

ALASKA STATE LEGISLATURE
LEGISLATIVE COUNCIL
JUNE 26, 2015
1:35 PM
DRAFT

MEMBERS PRESENT

Senator Gary Stevens, Chair
Representative Bob Herron, Vice Chair
Senator Lyman Hoffman
Representative Craig Johnson
Representative Sam Kito
Representative Charisse Millett

MEMBERS ON TELECONFERENCE

Senator John Coghill
Senator Charlie Huggins
Senator Peter Micciche
Representative Mike Chenault
Representative Steve Thompson, alternate

MEMBERS ABSENT

Senator Anna MacKinnon
Senator Kevin Meyer
Senator Lesil McGuire, alternate
Representative Mike Hawker
Representative Mark Neuman

AGENDA

APPROVAL OF AGENDA
APPROVAL OF MINUTES
RATIFICATION OF CHARITY EVENTS
CONTRACT APPROVALS
OTHER COMMITTEE BUSINESS

SPEAKER REGISTER

Curtis Clothier, Information Services Manager, Legislative
Affairs Agency
Tina Strong, Procurement Officer, Legislative Affairs
Agency
Pam Varni, Executive Director, Legislative Affairs Agency

[1:33:49 PM](#)

- I. **CHAIR GARY STEVENS** called the Legislative Council meeting to order at 1:35 p.m. in the Anchorage Legislative Information Office Auditorium. Present at the call were Senators Hoffman and Stevens; Representatives Johnson, Kito, Millett, and Herron. Participating via teleconference were Senators Coghill and Huggins; Representatives Chenault and Thompson, alternate member. Senator Micciche joined via teleconference during the Bethel Office Space agenda item. Absent were Senators MacKinnon, Meyer and McGuire, alternate member; Representatives Hawker and Neuman.

II. **APPROVAL OF AGENDA**

[1:34:50 PM](#)

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

The agenda was approved with no objections.

III. **APPROVAL OF MINUTES**
a. May 26, 2015

[1:35:22 PM](#)

VICE CHAIR HERRON moved that Legislative Council approve the minutes of May 26, 2015, meeting as presented.

There were no corrections or comments and the minutes were approved as presented with no objections.

IV. **RATIFICATION OF CHARITY EVENTS**
a. Kenai Peninsula Boys-Girls Club Annual Auction Gala

[1:35:43 PM](#)

VICE CHAIR HERRON moved that Legislative Council ratify the Chair's sanctioning of the following charitable event per AS 24.60.080(a)(2)(b):

Kenai Peninsula Boys-Girls Club Annual Auction Gala.

CHAIR STEVENS noted that the organization is 501(c)(3) non-profit status. There was no discussion and the motion passed with no objections.

V. **CONTRACT APPROVALS**
a. 2015 Annual IT Hardware Refresh
b. 2016 Microsoft Enterprise Agreement Renewal
c. Wasilla Office Space Renewal

- d. Anchorage LIO Janitorial Services**
- e. Anchorage LIO Property Taxes**
- f. Anchorage LIO Security Contract**

a. 2015 Annual IT Hardware Refresh

1:36:29 PM

VICE CHAIR HERRON moved that Legislative Council approve the solicitation, award and expenditure not to exceed \$120,000 for computer upgrades from Legislative Council capital funds.

CHAIR STEVENS objected for purposes of discussion.

CURTIS CLOTHIER, Information Services Manager for the Legislative Affairs Agency, participated via teleconference and told members that Legislative Council has been funding IT refreshes since 2003. This year, the IT Subcommittee looked at the recommendations included in the 3-Year Technology Plan and conducted a survey of legislative offices to develop the proposal before members. The proposal suggests replacing the oldest model computers and laptops that are in service. The IT Subcommittee decided to forgo asking for printers this year as Information Services believes they can keep the existing fleet of printers operational. As members can see from the memo in their packets, the proposal includes replacement of 55 computers and 45 laptops.

CHAIR STEVENS, in response to a question by Senator Hoffman, stated that the purchase price for 55 computers and 45 laptops was \$119,515. He went on to note that it appeared from the memo that the computers were less expensive per unit than the laptops.

MR. CLOTHIER said that it depended on the configuration; he said that this year it was true that the computers were less expensive because no new monitors were being ordered with the computers.

A roll call vote was taken.

YEAS: Coghill, Hoffman, Huggins, Chenault, Johnson, Kito, Millett, Thompson, Herron, Stevens

NAYS: None

The 2015 Annual IT Hardware Refresh was approved 10-0.

b. 2016 Microsoft Enterprise Agreement Renewal

1:40:06 PM

VICE CHAIR HERRON moved that Legislative Council approve the expenditure of \$124,014.37 to Software House International for the Legislature's portion of the annual Microsoft Enterprise Agreement.

CHAIR STEVENS objected for purposes of discussion.

MR. CLOTHIER said that, as background, all three branches of government with the State of Alaska have what's known as Enterprise Agreements with Microsoft that provides the State with licenses to use the software on computers and networks. This particular Agreement provides the Legislature with desktop software, which at this time is Windows 7 and Microsoft Office, as well as the network software that drives everything (N: drive, web presence and databases that run BASIS, etc., and all the network infrastructure). Included with this Agreement are future updates to the programs, software as well as features, and eventually Windows 10 will be released and, due to this Agreement, we can migrate to it for free. It also includes the Microsoft Home Use Program that many employees have taken advantage of which allows them to purchase Microsoft Office for home use at a much reduced price. It's much less expensive than not having an Enterprise Agreement and it's benefitted the Legislature over the course of the last seven years that it's been in place.

A roll call vote was taken.

YEAS: Coghill, Hoffman, Huggins, Chenault, Johnson, Kito, Millett, Thompson, Herron, Stevens

NAYS: None

The 2016 Microsoft Enterprise Agreement Renewal was approved 10-0.

c. Wasilla Office Space Renewal

1:42:56 PM

VICE CHAIR HERRON moved that Legislative Council approve Renewal No. 4 of the Lease Extension with Wasilla Station LLC in the amount of \$185,322.24 for August 1, 2015 - July 31, 2016.

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CHAIR STEVENS objected for purposes of discussion.

TINA STRONG, Procurement Officer for Legislative Affairs Agency, said that, as her memo of June 12, 2015, stated, under the original lease for the Mat-Su office space, there were five one-year renewals available. The lease is currently under Renewal No. 3 that expires July 31, 2015, and the occupants would like to proceed with Renewal No. 4, for the period of August 1, 2015 through July 31, 2016; this is a standard, routine lease renewal. In response to a question by Chair Stevens, Ms. Strong confirmed there was one more lease renewal available after this one.

A roll call vote was taken.

YEAS: Coghill, Hoffman, Huggins, Chenault, Johnson, Kito, Millett, Thompson, Herron, Stevens

NAYS: None

Lease Renewal No. 4 of Lease for Mat-Su Office Space was approved 10-0.

d. Anchorage LIO Janitorial Services

1:45:04 PM

VICE CHAIR HERRON moved that Legislative Council approve Eklutna Real Estate Services, LLC to contract with Pacific Building Services for a three year term for janitorial services with a yearly cost of \$61,980.

CHAIR STEVENS objected for purposes of discussion.

MS. STRONG said that Eklutna Real Estate Services, LLC, is the property management service for the Anchorage LIO. They issued a janitorial bid and received three responses; Pacific Building Services was the low bidder and they are the current janitorial service provider as well. Council is being asked for approval for Eklutna to contract with Pacific Building Services for Anchorage LIO janitorial services in the amount of \$61,980.00 per year.

REPRESENTATIVE KITO said that he thought we were in the process of looking at assessment of the building, possibly to purchase or possibly other situations. There is a provision in the lease for the Anchorage LIO that the lease could be terminated due to lack of funding. He asked how that would impact the janitorial services with a three year

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contract; specifically, whether there were exit provisions in the contract for janitorial services for this building.

MS. STRONG confirmed that all Agency contracts have provisions for non-appropriation and requested that Eklutna do the same in their contract. It would be possible to cancel the contract if funding was not available or if other circumstances arose.

A roll call vote was taken.

YEAS: Coghill, Hoffman, Huggins, Chenault, Johnson, Kito, Millett, Thompson, Herron, Stevens

NAYS: None

A contract for Anchorage LIO Janitorial Services was approved 10-0.

e. Anchorage LIO Property Taxes

[1:48:11 PM](#)

VICE CHAIR HERRON moved that Legislative Council approve the reimbursement of \$262,335.93 to Pfeffer Development, LLC for the 2015 property taxes for the Anchorage LIO at 716 W. 4th Avenue.

CHAIR STEVENS objected for purposes of discussion.

PAM VARNI, Executive Director of the Legislative Affairs Agency, explained that the lease agreement for 716 W 4th Avenue is a modified triple-net and according to that agreement, the Legislature is to reimburse the owner for property taxes. Council is being requested to approve the whole amount of the 2015 property taxes in the amount of \$262,335.92. Pfeffer Development, LLC has already paid \$131,000 of the total amount and will be paying, or have already paid, the remaining balance. Unsure whether Legislative Council would hold a meeting in August, it was decided to request the full amount to ensure Pfeffer Development, LLC, was reimbursed in a timely manner.

A roll call vote was taken.

YEAS: Coghill, Hoffman, Huggins, Chenault, Johnson, Kito, Millett, Thompson, Herron, Stevens

NAYS: None

Reimbursement to Pfeffer Development, LLC of Anchorage LIO Property Taxes was approved 10-0.

f. Anchorage LIO Security Contract

1:50:42 PM

VICE CHAIR HERRON moved that Legislative Council approve a contract with Arrowdyne Security LLC dba American Guard Services for uniformed armed security at 716 W. 4th Avenue not to exceed \$50,000 along with the attached justification.

CHAIR STEVENS objected for purposes of discussion.

MS. STRONG said that the Agency issued RFP 610 for uniformed armed security for the Anchorage LIO Building. The RFP was published on the State of Alaska's Online Public Notices System, it was mailed to five security companies that were recommended by the Executive Branch, and it was published in the Alaska Dispatch News. The Agency received no proposals for this RFP. The Agency has a temporary contract with Arrowdyne Security LLC dba American Guard Services that expires on July 30, 2015. The Agency is requesting approval for a one year contract with Arrowdyne Security LLC dba American Guard Services starting August 1, 2015 and ending July 31, 2016, which will give the Agency time to assess the Anchorage LIO security needs and issue another RFP or figure out the next step.

CHAIR STEVENS asked if it was reasonable to assume Arrowdyne was interested in extending the current contract.

MS. STRONG said that Arrowdyne Security has provided security in Anchorage since 2005 and although she hasn't contacted them, she assumed there would be no problem. In response to a question by Representative Johnson, she said Arrowdyne Security LLC did not respond to RFP 610.

CHAIR STEVENS said that it was a complex RFP, Arrowdyne Security LLC has requested extensions of their contract in the past, and thus the fact that they didn't respond to the RFP does not mean they were not interested. It may have been that they are a small company and the RFP process may have been too complex.

REPRESENTATIVE JOHNSON said that was exactly his point, that the process may have been too complex given that there were no respondents for a relatively small contract. He was

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concerned that perhaps something was wrong with the RFP process.

MS. STRONG said that the complexity of the process was taken into consideration. The RFP was reviewed by Legal Services and the thought process was that for something as important as uniformed armed security, one wouldn't want someone coming in off the street and doing armed security; however, given that there were no respondents, the Agency may issue a more simple RFP the next time with help from Legal Services to determine exactly what is needed.

CHAIR STEVENS wondered about the dollar amount of the contract extension given the negotiations with Arrowdyne Security LLC had yet to take place.

MS. VARNI said that over the years, the highest annual amount paid to Arrowdyne was \$47,000 so the motion states not to exceed \$50,000 with the same terms. This would be a new contract and Exhibit A in each member's packet includes justification for not doing a solicitation and issuing the contract in this manner. She said that for FY 15, which has two more billings, she was estimating approximately \$48,000 and was how the figure of \$50,000 for this contract was arrived at to ensure there are sufficient funds for the next year.

CHAIR STEVENS said that it is his understanding that folks have been satisfied with the service and with the uniformed guard provided.

There was no further discussion and a roll call vote was taken.

YEAS: Coghill, Hoffman, Huggins, Chenault, Johnson, Kito, Millett, Thompson, Herron, Stevens

NAYS: None

The contract with Arrowdyne Security LLC dba American Guard Services for Anchorage LIO Security was approved 10-0.

VI. OTHER COMMITTEE BUSINESS

a. Bethel Office Space

b. Capitol Building Security Camera Upgrade

a. Bethel Office Space

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CHAIR STEVENS noted that Council must go into Executive Session under Sec. 195 of the Legislative Procurement Code to discuss the results of RFP 611 for Bethel Office Space.

1:56:58 PM

VICE CHAIR HERRON moved that Legislative Council go into executive session under Uniform Rule 22 (b) (1) for the discussion of matters, the immediate knowledge of which would adversely affect the finances of a government unit. I would ask that the following individuals remain in the room; Pam Varni, Tina Strong, Katrina Matheny and Linda Hay (via teleconference). We also welcome any Legislators that are not on Legislative Council.

1:57:38 PM

Legislative Council went into Executive Session.

2:15:22 PM

Legislative Council came out of Executive Session.

CHAIR STEVENS noted that no action was taken while in Executive Session and Council would now take up the Bethel Office Space item.

2:15:50 PM

VICE CHAIR HERRON moved that Legislative Council approve a three year lease between Tunista, Inc., and the Legislative Affairs Agency with three one-year renewal options for a yearly cost of \$79,200, and that the Legislative Council approve janitorial services with a yearly cost not to exceed \$15,420.

CHAIR STEVENS objected for purposes of discussion.

MS. STRONG noted for the record that the Bethel lease agreement is due to expire June 30, 2015, with no renewal options available. LAA issued RFP 611 for Bethel Office Space, it closed on May 27, 2015, and only one proposal was received from the current landlord Tunista, Inc. The Agency negotiated with Tunista, Inc., and is requesting Council approve \$6,660 per month for 2,070 square feet of office space for a three year lease with three one-year renewal options, and the Agency hires and pays for janitorial services.

There was no further discussion and a roll call vote was taken.

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YEAS: Coghill, Hoffman, Huggins, Micciche, Chenault,
Johnson, Kito, Millett, Thompson, Herron, Stevens

NAYS: None

The contract for Bethel Office Space and separate janitorial services was approved 11-0.

b. Capitol Building Security Camera Upgrade

CHAIR STEVENS said that the Security Subcommittee, chaired by Vice Chair Herron along with Senate members Stevens, Huggins, and Kelly and House members Johnson, Millett, Neuman and Kito, had met earlier in the day and asked Vice Chair Herron to speak to this item.

VICE CHAIR HERRON said the Security Subcommittee had reviewed an analysis of the Capitol Building security needs and had the contractor of the analysis explain the most salient points. Briefly, there are three objectives over a period of time: the first is to try to move two priorities immediately and then there is a list of short-term and long-term improvements that the Subcommittee will detail out and put before Council at the next meeting. The two priorities that the contractor and the Subcommittee agreed with are that there needs to be an upgrade to the camera system, which is the focus of this motion, and to have the security staff be trained by the Alaska Department of Public Safety in Sitka to improve observation skills and to ensure trained officers.

CHAIR STEVENS thanked Vice Chair Herron for his willingness to chair the Security Subcommittee and for the very good work that had been done to date.

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VICE CHAIR HERRON moved that Legislative Council approve a contract with Haight & Associates for \$54,280 to design, prepare contract bidding documents and construction administration for the Capitol Complex Camera System Renovation.

CHAIR STEVENS objected for purposes of discussion. He said he would point out that the contrast between the camera system in the new Anchorage building and the old camera system in the Capitol Building is remarkable. He said that the current system is antiquated and this would move the system into the present day.

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There was no further discussion and a roll call vote was taken.

YEAS: Coghill, Huggins, Micciche, Chenault, Johnson, Kito, Millett, Thompson, Herron, Stevens

NAYS: None

The contract with Haight & Associates for Capitol Complex Camera System Renovation was approved 10-0.

There being no further business before the committee, the Legislative Council meeting was adjourned at 2:22 p.m.

[2:21:53 PM](#)