

Shively named chief-of-staff

By Dean Fosdick
Associated Press

Juneau — In the first shak-up of Gov. Bill Sheffield's administration since he took office nearly a year ago, two top aides resigned Thursday and an activist in Native affairs was named the governor's chief of staff.

Larry Crawford, who had been chief of staff, was nominated to head the Alaska Power Authority, the state agency in charge of the controversial dam construction program.

John Shively was named Thursday morning to succeed Crawford. The move signaled to at least one rural lawmaker that Sheffield is trying to mollify the Native community, which has become increasingly disillusioned with the man they helped elect last year.

Thursday night, Gene Dusek, an associate of Crawford's when both worked for the city of Anchorage, resigned under pressure from his post as the governor's budget chief.

That agency, with its parent organization, the Office of Management and Budget, had drawn sharp criticism from leg-

islators and bureaucrats for being politically naive and overzealous about applying business principles to state government.

OMB was the first agency created by Sheffield after he took office last December. It is charged with coordinating preparation of the state budget, cutting wasteful spending and improving the planning of public construction projects.

Crawford, whose nomination as APA head will be aired by its board of directors later this month, leaves Sheffield's staff at a time when the governor is being taken to task for neglecting the needs of rural residents.

The appointment of Shively, 40, senior vice president of NANA Development Corp. as his new chief of staff, is a "smart move" and means the governor is trying to mend fences with the legislature and regain his standing among rural constituents, a rural lawmaker says.

Sheffield spokesman Pete Spivey, however, denied that Shively's appointment came strictly to soothe rural feelings.

The legislator, who spoke on the condition that he not be identified, said Sheffield will be a one-term governor if he doesn't pay more attention to the concerns of rural Alaskans.

"I think it's a smart move, naming Shively," he said. "Now he's got someone from rural Alaska visible in his administration and that could take some of the heat off."

Delegates to the Northwest Alaska Mayor's Conference in Nome a few weeks ago accused the governor of failing to adequately address rural problems.

Mayors from about 20 communities decided not to endorse a lengthy set of "goals" for the state unveiled by Sheffield on television. The mayors said the goals failed to provide enough analysis of rural needs, which include better housing, improved sanitation and transportation.

"The governor knows him, feels comfortable with him and knows John's reputation as a manager," Spivey said. "The fact that he's coming from a Native corporation is just another asset. He lives in Anchorage so he's not totally a Bush person."