981 to permit the expenditure of state money for the relocation of the state capital from its present location to the new capital site at Willow only if a majority of those voting at the 1982 General Election on a proposition relating to the relocation of the state capital approve a ballot proposition that includes the total cost to the State of providing for the relocation of a functional state capital at the new capital site at Willow.

The 1981 law further provides that if the ballot proposition is adopted by a majority of those voting on the proposition, then the State shall relocate the capital and to achieve that goal may expend an amount equal to the estimate of the total costs of relocating the Capital as determined by the New Capital Site Planning Commission. If the ballot proposition is rejected by a majority of those voting on the proposition, then the Capital remains in Juneau and the following laws are repealed: the Capital Relocation Initiative; the "FRANK Initiative" as amended; the laws establishing the New Capital Site Planning Commission; and the Relocation Indemnification Act.

The law provides that the New Capital Site Planning Commission will prepare a report on a number of issues specified in the law. The issues and the results of the study on these issues by the Commission are:

- (1) the estimated total cost to the State through 1994 of providing for the relocation of a functional state capital at the new capital site at Willow: **\$2,843,147,000;**
- (2) the amount of the total cost that the Commission estimates may be defrayed from the net proceeds from disposal of land in the new capital site at Willow: **\$384,122,000;**
- (3) the estimated cost, through the relocation completion date, of providing for new or expanded facilities in Juneau and Anchorage to accommodate estimated growth in state government if the Capital is not relocated: **\$341,741,000;**
- (4) an estimate of the number of central state employees who are reasonably expected to be relocated from existing locations to the new capital site at Willow by the relocation completion date:

from Anchorage	1,092 employees
from Fairbanks	6 employees
from Juneau	2,832 employees
- (5) an estimate of the population reasonably expected to reside at the new capital site at Willow on the relocation completion date of 1994: **15,000 persons**
- (6) the estimated total cost to the State of providing for the relocation of the Capital at the new capital site at Willow through the completion date of 1994 includes the following components:
  - (A) the cost to the State of capital improvements in the new capital site at Willow: **\$1,286,327,000;**
  - (B) the cost to the State of relocation of employees, dependents, and households to the new capital site at Willow: **\$ 44,875,000;**
  - (C) the cost to the State of relocation of equipment and office contents to the new capital site at Willow: **\$ 1,894,000;**
  - (D) the cost to the State of indemnification of Juneau residents under the Relocation Indemnification Act: **\$ 589,323,000;**
  - (E) other costs to the State, including financing costs, subsidies, and payments deferred beyond the relocation completion date of 1994: **\$ 920,728,000**

On the ballot, a vote "YES" adopts the proposition and a vote "NO" rejects the proposition.

Presented by: The Manager  
Introduced: 08/18/83  
Drafted by: J.R.C.

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 972

A RESOLUTION IDENTIFYING TELEPHONE HILL AS AN  
AREA SUITABLE FOR THE PROPOSED LEGISLATIVE HALL.

WHEREAS, in 1982 the people of Alaska affirmed that Juneau is their capital city, and

WHEREAS, the former Federal and Territorial Building, now serving as Alaska's capitol, is no longer adequate to serve or represent the legislature and people of Alaska, and

WHEREAS, the Telephone Hill area, generally bounded by Main Street, Egan Drive and Willoughby Avenue is adjacent to existing government buildings, dominates the geography of downtown Juneau, and features a noble view of Gastineau Channel and Admiralty Island, and

WHEREAS, on May 10, 1960 pursuant to City of Juneau Resolution No. 49, the people of Juneau voted at a ratio of 7 to 1 in favor of acquiring Telephone Hill for the purpose of constructing a capitol which, in the words of the ballot proposition, would be "convenient in location, adequate in size, and practical in operating economy", and

WHEREAS, Telephone Hill presents the best available balance between benefits to the public and the inevitable damages to individuals caused by construction of a capitol center at any useful location in Juneau, and

WHEREAS, the current and proposed comprehensive plans of the City and Borough of Juneau designate Telephone Hill as the site for a new capitol center;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

1. That the area known as Telephone Hill is identified as the best site for construction of a new capitol and related state offices.

2. That the governor and legislature of the State of Alaska are urged to proceed with all deliberate speed in the acquisition and development of said area.

STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

Division of Design & Construction, Buildings Section  
Southeast Region

INVITATION FOR STATEMENT OF INTEREST FOR  
PROFESSIONAL PLANNING SERVICES

ALASKA LEGISLATIVE HALL

The State of Alaska, Department of Transportation and Public Facilities, Division of Design & Construction, Buildings Section, Southeast Region, intends to negotiate a Professional Services Agreement for the purpose of performing a site analysis to determine an optimum site, developing detailed architectural and engineering programs and establishing a design determinants statement for the Alaska Legislative Hall.

It is anticipated that the building will be in excess of 100,000 square feet and will house the Legislature, the Governor's Office, and other related functions.

Work elements which may be required are:

1. DETERMINATION OF THE OPTIMUM LEGISLATIVE HALL SITE

- A. The optimum site analysis shall take into consideration the site configuration, topography, view potential, solar exposure, wind exposure, public access, access to services, facilities access, National Historic Register properties, community enhancement and assimilation, and site preparation costs. A minimum of three sites have been identified. Additional sites may be identified by the State or the Consultant.
- B. The Consultants findings shall be summarized in a "Site Selection Report". The Report shall include but not limited to the following information: Number of sites investigated; an analytical and written description of each site; a summary lending to the selection of the optimum site; maps; and photos.

2. DEVELOPMENT OF DETAILED ARCHITECTURAL AND ENGINEERING PROGRAMS

- A. Discussion of design standards and guidelines applicable to the project;
- B. Recommendations for design of specialized component spaces;
- C. Detailed listing of all spatial requirements and recommendations, including exterior spaces and grounds, and their relationships to one another (by bubble and adjacency diagrams);
- D. Detailed requirements and recommendations for all environmental systems (including HVAC systems and their controls), electrical



STATE OF ALASKA  
 DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES  
 EXPRESSION OF INTEREST  
 QUESTIONNAIRE  
 ( PART A )

PROJECT NUMBER: R-10181 PROJECT TITLE: Alaska Legislative Hall Facility Design

CONTRACTING AGENCY: Department of Transportation and Public Facilities, Division of Design and Construction, S. E. Region, Buildings Section

EVALUATION COMMITTEE CHAIRPERSON AND PHONE NO: Neil L. Atkinson (907) 364-4314

THE PURPOSE OF THIS QUESTIONNAIRE IS TO ENABLE THE CONTRACTING AGENCY TO MAKE A FAIR EVALUATION OF CAPABILITIES FOR PROVIDING SPECIFIC PROFESSIONAL OR SPECIALITY SERVICES RESULTING IN A SHORT LIST OF FIRMS TO BE CONSIDERED FOR CONTRACT NEGOTIATIONS IN THE ORDER LISTED AND/OR FROM WHICH TECHNICAL AND/OR PRICED PROPOSALS MAY BE SOLICITED.

STANDARD INFORMATION AND INSTRUCTIONS ARE CONTAINED IN PART A AND CONTRACT SPECIFIC QUESTIONS IN PART B.

SUMMARY OF PROJECT AND TYPES OF SERVICES REQUIRED: The State of Alaska intends to negotiate a Professional Services Agreement for the purpose of obtaining the full range of Architectural and Engineering Services for the design of the Alaska Legislative Hall. Current program documents have identified space requirements of 200,000 to 250,000 square feet.

ANTICIPATED PERIOD OF CONTRACT PERFORMANCE: December 15, 1983 thru December 31, 1987

FUNDING (ONE SIGNIFICANT FIGURE): \$ 2,500,000.00

FUNDING SOURCE: 24-88-3-685

SUBMITTAL DEADLINE (MONTH, DAY, YEAR, PREVAILING TIME): September 30, 1983, 5:00PM

SUBMIT TO (ADDRESS): Neil L. Atkinson, Design Manager  
 Division of Design & Construction, Buildings Section  
 P. O. Box 1467  
 Juneau, Alaska 99802

NUMBER OF COPIES REQUIRED: 6 SUBMITTALS WILL NOT BE RETURNED TO CONTRACTORS.

APPROXIMATE DATE SHORT LIST WILL BE MAILED TO ALL RESPONDENTS: October 15, 1983

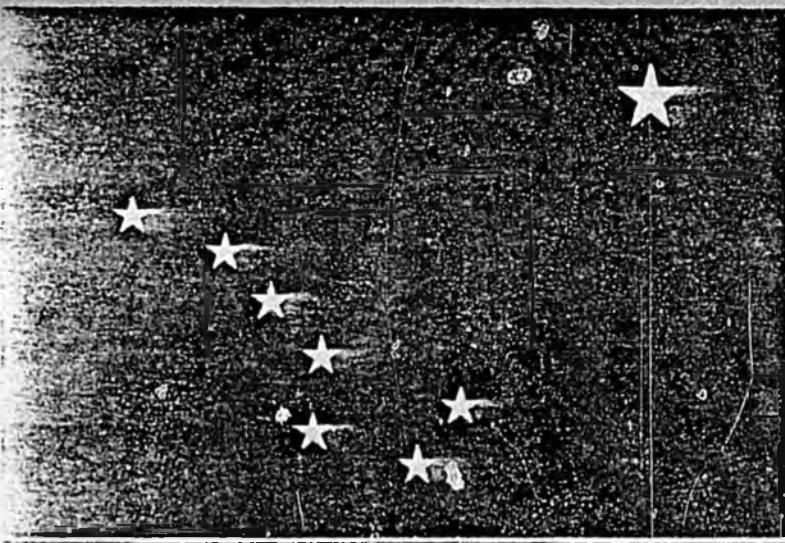
TECHNICAL PROPOSALS  WILL  WILL NOT BE SOLICITED. PRICED PROPOSALS  WILL  WILL NOT BE SOLICITED.

AFFIRMATIVE ACTION REQUIREMENTS  ARE  ARE NOT ATTACHED, FOR:  EQUAL EMPLOYMENT OPPORTUNITY,  
 FEMALE BUSINESS ENTERPRISES,  
 MINORITY BUSINESS ENTERPRISES.

AS 36.10.010  DOES  DOES NOT APPLY TO THIS CONTRACT. IF APPLICABLE, NINETY PERCENT ALASKA RESIDENTS SHALL BE EMPLOYED UNDER THE CONTRACT WHERE THEY ARE AVAILABLE AND QUALIFIED (NINETY-FIVE PERCENT IF MORE THAN TEN PERSONS EMPLOYED). FIRMS WHICH CANNOT COMPLY MUST BE DISQUALIFIED.

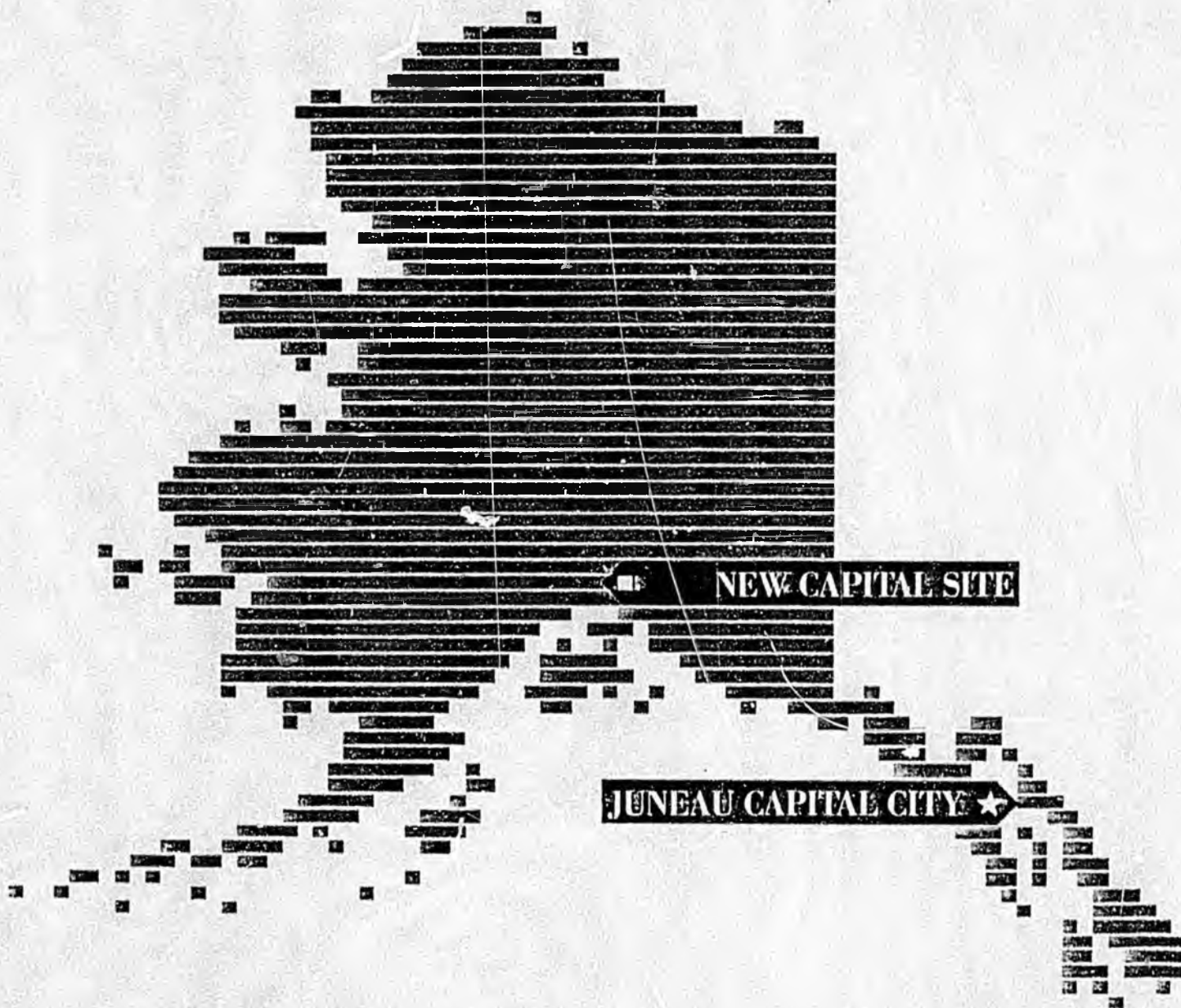
PROFESSIONAL LIABILITY INSURANCE WILL BE REQUIRED IN THE AMOUNT OF \$

FAILURE TO HAVE OR OBTAIN SUCH INSURANCE AT NO DIRECT EXPENSE TO THE CONTRACTING AGENCY SHALL PRECLUDE EXECUTION OF A CONTRACT.



## PLANS, COSTS AND IMPACTS

Relating to Relocation of  
The State Capital



## The No-Move Case

The Commission also prepared a "plan" or set of development assumptions for expansion in government in Juneau and Anchorage through the relocation completion date, if the capital is not moved. This is referred to as the "No-Move" case or study, and is documented in Technical Report No. 7. The cost figure identified as the "No-Move cost" in Chapter 3 is based upon the assumptions on pages 28 and 29. The Commission did not, however, estimate the total costs to the state if the capital remains in Juneau. Additional improvements and repairs to existing buildings--also discussed in Technical Report No. 7--would probably be necessary; but the 1981 legislation does not call for these costs to be included on the ballot proposition.

The No-Move case summarized below addresses government expansion in both Juneau and Anchorage. It uses the same assumptions for government growth and for employee space requirements which are used for the Move case. It also identifies other public facilities necessary to serve an expanded population created by government growth. Schools, libraries, roads, airport and utility improvements are examples of public facilities for which some state funding is expected.

Also summarized are the improvements to existing buildings which would probably be necessary if the capital remains in Juneau.

Anchorage facility im-  
provements

New elementary school  
Junior high school expan-  
sion  
High school expansion  
Parks additions  
Library expansion

Housing to receive AHFC  
mortgage financing

Juneau	878 units
Anchorage	510 units
TOTAL	<u>1388</u> units

Additional Improvements in Juneau if Capital is Not Moved  
(NOT included in No-Move cost estimates)  
(For detail, see Technical Report No. 7)

Possible additional im-  
provements not related to  
expansion--not included in  
No-Move costs:

Current space shortage	23,000 square feet*
New office space to replace some state and leased buildings	191,000 square feet
New special facilities	<u>119,000</u> square feet
Total net space to construct	<u>333,000</u> square feet
Space to remodel	196,000 square feet

\*All square footage requirements rounded

The Commission estimates that completion of relocation of a functional state capital at the Willow capital site will total 2.84 billion dollars in escalated state costs by 1994. About \$384 million of this cost may be defrayed by sale of land by 1994.

The estimated state cost of the No-Move case totals about \$342 million (escalated) during the same period (this figure does not include additional costs which would be likely for improvements to existing space in Juneau).

**Figure 13 Total State Cost Estimates**  
(In Thousands of Escalated Dollars)

COST COMPONENT	NEW CAPITAL CITY	"NO-MOVE"		
		Juneau	Anchorage	Total
<b>Construction Cost</b>				
Basic Construction	\$1,220,889			
Construction Administration	63,192			
Planning, Permits, etc.	2,246			
Sub-total	<u>\$1,286,327</u>	<u>43,903</u>	<u>37,478</u>	<u>81,381</u>
<b>Financing</b>				
Interest	\$ 440,484	31,564	26,945	58,509
Bond Costs	18,380	1,317	1,124	2,441
Municipal Surplus	(13,549)			
Enterprise Surplus	(29,280)			
Leases and Sale of Assets	(69,074)	91,756		91,756
Sub-total	<u>\$ 346,961</u>	<u>124,637</u>	<u>28,069</u>	<u>152,706</u>
<b>Other State Programs</b>				
Municipal Grants		16,053	11,719	27,772
AHFC Subsidies	\$ 198,875	25,381	13,924	39,305
ASHA Assistance	5,631			
School Construction	369,261	10,914	29,663	40,577
Sub-total	<u>\$ 573,767</u>	<u>52,348</u>	<u>55,306</u>	<u>107,654</u>
<b>Indemnification/Relocation</b>				
Indemnification	\$ 589,323			
Relocation	46,769			
Sub-total	<u>\$ 636,092</u>			
<b>Opportunity Cost</b>				
	0			
<b>TOTAL COST</b>	<b>\$2,843,147</b>	<b>\$220,888</b>	<b>\$120,853</b>	<b>\$341,741</b>
<b>Net Land Sale Proceeds</b>				
Sales Revenues	\$ 402,371			
Less Sales Cost	(18,249)			
Sub-total	<u>\$ 384,122</u>			
Less Current Value	0			
Total	<u>\$ 384,122</u>			

# Legislative move bill criticized

Feb 1st, 1984  
Juneau Emp.

By DEBBIE REINWAND ROSE

The Juneau Empire

House and Senate lawmakers, anxious to restore harmony and "their tarnished image" among the public, will deal themselves a negative blow by promoting a measure to move the Legislature to Anchorage, Sen. Bill Ray, D-Juneau, said today.

"The majority of the people in this state voted against the capital move in 1982 and

realize full well this is a back-door attempt," said Ray. "They do not appreciate such shenanigans by their elected officials. It seems to me that those who are trying to restore their image will only succeed in blowing it apart."

The senator's remarks were in response to a Tuesday subcommittee meeting of the Anchorage caucus where House and Senate lawmakers met to discuss their position on a bill to relocate the

Legislature to Anchorage.

"Some of the people in my district are tired of us getting pushed around by two or three Juneau legislators and they tell me to stand up for my district. They tell me Bill Ray isn't writing the capital budget or legislation for Anchorage," said bill sponsor Rep. Mike Szymanski, D-Anchorage.

During the 45-minute meeting, Ray's name was mentioned often as subcommit-

tee chairman Rep. Jerry Ward, R-Anchorage, threatened to block Juneau capital projects in order to force Senate agreement with the legislative move bills.

"Sen. Ray's gonna have to come over to the House for his projects — for the jetfoil ... I know how to play the game," said Ward.

Ray agreed a strong push by Anchorage legislators could hurt the Juneau capital

Continued on Page 12

## Move...

Continued from Page 1

budget, but argued the members are taking the wrong approach by threatening Senate members who are against the move.

"Naturally with the sheer numbers of the Anchorage delegation, they could make it very uncomfortable for the smaller districts, but I feel sure that good sense will prevail in some of the more

rabid capital movers," said Ray.

"Their approach to this whole issue reminds me of the man and his wife who get in a fight, then one of them runs across the street and sets fire to the neighbor's house," said the senator. "This only promotes dissension in the Legislature and it's an issue the people voted to put to rest."

At the close of last session, Szymanski introduced a bill to make Anchorage the Legislature's home. That measure garnered little public support during the in-

terim when the House conducted hearings on the bill.

His most recent bill would house the Legislature in a new state office building planned for construction in Anchorage. That move would take place in 1987.

The House State Affairs Committee has planned teleconference hearings in Anchorage Saturday on the Szymanski legislation and, the Anchorage caucus' Move the Legislature subcommittee said it will wait until after those hearings to make recommendations on the bill.

# Assembly considers financing new hall

Feb. 2, 1984  
Juneau Empire

By DEBBIE REINWAND ROSE  
The Juneau Empire

The Juneau City-Borough and its advisers have begun laying the groundwork for possible municipal funding for a new capitol on Telephone Hill, but it won't be easy, the assembly was told Wednesday night.

A representative of Seattle Northwest Securities Corp. outlined to assembly members the steps city-borough and state officials will have to take if the proposed hall is to become a reality.

"We're here to help the city avoid any legal problems and any political problems that might be associated with this," said Seattle Northwest Vice President Sam Granberg. The firm has been advising the city on financial matters since 1971.

The first step for the city will be hammering out a lease with the state and bringing on board a team of bond underwriters who will begin working on a bond proposal to secure financing for the hall, he said.

In order to market the bonds, city officials will need to have a lease in hand, but will "not necessarily" be required to have the hall's final design complete, except as a guide for the amount of money needed, said Granberg.

A design competition among five architectural firms will begin later this month, and a winner will be declared near the end of March, said Transportation Department Deputy Commissioner Jon

Scribner.

The firm selected for the project will then have a year to design the new capitol.

Construction will be in two phases, Scribner said, with site preparation taking place this fall and the construction contract slated to be awarded in the spring or summer of 1985.

Barring any unforeseen delays, the hall would be ready for its tenants — the Legislature and governor — sometime in 1987.

There are several potential legal problems that city officials could face, however, said Don Holman of the law firm Preston, Thorgrimson, Ellis and Holman. Among the problems is the question of "whether an underwriter would want to market bonds with the possibility of the state" changing its mind on leasing the structure due to a possible capital move threat, said Holman.

There is also the potential for legal challenge of the planned city-state lease, Holman told the assembly, as well as the possibility the Legislature would have to approve any lease over \$12,000 per year.

"However, it's our opinion that the executive branch has the authority to enter into the transaction," said Holman.

Currently, over half of all state office space in Anchorage, Fairbanks and Juneau is leased by the state, Mayor Fran Ulmer said.

"This is very similar to the construction

Continued on Page 14

## Assembly

Continued from Page 1  
and financing of the state office building in

Anchorage by the private sector," she said. "The difference is the city is financing this operation."

The city of Juneau will be acting as a

"conduit" for the financing, and under provisions proposed by legal advisers, would not be liable should the lease go into default, Holman said.

Albion Times

1-18-84

# Juneau to pay for Capitol building

by Andy Ryan

Times Juneau Bureau

Juneau — Gov. Bill Sheffield said Tuesday his administration will not seek funds to build a new state Capitol building in Juneau.

There is plenty of money remaining in the state's 1984 construction budget, he said, to buy land for the building in downtown Juneau.

The state is in the process of acquiring about five acres for the building on Juneau's Telephone Hill, two blocks from the current Capitol.

Lawmakers appropriated \$4.5 million last year as start-up money for the planned \$60 million, 250,000-square-foot building.

As we see it now, the city and borough of

Juneau will finance the (construction of the) building, and we don't need any more (money)," Sheffield said at his weekly press conference.

He said plans call for the state to lease the new Capitol building from the city.

On another subject, Sheffield said the administration probably will not push the legislature to write a new longevity bonus program this session.

The governor said he has become increasingly confident that the state Supreme Court will overturn last month's ruling by a Superior Court judge, who said the program is unconstitutional and must be ended.

Judge Walter Carpenetti on Friday issued a permanent stay of his order canceling the

program. As a result, no action will be taken in the case until the administration's appeal has been decided by the Supreme Court.

Sheffield said Tuesday the appeal process could take as long as a year. He said he has become more and more confident the state will win the appeal.

"I don't think the jury's in on that yet," Sheffield said when asked if he would push the legislature to adopt a backup longevity program this session.

If the Supreme Court upholds Carpenetti's ruling, he said, he would consider calling a special session of the legislature to deal with that subject alone, or waiting for the next regularly-scheduled session of the lawmakers next January.

# Editorial

## Wayward senators

NOW IT COMES to light that the controversial effort to build a legislative hall at Juneau would not be going forward if two senators from Anchorage and one from Palmer had voted against it last June. They voted for it.

Sens. Vic Fischer and Joe Josephson of Anchorage and Jay Kertulla of Palmer voted against an amendment proposed by Sen. Rick Halford that would have killed the \$4.5 million appropriation.

The three separated themselves from the rest of the Southcentral delegation. The other eight senators voted to kill the appropriation. They were: Jan Faiks, Paul Fischer, Ron Gilman, Halford, Tim Kelly, Fritz Pettyjohn, Pat Rodey and Arliss Sturgulowski.

Sen. Halford's amendment was defeated 8 to 12. If the three wayward senators had voted with the others, the amendment would have carried 11 to 9.

DURING DEBATE on Mr. Halford's amendment, Sen. Bill Ray was on his feet in opposition every time he had a chance. He had the temerity to tell the Senate that he was "not aware of any plan for a new legislative hall." And he vowed that he knew of all the plans there were.

It has become obvious since then that the project was one of Juneau's best-kept secrets. Twenty days after the legislature adjourned the state called for bids and set up a program

that called for three reports to be completed within 124 days. The whole project was to be in the hands of the Department of Transportation.

Obviously, the 1984 legislature will be asked for more money because the building will cost almost \$43 million.

Southcentral's 11 senators, whose constituencies have voted strongly in favor of relocating the state capital, should be expected to stand against the appropriation, but that requires a change in attitude of the three who were backsliders in 1983.

APPARENTLY Sen. Ray — who has been criticized in the past in these columns as having a view of Alaska extending only as far as he can see from the Juneau-Douglas bridge — is putting all his men and all his horses to work.

Even the attorney general is helping. He issued an opinion that applies innovative and amusing rationalization as a basis for declaring it legal for the state to build the legislative hall without further legislative action, despite the fact that the law says otherwise.

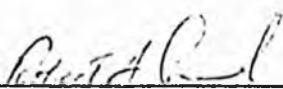
The opinion is so far out that the attorney general felt obligated to tack on an extraordinary paragraph at the end to caution state officials that the courts might overturn it.

That's the way saying, "Go your own way, but don't break the law. Let's warn you."

Position Paper  
HB 494

This bill impacts the operations of the Department of Administration in that elections would be required prior to leasing space for the Governor's office. The Governor's office presently has ten leases in various locations in the state. There would have to be an election prior to renewing or replacing these leases.

The department is opposed to this bill as it would unnecessarily cause restrictions and delays in day-to-day operations and would make space management excessively complex.

 A  
\_\_\_\_\_  
Robert J. Link  
Director  
Division of General Services & Supply  
Department of Administration

\_\_\_\_\_  
Date 1/26/84

  
\_\_\_\_\_  
Commissioner Lisa Rudd  
Department of Administration

\_\_\_\_\_  
Date 1/26/84

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