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January 8, 2019

Via E-mail

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Dear Jon:

Your letter of December 11, 2018 has been reviewed by The City and Borough of Juneau.

The City does not agree with your characterization of Judge Holland's decision. The Court held that both the PDF and MPF were constitutional. The Court did not "forbid" assessment of those fees.

The Order on Status of the Case does not require any response by either party. The Order states that if any of the parties think there are issues that remain to be resolved, the party should give notice to the Court. If CLIA believes there are issues that remain to be resolved, CLIA should notify the Court. The City will do the same. Nothing in the Order or the Decision requires the City to reduce either of the fees. In light of the City's obligations on the bond indebtedness for 16b, the City will not be reducing the fees. Nothing in the Order or the Decision requires the City to provide CLIA with "what measures the Assembly intends to take prior to 10 January 2019 to comply with the decision." The Decision is a declaratory judgment. It does not order the City to do anything.

The Decision was clear that CLIA failed to provide the Court with any factual basis as to any specific expenditure such that the Court could not make any rulings on the constitutionality of any particular expenditure. If CLIA wants to provide the City with a list of 2019 expenditures that CLIA believes would be unconstitutional under Judge Holland's decision with the factual and legal reasons why CLIA believes it would be unconstitutional, the City will review CLIA's submittal. Consistent with the Decision, the City will follow its code, held to be constitutional, and as always, CLIA is invited to submit written comments as to any expenditures.

Sincerely,



Robert P. Blasco

Cc: Herbert H. Ray, Jr.
Rorie Watt
Robert Palmer

Exhibit 2
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