

**ALASKA STATE LEGISLATURE
LEGISLATIVE COUNCIL**

**SEPTEMBER 21, 2018
9:00 AM**

MEMBERS PRESENT

Representative David Guttenberg, Chair
Representative Matt Claman
Representative Bryce Edgmon
Representative Charisse Millett
Representative Dan Ortiz
Representative Louise Stutes
Representative Harriet Drummond, Majority Alternate
Representative David Eastman, Minority Alternate
Senator John Coghill
Senator Lyman Hoffman
Senator Pete Kelly
Senator Anna MacKinnon
Senator Peter Micciche

MEMBERS ABSENT

Representative Sam Kito
Senator Cathy Giessel
Senator Mia Costello, Alternate
Senator Bert Stedman, Vice Chair

OTHER MEMBERS PRESENT

AGENDA

APPROVAL OF AGENDA
APPROVAL OF MINUTES
RATIFICATION OF CHARITABLE EVENTS
COMMITTEE BUSINESS
CONTRACT APPROVALS
EXECUTIVE SESSION
OTHER BUSINESS
ADJOURNMENT

SPEAKER REGISTER

Jessica Geary, Executive Director, Legislative Affairs Agency
Tina Strong, Procurement Officer, Legislative Affairs Agency
Tim Powers, Manager of Information and Teleconference,
Legislative Affairs Agency
Tim Banaszak, Manager, Information Technology, Legislative
Affairs Agency

[9:03:11 AM](#)

I. CALL TO ORDER

CHAIR GUTTENBERG called the Legislative Council meeting to order at 9:03am in the Fairbanks LIO conference room. Present at the call were: Representatives Claman, Millett, Ortiz, Stutes, Drummond (alternate), Eastman (alternate), and Guttenberg; Senators Coghill, Kelly, MacKinnon, Micciche. Members absent were: Representative Kito; Senators Giessel, Costello (alternate), and Stedman.

Representative Bryce Edgmon joined at 9:14am and Senator Hoffman joined at 9:41am.

CHAIR GUTTENBERG it appears sometimes that when we call people's names that there is some background noise as if they are trying to get off mute and get online, if that is the case or anybody gets online, I expect them just to join in. We are in a non-traditional place for this meeting, if we have to go at-ease, we have to manually go up and turn the microphones off. Members online, your phones are not muted, you can just join in as you want to. With that let's move to the approval of the agenda.

SENATOR MACKINNON asked, Mr. Chairman, with open mics, could we make sure that those are online do not put us on hold if they have to leave the room, because we get music sometimes that then delays the entire conversation.

CHAIR GUTTENBERG said good point, thank you. Did you hear that members online? Thank you.

II. APPROVAL OF AGENDA

[9:05:56 AM](#)

SENATOR MACKINNON moved that Legislative Council approve the agenda as presented.

CHAIR GUTTENBERG asked is there discussion or changes? Hearing none, thank you.

III. APPROVAL OF MINUTES

[9:06:29 AM](#)

SENATOR MACKINNON moved that Legislative Council approve the minutes dated June 26, 2018 and August 6, 2018.

[9:06:48 AM](#)

SENATOR MACKINNON requested and CHAIR GUTTENBERG granted a brief at ease.

9:07:02 AM

Returned from brief at ease.

CHAIR GUTTENBERG said there was a suggestion that I have to say, "without objection," but I think I have to do a roll call for every vote. That's correct. So, please call the roll for the approval of the minutes for both meetings.

9:07:19 AM

A roll call vote was taken.

YEAS: Claman, Millett, Ortiz, Stutes, Drummond, Coghill, Kelly, MacKinnon, Micciche, Guttenberg

NAYS: None

The motion passed 10-0.

IV. RATIFICATION OF CHARITABLE EVENTS

A. KENAI RIVER CLASSIC

B. KENAI RIVER WOMEN'S CLASSIC

CHAIR GUTTENBERG asked Ms. Geary to please come forward and brief the Council on these items.

JESSICA GEARY stated, good morning Mr. Chairman, for the record Jessica Geary, Executive Director of the Legislative Affairs Agency. The Chair has authority to ratify charitable events before the event takes place, then bring it back before the full Council for approval. This allows for lobbyists to give tickets to legislators without facing any ethical consequences and it has been a long standing practice.

CHAIR GUTTENBERG asked there is nothing new with these two events?

MS. GEARY replied that these two events have historically been sanctioned every year.

9:09:20 AM

SENATOR MACKINNON moved that Legislative Council ratify the Chair's sanctioning of the following charitable events per AS 24.60.080(a)(2)(B): the Kenai River Classic and the Kenai River Women's Classic.

CHAIR GUTTENBERG asked are there any comments or discussion? Seeing none, please call the roll.

A roll call vote was taken.

YEAS: Claman, Millett, Ortiz, Stutes, Drummond, Coghill, Kelly, MacKinnon, Micciche, Guttenberg

NAYS: None

The motion passed 10-0.

V. COMMITTEE BUSINESS

A. LIO STAFFING

CHAIR GUTTENBERG asked Mr. Powers to please come forward. Does everyone have Mr. Powers' memo dated September 8, 2018, Information and Teleconference budget?

TIM POWERS stated, thank you members of the committee, for the record, Tim Powers, Manager of Information and Teleconference. There are wonderful minutes from the last meeting, I am happy to talk about anything we discussed at the last meeting if anyone would like a refresher or to go into more detail.

CHAIR GUTTENBERG asked would you just bring us up to what we are doing and just give us the short highlight of the memo.

MR. POWERS replied, yes sir. At the last meeting, we had a motion in front of you to close the Unalaska LIO and reallocate its funds to restore the half day Fridays which Legislative Council reduced our hours by a couple years ago. We did close the Unalaska LIO and, due to quorum issues, the motion did not carry for restoring the positions to twelve months from 11.3. Since then, Senator MacKinnon had asked about our funding situation. Last year, we did lapse \$190,000 in addition to money that was freed up by closing the Unalaska LIO. If everything stays the course we would lapse \$296,000 next year, if spending stays at current levels.

CHAIR GUTTENBERG stated after discussion of this motion at the last meeting we did talk about bringing it back up after we had a better understanding of what the budget numbers were. Keeping the LIOs consistent with what the rest of the legislature for me is that for many times it is the interface between the legislature and the public. As much as we can do to facilitate that interface, I think is a good idea. Is there any discussion?

SENATOR MACKINNON said, Mr. Chairman, we spoke about this extensively and we are hearing a modest rendition of what happened at the last meeting. Under the leadership of legislative staff, they have done remarkable things to reduce costs and try to hold their budgets in line and they did bring forward an LIO for closure, which I greatly appreciate, and they have saved money. My only concern as an outgoing legislator, is that next year the team will still face budget cuts and will they be able to present a budget that is reduced, because we still have a larger budget deficit? Which is the reason I came to your office to say I could not support the expansion because I believe then we are just putting it on the next legislature to come in and cut something else.

I will leave it at that, but the public needs to know that this team has gone above and beyond both in storage savings, in... I cannot remember all of the different points that were made at the last session, but they really have done a good job and to try to bring folks up. The memo talks about staff turnover increasing quite significantly in the area where, and I'm not going to get it exactly right, but in nine years they had only seen a few people turnover and in the last two years, with the reduction, they have seen double digit turnovers everywhere, so it really has become an issue of trying to retain staff.

I do commend the division, but I believe we are going to face a budget deficit and the legislature will have to find cuts and where will the legislature find cuts if we expand back out? It certainly is with great respect to the work that has been done and demonstrated, I just am concerned about how they will bring forward, on behalf of the legislature as a whole, and we will have a discussion later about per diem that could impact the legislature's budget and I just cannot vote for an increase at this time, and I said that last time. Thank you.

REPRESENTATIVE ORTIZ said thank you Mr. Chairman. Mr. Powers, the memo does speak about how the reductions have negatively impacted employee morale and caused greater turnover and things like that, but my question is, and remind me if we have already testified to this, but what kinds of things are not happening as a result of the reduction that was made that used to happen?

MR. POWERS responded that we have not cut any services, other than the fact that the offices are closed after noon on Fridays.

REPRESENTATIVE ORTIZ continued so, in essence, an argument in favor of restoring to full time is not that more will get done. Is that what you are saying?

MR. POWERS said more would get done in that there would be more time available to do work and we would be interacting with constituents for an extra half day during the week, but we have not reduced what services we offer as part of the budget cut. It is just the amount of time in the week that was reduced.

REPRESENTATIVE ORTIZ asked is there any documentation? Logically, there is going to be less opportunity for constituents to come to the LIO and interact with folks at the LIO, but do we have any documentation of concerns raised by constituents that they have less access to offices and things like that?

MR. POWERS replied that we have not heard directly from constituents because we are not there in the afternoon, your staff would be the ones fielding those calls in lieu of us.

REPRESENTATIVE ORTIZ continued my question is, as a result of them not being there in the afternoon, have we heard complaints because of that?

MR. POWERS said the complaints that we have heard have been from legislative staff and other members of the Legislative Affairs Agency who want to schedule meetings on Friday afternoons. The Lieutenant Governor's Office is using us for the Ballot Measure 1 initiative hearings and Friday afternoon became an issue with their scheduling, they are actually meeting at 10:00 this morning in Sitka and they had to juggle the schedule based on our closure.

CHAIR GUTTENBERG commented that at noon, this place goes dark on Friday afternoon. It is locked, it is dark, there is nobody here and no interface if the public comes in. They do not find that office open, so they start wandering around the building looking for an office. For me, it is a logical thing to keep the public interface open the same hours that everyone else works. Any other suggestions, comments?

REPRESENTATIVE EASTMAN a question for the Director on implementation. If this proposal is approved today, what would be the impact on any staff who might prefer to stay under the current hours? Is that going to be optional for them or is it be obligatory? If they are not in a position to accept, are they going to have to resign?

MR. POWERS said, through the Chair, I have prepped all the staff. They are fully aware that they may be working past noon today or not, depending on how the Council votes. At this point, no one has expressed a desire to stay on the current schedule.

CHAIR GUTTENBERG said that Representative Edgmon is now online also.

SENATOR MACKINNON said, Mr. Chairman, again in response to the good work that this team has been doing, I wanted to read the final paragraph on a memo that is dated September 8, 2018. "The budget reductions negatively impacted employee morale and retention." Which is a huge issue for the division. "Not only did full-time employees have lower paychecks, but the reduction also negatively impacted their retirement. For an employee in longevity, it would take two step increases (four years worked) to get back to their annual salary before the cut was implemented." Then on page two Mr. Chairman, "Attrition has been roughly 20% during this period. Since the budget reductions, there have been 14 vacancies in Information and Teleconference. Of those vacancies, 10 have been Information Officer positions across the state in less than three years. Prior to the reductions, there were eight vacancies in nine years." That is what I was referring to before, I just wanted to get it on record because staff has provided, for those who may want to support your recommendation, good documentation as to how the department and the division is having to deal with the legislature's cuts.

I think it is fair to say that when constituents show up and the doors are closed, I know my office specifically received an email from one constituent, not mine, but was standing outside of an LIO and trying to get in to testify and could not and did not know where they were supposed to go because they did not have the teleconference information. My objection is purely on what you are going to face next year, and not the actual need of this for the community. It is just everyone who is going back needs to recognize we still have a budget shortfall.

CHAIR GUTTENBERG said I want to thank Speaker Edgmon on his support for closing his hometown's LIO as a result of somebody retiring and the usage of the LIO by itself. Without that this discussion would not have been practicable. Any other discussion?

9:21:42 AM

SENATOR MACKINNON moved that Legislative Council rescind its action in failing to approve the restoration of 17 positions currently budgeted for 11.3 months.

A roll call vote was taken.

YEAS: Claman, Edgmon, Millett, Ortiz, Stutes, Drummond, Coghill, Kelly, Micciche, Guttenberg

NAYS: MacKinnon

The motion passed 10-1.

9:23:45 AM

CHAIR GUTTENBERG requested a brief at ease.

9:24:15 AM

CHAIR GUTTENBERG returned from the brief at ease.

9:24:20 AM

SENATOR MACKINNON moved that Legislative Council restore 17 positions currently budgeted for 11.3 months to 12 months effective immediately.

CHAIR GUTTENBERG asked is there any discussion?

SENATOR MICCICHE thank you Mr. Chairman. A question, I am not there, but is there room for somewhere in between the full restoration and what was done before? Can someone just get that on the record with an explanation for me?

MR. POWERS replied, through the Chair, Senator Micciche, the Council could do what it wishes with the hours and we could slide from a four hour Friday to a five hour Friday to a six hour Friday. Anything but a seven and one half hour work day will still have the disparity amongst the Agency with the staffing.

CHAIR GUTTENBERG asked, SENATOR MICCICHE, does that bring some clarity to your question?

SENATOR MICCICHE responded, it does. I guess what you are saying is not all staff would be on the same hours and that is where the problem is arising. Is that my understanding?

CHAIR GUTTENBERG replied that is the big part of it. Mr. Powers, do you have another comment?

MR. POWERS asked can you repeat one more time please?

SENATOR MICCICHE said my question was, my understanding of the problem is that not all staff will be treated equally and that is part of the morale problem, is that correct? Hours wise?

MR. POWERS responded that is correct. When you expand it beyond just the disparities between the LIO and the rest of the Agency, the entire LIO staff section would be treated equally amongst

itself. We would not be increasing certain employees hours with leaving others at a thirty-four hour work week.

SENATOR MICCICHE continued, last question Mr. Chairman, what is the actual cost differential between the previous action and if we approve this action?

MR. POWERS replied, through the Chair, Senator Micciche, the closure of the Unalaska LIO freed up \$106,072. Restoring these positions costs \$107,664, roughly a difference of \$1,600.

SENATOR MICCICHE responded thank you very much.

REPRESENTATIVE EDGMON stated, Mr. Chairman my question would be perhaps for the Council to discuss or for Mr. Powers to address. How do I tell a constituent of mine who says, "the Court System is closed part days on Fridays, but the LIOs are being allowed to stay open?" and it is not all LIOs around the state, because as was recently stated, we had to close the Unalaska LIO down, the Dillingham LIO is six months per year. I realize these are rural communities with fishing seasons and subsistence activities and things that do not necessarily draw people to the LIO during particular times of the year, but I would like to hear some discussion about the relative importance of having the Court System being shut down on Friday afternoons versus the LIOs being able to stay open.

CHAIR GUTTENBERG responded it is my impression on the Court System that everybody in the Court System, from the Supreme Court Justice to the Clerk I, has taken that cut and not certain people or a certain level, but the entire Court System. As compared with this one, we are trying to bring parity back across the Agency. The Supreme Court Justices and the Clerks have all voluntarily done that themselves.

REPRESENTATIVE EDGMON followed up that apparently there has been turnover in the LIO staff because of the change. I just want to be able to put this into the proper context, because I also agree that budget cuts are coming down the road, whether it is attrition or positions not being filled. In some respects I am supportive of this, but in other respects I am cognizant of the fact that this might be the reality facing not just the LIOs, but a lot of other State agencies going forward as well.

CHAIR GUTTENBERG said to answer your question and your concern, I agree with you and I think it is important that to fulfill the function of the legislature and its Information Offices across the state that, somewhere along the line, every school and every library has the capability to stream and interface. I think your

hometown is doing some work to make that happen and Mr. Powers is working with the Dillingham Library to facilitate the ability that would be available that every community could stream and just simply go into the library and do that. I know there are some hindrances to that that I have been working on for a while and Senator MacKinnon had a bill to deal with some of those issues, but the streaming of information and the ability to interface from every town and every village in this state is critical. Hopefully we will get there at some point.

REPRESENTATIVE ORTIZ said thank you Mr. Chairman, Representative Edgmon's basic point is a good one and while I understand that there have been issues related to retention and those kinds of things for the LIOs, that does not address the issue of how... again, we look at what has happened with the Court System, with them losing Friday afternoons and when I think about the impact of that in relationship to the justice system, I am not so sure that there is equal impact happening with the LIOs in relationship to constituents and those kinds of things. So I understand the argument about the impact on the LIOs overall and parity within that system, but I am still not convinced that the impact on society or our constituents is that big of a deal in relationship to the courts being closed for Friday afternoons and those kinds of things. So that is where I am struggling a little bit. Again, Senator MacKinnon has a very good point that we still have this budget deficit and that is not going away. Yes, the Unalaska closure would make up most of the cost of going to full time Fridays, but that could potentially be savings as well, rather than just making up the cost. So I am struggling with this one a little bit. Because I am also very understanding of the need to improve the retention situation in the LIOs and the loss of benefits, that is very real. I have heard about that from my own person who is the LIO person in Ketchikan, so I consider that strongly, but when we think about the Court System and other areas where we have seen reductions, I think this reduction has less of an impact on our society than the Court System does. Does that make sense? I am struggling with it a little bit.

SENATOR KELLY commented, Mr. Chairman, the Court System is not before us. We are not going to impact the Court System one way or the other. Your vote is not going to impact that.

REPRESENTATIVE ORTIZ said, true, that is true.

CHAIR GUTTENBERG asked if there was other discussion.

SENATOR COGHILL said, Mr. Chairman, maybe one of the questions that should arise is... I know that when we have legislative

hearings, quite often we do them on Saturday, we have run committee meetings into the evenings. What has been the economic impact of that over against this half day closing and does it create a scheduling issue? Because one of the benefits of being a legislator is the power to convene, and we have used that broadly in many committees, so has there been an impact on the scheduling based on that or is there a cost overrun because of Saturday meetings? Give me a concept of that, because as we get into the budget cycle there is more tough stuff to do when we get into the legislature, there is no doubt about it. But it is also true that this is probably one of the megaphones that the general population has to use to voice their opinions on all of our priority discussions. Help me understand how the Saturday and evening meetings have impacted this?

MR. POWERS replied, through the Chair, Senator Coghill, all of the LIO staff in the Information Officer positions are salaried, if they have to work an evening or weekend, they take comp time and take the time off at a later date when it is convenient for the schedule. We do have reserve hours, a casual labor pool which is used to hire people on an hourly basis, non-benefited. That pool has been significantly slashed as well. I do not have the exact number in front of me, but it has been reduced by two thirds. We have run into an issue where we have had staffing problems because we don't hire reserves like we used to. In the past, if we go back about ten years, reserve staff were given a set schedule so they could count on work, they knew they would work Tuesday and Thursday afternoons and that was the time the office would open up for advertised increased staff, so we would get people in the door. The regular schedule for those reserve staff does not happen anymore and some LIOs do not even utilize a reserve. I know the Bethel LIO does not use a reserve, so when the staff takes leave, the office closes. So we have had less coverage because of the reduction in casual labor, but it is putting more burden on the full time staff to be in the office on those evening and weekend meetings.

CHAIR GUTTENBERG asked what happens at noon today, around the state, for the LIOs? Do they shut down, shut the doors, turn off the audio?

MR. POWERS said Mr. Chairman, yes. As of right now, at noon all the LIOs will close.

SENATOR KELLY commented that one thing that has been a theme of mine for years, is that we are the board of directors and we make a mistake when we try to micromanage. I think the best procedure for us is to tell Jessica, "You manage this the way you need to. There may be more cuts coming and you are going to

have to manage those as well." All we can really do is give them the amount that we think we can afford or not, how they manage it, we have got to leave it up to them because they are the experts and they are going to be accountable to us and ultimately, we are accountable to the people. My recommendation is that we go forward with this vote and trust our people.

REPRESENTATIVE STUTES thank you Mr. Chairman, I just have one quick comment. It seems to me we are closing down one LIO in one district to the benefit of every other district and I question the equitability of that. Had the LIO being closed down been in my district, I might not be so kind as I am saying it right here. I think that is a real consideration, when you are totally wiping out one to the benefit of everyone else. I question that.

CHAIR GUTTENBERG stated we are not closing one LIO to open the others. There was a situation, if this vote fails, that LIO does not stay open. That is not the situation that we are closing one to do this, it is not a tit for tat. There is a gentleman that is retiring and the situation was whether we hire somebody new out there with the pay differential and if we do not do that, then... the money is available because that situation is happening, not lets close that one to do this. That is not the situation. Is that correct Mr. Powers?

MR. POWERS replied, through the Chair, that is correct. The Unalaska LIO was closed at the last meeting. We had a vacancy and it was also due to underutilization, they had zero teleconference participants all last session, so it was not just a vacancy that spurred that decision it was also a lack of use. At the last meeting we had a discussion with the Speaker about providing services still in Unalaska and I have reached out to their library and we are working on coming up with a pilot project to house materials. There are questions on how much space we want them to provide us for our publications and documents and how much staff time we expect them to use, so there will be some give and take as we explore how to do this in this one library. The goal is to still provide services there through libraries in existing city government; hopefully we will expand that to a higher level in the future for other rural communities that are not connected to an LIO.

CHAIR GUTTENBERG I hope that gives some clarity. We are not doing one thing to do another. One thing is happening that made available funds to do something else.

MR. POWERS added, Mr. Chair, the funds that we lapsed would more than cover the restoration on top of closing the LIO at the last meeting.

SENATOR MACKINNON said Mr. Chairman, I would point out that at the last meeting the lapsed funds were because of cost-saving measures under the leadership of a team that is testifying before us today in looking for cost-saving measures. They have identified a problem that was staff turnover, they identified and started implementing different tools that were under their control to manage and are coming to us asking for the restoration knowing that next year's budget cycle may face something different, but they are still trying to do additional cost savings for the people of Alaska.

Mr. Chairman, what was talked about too was an "LIO in a box" that Mr. Powers just referred to. I would just ask you to look beyond the libraries and look at our University system that already has telecommunication capabilities as well as the State funds. I know we fund libraries, but we fund a significant amount of money to the University and they have sometimes larger setups that can take more people. I hope that we do not limit, as we do an overall review of LIOs across our state and their utilization, because it was not just low utilization at this particular one, it was in conjunction with a retirement that this was cost savings. So there were others, I think Kotzebue, and there was another one that we talked about, when we saw the graphs last time that there were some issues with utilization at some other LIOs. Thank you Mr. Chairman.

REPRESENTATIVE DRUMMOND said I am calling in from Anchorage and watching you guys on my computer screen, but I have the computer sound muted because there is at least a twenty-second delay between when we open our mouths and when it happens on the screen. I do not know what kind of impact that would have on the public participating, but I am trying to put myself in the public's shoes if I was to be weighing in on an issue and trying to participate from a remote location.

I have some concerns about the amount of turnover, since it has increased substantially since the cuts have been made and new folks have to come on. I am a bit concerned about how they acquire the experience and the skills to manage the LIOs when there is such a shortage of experienced folks. I am not quite sure what my question is, but is there an impact in terms of getting people up to speed when there is such an increase in turnover? Also, I am a little bit confused, I see that the total amount of funds that have been saved over FY16 and FY17 total approximately \$650,000, but it will cost us just \$107,000 to restore those closures? I am a little confused as to how there is somewhat of a savings, but the savings is not clear to me. I guess I have to see it across a spreadsheet, what is the

reduction in one year and the proposed increase, should we vote to restore it.

One more question Mr. Chairman, if I might, I am not aware of the number of staff in each of the LIOs and if there is illness, I think I did hear Mr. Powers say that when a staffer has to take leave and there is nobody else, the facility simply closes. If there is illness, is there somebody to substitute if it is for a longer term? Thank you.

CHAIR GUTTENBERG asked Mr. Powers, is there something there you want to address, are there questions?

MR. POWERS replied, yes, through the Chair, Representative Drummond, the figures you were quoting, the cuts in FY16 and FY17, the \$358 and \$298, those were not savings, those were budget reductions that we handled in house. Excuse me, the FY15 and FY16 numbers were handled in house, it was FY17 when the LIOs were closed that Council made the decision for us on how we were going to handle our unallocated cut that was given to us through the budget process. The list of savings, if you go back to the memo from July for the last meeting, on page three, there is a list of efficiencies in house to save quite a bit of money.

For the training and experience, not at all LIOs, but we do utilize the reserve staff, so if there is an illness they will call in their hourly person, if they are available. We have had situations this past year where we have had Family Medical Leave issues come up, in one case the office was closed for two months while that issue was dealt with. In one case we had to hire an additional reserve person to come in and work hourly to keep the doors open as much as possible. We do want the doors open, we are not going to close them if we do not have to, but family medical issues come up unexpectedly and when that happens is not the time to go look for someone to try to hire and train them to get them in the office, just to keep the door open.

CHAIR GUTTENBERG said I may have misspoken earlier, I may have said that the Dillingham LIO is closing, it is not closing. It is Unalaska.

SENATOR HOFFMAN said I am in favor of the proposal.

MR. POWERS asked if I can add one more thing Mr. Chair? Senator MacKinnon, through the Chair, when you brought up the University System, we did have one staff member from the Anchorage LIO who left at the time of these budget cuts to work for the Executive branch and work for 37.5 hour per week job. She has now turned

faculty at the University in their library department and I was in contact with her last week and we are going to talk this coming week about how we can pull in the University system as well into this.

SENATOR MACKINNON commented, Mr. Chairman, I just want to clarify we do have a motion on the table and the motion was to move the Legislative Council restore seventeen positions currently budgeted for 11.3 months to 12 months effective immediately. You did note that Senator Hoffman has joined us online, just wanted to clarify that we have a motion on the table.

CHAIR GUTTENBERG said we have a motion on the table, we have had plenty of clarification. Without anything else, please call the roll.

9:48:06 AM

A roll call vote was taken.

YEAS: Claman, Ortiz, Drummond, Coghill, Kelly, Guttenberg

NAYS: Edgmon, Millett, Stutes, MacKinnon, Micciche, Hoffman

The motion fails 6-6.

VI. CONTRACT APPROVALS

A. HOMER LIO

MS. STRONG stated for the record, my name is Tina Strong, Procurement Officer for the Legislative Affairs Agency. For the Homer office space, the original lease agreement between the Legislative Affairs Agency and Clayton L. and Joan E. Ellington for office space in Homer, Alaska, was for a three-year term that began November 1, 2012, and terminated October 31, 2015. There were five additional renewals of lease available under the lease agreement, each for a one-year period. We have exercised three of the renewal options.

Renewal No. 3 of lease expires on October 31, 2018. We would like approval to proceed with Renewal No. 4 for the period November 1, 2018, through October 31, 2019.

This is a standard renewal and if Legislative Council approves Renewal No. 4, this will leave one more renewal of lease available under the lease terms before we must issue a bid or do a lease extension.

This lease exceeds \$35,000 in one fiscal year, therefore, Legislative Council's approval is required. I would be happy to answer any questions.

CHAIR GUTTENBERG said I have not talked with Senator Stevens, but I talked with Representative Seaton and it is just doing business normally in the place where they have normally done business. Any other questions?

[9:51:42 AM](#)

SENATOR MACKINNON moved that Legislative Council approve renewal number 4 of the Lease for Homer Office Space in an amount of \$59,889.84.

REPRESENTATIVE DRUMMOND commented I just want to point out the irony of cutting staff or keeping them at a reduced level, and then approving lease space which does not change and we certainly do not seem to ask for a reduction in the cost of the lease space because employees are occupying it for a percentage of time less than they used to occupy it. That is a problem in that the fixed costs do not fall, but the personnel costs do. That is where the services come from, the personnel, not from the physical facility. Thank you Mr. Chairman.

CHAIR GUTTENBERG asked are there any other comments or questions?

A roll call vote was taken.

YEAS: Claman, Edgmon, Millett, Ortiz, Stutes, Drummond, Coghill, Hoffman, Kelly, MacKinnon, Micciche, Guttenberg

NAYS: none

The motion passes 12-0.

B. EAGLE RIVER OFFICE SPACE

Through the Chair, the original lease agreement between the Legislative Affairs Agency and Rabah, LLC for office space in Eagle River, Alaska, was for a five-year term that began November 1, 2012, and terminated October 31, 2017. There were five additional renewals of lease available under the lease agreement, each for a one-year period. We have exercised one of the renewal options.

Renewal No. 1 of lease expires October 31, 2018. We would like approval to proceed with Renewal No. 2 for the period November 1, 2018, through October 31, 2019.

If Legislative Council approves this Renewal No. 2, it will leave three more renewals of lease available under the agreement before we must issue a bid or do a lease extension.

This lease exceeds \$35,000 in one fiscal year; therefore, your approval is required. I would be happy to answer any questions.

REPRESENTATIVE MILLETT asked are there just three legislators in Eagle River?

MS. STRONG replied through the Chair, Representative Millett, there are four: Senator MacKinnon; Senator Hughes; Representative Reinbold; and Representative Saddler.

REPRESENTATIVE MILLETT asked is there room in the Anchorage LIO if that LIO was closed and we moved those folks? Give them the option to either to go to Wasilla or Anchorage?

MS. STRONG replied through the Chair, Representative Millett, I have not been involved with discussions about the Anchorage LIO, so Representative Guttenberg may be able to answer that.

CHAIR GUTTENBERG commented I do not know about the Mat-Su LIO, but the Benson Building would have space.

REPRESENTATIVE MILLETT said as we go forward, we are seeing rural Alaska get some cuts to their LIOs and are moving to seasonal LIOs. At this point, we should probably talk about consolidating Eagle River to Anchorage. It may pose a little difficulty for some constituents out there, but it is a cost savings and it would be something I think Legislative Council should really take a look at. Is it beneficial to have an Eagle River and an Anchorage LIO? Technically, it is all the Anchorage borough/area/municipality, so I would entertain a discussion about what is the plan for the Eagle River LIO.

CHAIR GUTTENBERG said I will recognize Senator MacKinnon and I recognize that Representative Reinbold is online also. Senator?

SENATOR MACKINNON, thank you Mr. Chairman, we have been in discussions about relocation into that square footage. The issue with this lease renewal is twofold. The Anchorage LIO is going to be in a construction mode for some time and depending on what Legislative Council does, you may or may not have Anchorage legislators not having space inside the current facility depending on the construction going forward, so the reason that I requested consideration for this before Legislative Council again is twofold: one because of the construction happening at the Anchorage LIO and the displacement and the cost to relocate

our offices multiple times. There are two of us who are exiting out of that office, and so you would relocate us into Anchorage for six weeks, then have to relocate and remove us as we shut down those two offices.

Then there is the issue of two new legislators coming in, at a minimum, in the office space this time and they should be part of the discussion in that conversation.

This is not an LIO that is staffed like an LIO, this is office space, like the Homer office space. We are a city of 30,000 plus individuals and the highway for us to get into Anchorage on a round trip basis is thirty-four minutes, just on the highway to get there. So we have constituents as far out as Eklutna Flats that are trying to access in a safe manner, so it just creates difficulties on the highway. It is not as simple as going a simple five miles, it can be quite challenging. Our staff has taken on the janitorial on a volunteer basis to reduce costs; I know this team has tried to reduce the actual lease, but I think it is actually up slightly over those years.

For those reasons I ask that we renew for the year, then let future legislators from that area engage in a discussion with Legislative Council about relocating to the Anchorage LIO for cost savings or something other. As you know, Representative Millett, I was heavily inside the process when we purchased that Anchorage LIO and talked about consolidation of other State lease space. To that end, under Jessica's leadership, we are looking at the Ombudsman's Office and others that have higher cost lease space to move into that facility. I do think it is a discussion that legislators in those seats next year should be part of the process on, which is why I ask for your consideration today in approving the one year extension, versus going out for a new lease.

REPRESENTATIVE MILLETT followed up, I understand the drive, but we have folks who live in Hope and Girdwood who make a much longer drive to go to their Anchorage LIO that are represented by a House representative and a Senator too. I understand that but, as we go forward it has always been the plan, when we had 716 W. Fourth Avenue, that Eagle River would move in. Now we have a new building and we continue to push off the fact that we have a stand-alone Eagle River, while we are closing LIOs around the state. I think it is something that we should have an exit plan for and if it takes this year to do it, it just seems like we have had this same conversation when we had 716 about moving Eagle River and it gets continually pushed back and pushed back. I just want to put that on the record.

-DRAFT-

SENATOR KELLY commented, but was inaudible.

REPRESENTATIVE DRUMMOND said thank you Mr. Chairman, I am hearing street noise so I am not sure if someone on the phone has their phone unmuted and is in their car or something.

I think this is more of a long-term discussion and I almost want to say, that even though it happens to be in my district, the purchase of the Benson building might not have been properly considered in light of centralizing facilities in Anchorage.

For example, when the Anchorage School District moved its facilities and consolidated; that organization serves from Girdwood to Eklutna and they located their main building very far east in Anchorage. That would have been much for conducive to a commute by folks from Eagle River than the location of the Benson building right now. That is a significant amount more distance for folks to drive all the way to west Anchorage, but I think that needs to be a longer term discussion.

In the meantime, I understand the hazards of the drive in from Eagle River and Chugiak and I would support leaving the Eagle River office space at this time because you do have to serve constituents right there. Of course the school district has schools in every neighborhood, which is mostly what folks want to do; going to the main building is mainly for meetings or administrative issues that are not school related. Thank you Mr. Chairman.

CHAIR GUTTENBERG asked is there any other discussion?

10:02:51 AM

A roll call vote was taken.

YEAS: Claman, Ortiz, Stutes, Drummond, Coghill, Hoffman,
Kelly, MacKinnon, Micciche, Guttenberg

NAYS: Edgmon, Millett

The motion passes 10-2.

C. HAIGHT & ASSOCIATES - SECURITY CAMERA AMENDMENT

MS. GEARY said for the record, Jessica Geary, Executive Director, Legislative Affairs Agency. Back in 2015, a security subcommittee was formed under Legislative Council and former Representative Bob Herron was the Chair of that subcommittee. A lot of discussion ensued, I was not a part of those discussions, but Haight & Associates was hired to handle the construction

administration and design of a new Capitol security system for the whole Capitol complex. It is state of the art security cameras so our security officers can view what is going on around the building and address safety concerns, I think we all are aware what security cameras are used for.

There were some unanticipated issues that arose when Alcan, who won the bid through a competitive bid process, came in and began work on the system. There were some issues that arose mainly due to the technology that was in place in the building and what was required to run the security cameras. I might note, Tim Banaszak is on the line in case I am not correct as far as the technical speak goes. This project kept going along and Haight & Associates ended up having to be much more involved, so in 2016 an amendment was approved. It was a small dollar amount, \$5,015 to help get them through that particular part of the process. Then we all remember special sessions, I think in 2017 we were in session for pretty much the whole year, so there was not access to the building, but in the background they kept on doing work.

Haight & Associates, because they had designed the system and because of how technical it was, there had to be a lot more involvement by Haight & Associates than what was originally planned. They made it their mission in the beginning that they would give us a completed system that worked and met all the specifications. They ended up having to act a bit as the project director from what I understand, so when I came into this role and started examining what projects we had going on, I discovered that this project was not being managed properly. I had Tim Banaszak take over the project director portion and then everything moved along, finished up, we have a working system now, everybody is really happy with everything, but Haight & Associates went way over the hours that they had originally contracted to do, so basically what we are left with is owing them \$23,000 on top of the original contracted amount. We are coming back to the table to ask for those additional funds so we can pay Haight & Associates and close out the contract. I am happy to answer any questions and Tim is on the line and he can as well.

CHAIR GUTTENBERG asked this appropriation completely closes the project? When this is done, it is all completely done.

MS. GEARY replied, correct, except for any warranty issues that might come up.

CHAIR GUTTENBERG asked did you see, or did Mr. Banaszak perceive the additional billing as justified?

MS. GEARY replied yes. Both Tina Strong, myself, and Tim were heavily involved working with the contractor—both Alcan and the engineer. They definitely went above and beyond and were pretty much available during every aspect of the final months of the project.

REPRESENTATIVE STUTES asked so Alcan bid on this and they are an electrical company, correct? Their bid was to install the security cameras. I presume that they assessed the situation before they put the bid in.

MS. GEARY replied through the Chair, Representative Stutes, they did assess the situation before they put in the bid. I do not know, as I was not involved in the details back then, but from what I can gather is that the project was not properly managed. So it was not necessarily like you can put it all on the contractor, the engineer, or the Agency... it was kind of a collaboration of missteps that caused the project to exceed budget. I think probably a little bit of Alcan being at fault, but every time we said this is not what we asked for, they would come in, work with us, and have lots of meetings making sure the system was what we needed it to be, which is why Haight & Associates ended up being involved so much more, because they designed the system for Alcan to install.

REPRESENTATIVE STUTES followed up that my point is this is what they do. This is their business, so for them to run into unanticipated issues is difficult for me to understand. When that is in fact what they do for their business.

MR. BANASZAK replied, through the Chair, Representative Stutes, for the record this is Tim Banaszak, IT Manager for the Agency. So the Haight & Associates component of this project is design and construction administration, so in these projects where you have got an engineering firm that is designing the work, the project, you have an organization like Alcan who is actually implementing the system, and then you have hardware manufacturers that are providing the hardware, then you have a software company providing the software, there is a component that Jessica referred to around project management, there is also the component of construction administration. Typically, the engineering firm will provide the roll of construction administration to make sure the vendor and manufacturers deploy the system according to the specifications. That is usually not a fixed fee, but an estimated number of hours and if you run into issues and reach that cap, then you would go request additional hours to be able to do that. So that number is kind of an estimate and it is a normal part of that. I think there are some lessons learned here as was mentioned, some shared

responsibility, typically you would want to do a cease and desist until we got additional hours. Everyone wanted to make sure this project was successful and so that is where the extra costs were from. Your point is absolutely well taken and hopefully that provides a little clarity of how that construction administration hours works.

CHAIR GUTTENBERG asked the budget overall for Alcan, did that come in on budget?

MS. GEARY replied Mr. Chairman, it did.

CHAIR GUTTENBERG continued, so it was the management, extended sessions, and technical things forced them to do added work. So Mr. Banaszak was explaining how that bid worked. The management fee with an estimated number of hours to oversee the project, the contractor actually came in on bid, but the management side of it was extended beyond the estimated hours or bid costs?

MS. GEARY replied, Mr. Chairman that is correct. The contractor Alcan had a set amount that they could not exceed based on the RFP; where, as Tim mentioned, the engineer was based on an engineer's estimate and they exceeded those hours by quite a bit.

CHAIR GUTTENBERG commented, but was inaudible.

SENATOR HOFFMAN said thank you Mr. Chairman, I understand the process that they are going through, but if I were providing the services I would be a little bit nervous in proceeding if I was not going to get reimbursed for those services that I provided. I am wondering, were there any assurances given by the administration that they would get paid, or why would they proceed knowing that they may not get reimbursed?

MS. GEARY replied through the Chair, Senator Hoffman, both Tina Strong and I had discussions with one of the managing partners at Haight & Associates and we explained to them the process and told them that we could not promise that they could get paid, but that we would try. Their goal is to have a successful business relationship with the Agency, and at the end of the day the most important thing to them was to make sure the project was complete and that we had a working security system.

SENATOR HOFFMAN continued my final comment is that may be true, but this sets a very bad precedent if the Council approves because if they feel they have a good working relationship, they may be able to try to do this again.

MS. GEARY followed up through the Chair, Senator Hoffman, this is not a practice that I would support in the future and I do not foresee myself, while I am in charge, allowing this to happen again. Normally, we would come to the table before work begins; as Tim mentioned earlier, stop work until funding is approved and then come back. Of course that depends on how you word the initial approval of the project, but this is definitely not ideal.

CHAIR GUTTENBERG said we have an example of that later on in the agenda.

SENATOR MACKINNON said thank you Mr. Chairman, I would just point out that the contract amendment that is being asked for is almost fifty percent of the entire project, so I would align myself with Senator Hoffman's comments that these are not business practices. I wonder if we do not approve today, what the ramification is for the legislature. If Ms. Geary could talk to us about that? Not that I do not want to support it, because if there was work done that the State owes money for that is fine, but in my entire career serving on the Anchorage Assembly we watched change orders come through and we had no good controls in place to stop people from overcharging State agencies or local governments because we are caught in a public interest position, and then having individual businesses saying that we are bad partners when we actually get an estimate on a job for \$54,000 and now we are going to have a job closer to \$75,000-\$80,000... so something went wrong somewhere. If we did not approve it, if you could just walk us through that process about if there is a legal process in there. I know you are making a recommendation to pay it and you have adequately provided reasonable explanations on why everything is before us as it is today, but what happens if we vote no?

MS. GEARY replied through the Chair, Senator MacKinnon, that is a really great question. This is a public meeting and it is not ideal to be in a situation where we have work that has been performed and we vote to not pay the contractor. That does not bode well for our relationship with private businesses. I know that because I talked with the owner of this business in particular that our relationship with them is going to be okay, but what about the other businesses that are watching who might already be wary of doing business with us? One of the things that I did not necessarily want to bring up something about an employee who is no longer with the Agency, but it is my understanding that there might have been a promise that was made that there was no authority to make that promise, such as, "Oh keep working, we will get you paid". It is unfortunate, but I am coming behind trying to clean up the mess and make sure

everybody is paid, everything is buttoned up, and I think that is as far as I can comment on this.

SENATOR KELLY asked maybe you mentioned and I did not catch it, but is there a timing issue? Because what I would like to do is stop this from going forward and whether we have to talk about it further--INAUDIBLE--and \$23,000, which is not going to break the bank, but someone mentioned before we do not want to be in the business as usual of if we have an over run we just pay it because someone made a mistake. I know you run a better shop, that was not a criticism, but--INAUDIBLE--You have probably invested more time in this than I, if you think we need to move forward on this, that is fine, but if we can talk--INAUDIBLE.

REPRESENTATIVE STUTES commented, Mr. Chairman, I guess I have one comment in response. When you say we, meaning the State, do not want to be seen as not paying our bills, I would say this is more of a reflection on how they handled their business, as opposed to the State not paying their debts. I do have to take exception to that.

MS. GEARY said through the Chair, Representative Stutes, that is why I brought up what I did in that it is my understanding that there was a promise to get paid.

REPRESENTATIVE STUTES said in follow up, and I do not want to get into a situation, but if they are in business, you know you get it in writing. I mean, it is pretty simple. Any kind of contractual relationship, and when there is a change... anyway... thank you.

CHAIR GUTTENBERG said I would like to remind people that there is a lot of background noise. As bad as it is here, I think it is worse for other people online.

[10:21:33 AM](#)

SENATOR KELLY requested and CHAIR GUTTENBERG called a brief at ease.

[10:22:20 AM](#)

CHAIR GUTTENBERG returned from brief at ease and said we are going to hold this issue until the bottom of the agenda and take it up at that time, possibly in Executive Session, but we will determine that when we get there. Item VI. c. Haight & Associates will be moved to the bottom of the agenda and we will go to Executive Session at the end of that, before we adjourn.

VII. OTHER BUSINESS

A. INTERIM MEMORIAMs

The next issue is interim memoriam, I want to bring that up. It is something I have been working on. There is not going to be a vote required. I have been doing it on the sly for years during the interim when somebody would pass away and it would be mean something great to the grieving family. I would do a memoriam, never say that it was the legislature, but hedge the words. I have tried to come up with a process where the Presiding Officers could give the authority to the Legislative Council to do only memoriam during the interim. I think it is an important thing for people to do, but we cannot do it because of some of the statutory restraints. So we will come up with language for the next Legislative Council in the legislature to adopt the process, or not, where they could do interim memoriam. I think it is a Uniform Rules change, we are giving the Presiding Officers the ability to transfer that authority during the interim to do memoriam. We just did something for Bob Gillam, which I think was appropriate. I think it is something, from my experience, that families really appreciate. We will bring that up later.

SENATOR MACKINNON thank you Mr. Chairman, on that issue, I just noted on my memo from you, another issue that I have heard. If you are going to look at a Uniform Rule change, is on the co-prime sponsors, at least at the start of session. It was a huge issue for Legal in clarity and finding pathways, so we removed that ability for legislators to do co-primes because of some problems there, but if you are going to look at Uniform Rules, I have seen legislators multiple times wanting to be co-primes on a particular topic and unable to do so. I would just say, while you are looking at that, you may consider working with Legislative Legal to see if there is any way that co-primes could be allowed, like at the start of the session or within the first ten days of session. Obviously, you have to designate a prime with Legal that can make changes, so they have a singular point of contact. But publically sometimes legislators like to come through together with prime sponsorships on important pieces of legislation.

CHAIR GUTTENBERG said, again, this will be something we will roll forward to the next legislature and give them some ideas from our experience.

SENATOR MICCICHE noted I am out of time at 10:30am, so I will quietly sign off then.

B. CAPITOL COOLING SYSTEM

CHAIR GUTTENBERG noted that this is informational from Mr. Banaszak; we are not at this point able to put a motion for a

bid on the floor because we do not have the numbers back from the engineer. But we want to keep the committee up to date on what is happening and possibly have a meeting in October that is just on this issue to approve a number for this contract. Mr. Banaszak will you brief us on this issue so we understand what it is and what we might be voting on?

MR. BANASZAK replied certainly Mr. Chairman, we appreciate a little time with the Council to talk about this. Certainly there has been a lot of discussion about cost and reductions and in that spirit, we wanted to bring this cost avoidance initiative forward to you Mr. Chairman, the Council, and the membership.

Mr. Chairman I just want to take a moment to make sure Members have a chance to reference the memo from me regarding the Capitol Building AC Cooling needs.

PDC Engineering completed a professional assessment and, as you noted earlier at the outset of this agenda item, they are preparing a bid design packet to address five specific locations in the Capitol that include three telecommunication critical network infrastructure rooms that are currently overheating, in addition we have our security office that is somewhat exposed because the door has to remain open, and finally our supply office. In that memo, there is a table that gives the five specific locations and the temperature ranges.

It may be helpful for members of the Council to be aware, that despite the efforts of our building maintenance and technical teams to use low cost ventilation methods (vents through the ceiling, fans, etc.) there is \$400,000 of telecommunications infrastructure equipment that is operating in an overheated condition twenty-four hours a day seven days a week.

The second graph in the memo that shows for every eighteen degrees of overheating the equipment degradation costs more than double. This project, if it were approved and go forward, will bring each of the five locations within the ideal operating range 68-72 degrees.

Part of the packet, included for your reference, is PDC Engineering's Design Fee Proposal and Cooling System design recommendation for the ground and first floor system there are the four locations on the lower area that would be all plumbed into one system, and there are also two options for the fourth floor system that would cool that area. One option is to put a complete new system in, the other is we have some residual capacity in one of our cooling systems, so we are recommending

we go the less expensive route to use that residual capacity, ultimately reducing the overall cost of the project.

As you noted earlier, PDC Engineering anticipates having ready by October 1, 2018, the Invitation to Bid (ITB) design package; the Agency will then immediately issue an ITB. Once the twenty-one day bid period closes, we would need to come back to the Council and request project authorization, in advance, of any contract or costs being approved.

The third graphic provides a conceptual, but very aggressive schedule for the project that includes the bid process, legal review, approval request to Legislative Council, the contract award and completion date, with a goal of being completed by session start in January, 2019.

Mr. Chairman, at this point, this informational to provide three things: 1) make the Council aware of the critical infrastructure overheating issues that we are dealing with; 2) equipment degradation as a result of that; and 3) our remediation plan to deal with that.

We would request a follow up opportunity to present the project to the Council Members once the design is completed, and the vendor responses and costs are known.

Thank you Mr. Chairman and I am happy to answer any questions you or the members may have.

SENATOR MACKINNON said thank you Mr. Chairman, thank you for that thorough coverage of what is in the memo. Mr. Banaszak, I am looking at page two of the memo and when we look at the fourth floor system options I was concerned. We just put a new roof on the Capitol, and one of the options is for putting a separate ventilation system on the roof. How might that impact our warranty on the roof, or if that is not a concern for an outdoor unit?

MR. BANASZAK replied through the Chair, Senator MacKinnon, it is a very good question and definitely a concern and that weighed into our decision to not put a new unit on the roof, but to use the existing condenser on the roof and plumb into that, being that there is residual capacity. The other location puts it all outside on a concrete slab, so this work will not impact the roof in any way. If we went with the option to put a new condenser on the roof, certainly we would try to avoid issues with penetrating the roof, but that is a risk.

SENATOR MACKINNON followed up, thank you Mr. Chairman, the memo notes a plan A and a plan B, so when I read plan A and tying it into the existing cooling system, what could happen based on the analysis you will hear from the engineers, is that we could overtax that system. It is difficult either way, we are going to have to face something we do not like. I would ask members to watch this one on the fourth floor because the fourth floor gets hot already for those people who have offices in that area. So if you are tying into that cooling system for the others, the last line says, "however, this would also eliminate any future cooling capacities of the existing system if we tie into that one at that point." So I hope we do not stress it in a way that will cause other problems for other maintenance. I do not like option B of going into the roof either, so I will wait until the engineers have their final say on which path they will take. Thank you Mr. Chairman.

CHAIR GUTTENBERG said I certainly do not want to build anything that already has the capacity and put more capacity on it, because the building is not really conducive to the weather changes between summer and winter.

REPRESENTATIVE DRUMMOND said thank you Mr. Chairman. I just want to make an observation, I did not realize that the first floor telecom room, which I believe is inside the office that I currently occupy, is one of the biggest problems in the building. I also why understand why my office gets hot, because it has a cooker in the middle of it. I do not know where the hot air is going, I am sure Mr. Banaszak can give us an idea. In relation to the graph with the temperatures, am I reading that correctly that the first floor telecom room creates \$40,000 per year in deferred maintenance? That little room is creating that much cost for us?

MR. BANASZAK replied through the Chair, Representative Drummond, that graph is based on temperature equipment lifespan degradation based on the heat temperature. With that door shut, that temperature spikes over one hundred degrees. We obviously cannot operate that way, so as a result we are blowing a lot of that hot air into your office to try to keep that temperature down. Right now, we have the doors open into your office, about three tons of BTUs pumping into that office, we have three fans bolted to that rack and one in the ceiling trying to blow all that air out of there to try to keep it under ninety-six degrees. If we shut those doors at those temperatures though, equipment is failing, we are shutting power supplies down, and that is to give you a sense of scale. Each one of those closets has about \$100,000 worth of equipment in them, yours is one of them. We appreciate you being willing to tolerate us coming in and out

of there. At that rate, that is the failure rate that is on there, we try to do what we can to mitigate and shut some equipment off, but yes, that is what the industry depreciation is on equipment operating at those temperatures. Again, that is taking a seventy-two degree temperature base to ninety degrees, then up to ninety-six, so we are having to replace equipment at a greater frequency than we should have to. We would like to, for this equipment, depreciate it out over seven years, but we are having to depreciate it down to five years in some of these locations.

REPRESENTATIVE DRUMMOND continued now I understand why when I turn the thermostat down in my office, there is no change. All I can say is that I am grateful we can open the windows in these offices. That closet, Mr. Banaszak, there is hallway space behind it and it seems that the closet could almost be expanded into the hallway and give yourself more space. There is a corner there at the entrance to the adjacent committee room 106 that could possibly give you some additional space. I see the proposal is to put a cooling unit inside that room, page 2, says you would be putting an indoor cooling unit wall mounted inside that small room. Is that the proposal?

MR. BANASZAK replied through the Chair, that is correct Representative Drummond. So the actual main condenser that does the cooling will be outside, then what will be deployed is through plumbing, you would have a small cassette that actually delivers the cold air through the plumbing, much like a refrigerator or air conditioning unit, where the unit is outside and the cold air is being distributed through that cassette. We have one there, one in the telecom room on the ground floor, the security office, supply office, so that your condenser is not in the room. Our engineer tried to avoid any kind of structural retrofit and is looking at units that will fit in that room within the space that we have and avoid construction costs. I certainly appreciate your concerns about having a little room to work with, it was something that we talked about but did not pursue any redesign, as we were trying to avoid that.

REPRESENTATIVE DRUMMOND asked to continue.

CHAIR GUTTENBERG said Representative Drummond, if you are going to come back with engineering ideas, why don't you put them in writing and give them to Mr. Banaszak, because we do not even have the engineer report yet.

REPRESENTATIVE DRUMMOND said understood, I will hold that.

CHAIR GUTTENBERG anything else? The point is to have this work done before session starts, so there is no disruption in the Capitol. Mr. Banaszak, I hope when you come back you give us a life expectancy of not just what the system is, but the expansion into the use of the next twenty to thirty years. Computers might be getting smaller, but they might be getting hotter and faster also, so we have a good idea that we are not building to capacity, but are building out for twenty years of capacity as well. Hopefully that will come back with the engineers and you will have that for us. Hopefully, it will be a half hour meeting the next time we meet and we will just vote on that issue. Anything else? Mr. Banaszak any other questions?

MR. BANASZAK replied nothing from my end Mr. Chairman, I appreciate that and your points are well taken. We will have those discussions with the engineer to make sure we right size this for today's needs but then in the future, so we will address that in our next packet to the Council members.

[10:42:08 AM](#)

SENATOR MACKINNON requested and CHAIR GUTTENBERG granted a brief at ease.

[10:44:35 AM](#)

Returned from brief at ease.

CHAIR GUTTENBERG stated we are going to move beyond the cooling system issue because it does not take a vote.

VIII. EXECUTIVE SESSION

[10:44:59 AM](#)

CHAIR GUTTENBERG moved that Legislative Council go into Executive Session under Uniform Rule 22(b)(1)(3), discussion of subjects and matters that may, by law, be required to be confidential. Any Legislators not on Council are welcome to stay. The following staff may stay: Jessica Geary; Tim Banaszak, Megan Wallace; Crystal Koeneman; Alliana Salanguit; Heather Carpenter; Juli Lucky; Tina Strong; and Anne Rittgers. We will take a brief at ease to clear the room.

REPRESENTATIVE DRUMMOND said Mr. Chairman, you realize I could not hear you when you went to the at ease, do those of us online have to hang up and call back in?

CHAIR GUTTENBERG replied, no. Please stay on the line.

[10:46:23 AM](#)

Brief at ease.

[10:47:37 AM](#)

Returned from brief at ease.

CHAIR GUTTENBERG said I want to add Susan Wallen to the list. Without objection, we will go into Executive Session.

[10:48:01 AM](#)

Entered Executive Session

[11:13:53 AM](#)

Returned from Executive Session.

CHAIR GUTTENBERG requested a roll call vote of who is online and to establish a quorum.

A roll call vote was taken.

YEAS: Claman, Edgmon, Millett, Ortiz, Stutes, Drummond, Coghill, Hoffman, Kelly, MacKinnon, Guttenberg

Eleven members present.

[11:15:12 AM](#)

SENATOR MACKINNON moved that Legislative Council approve the amendment to Haight & Associates Incorporated's contract in the amount of \$23,064.67.

CHAIR GUTTENBERG asked is there any more discussion? Hearing none, please call the roll.

A roll call vote was taken.

YEAS: Claman, Edgmon, Millett, Ortiz, Stutes, Drummond, Coghill, Hoffman, Kelly, MacKinnon, Guttenberg

NAYS: None

The motion passed 11-0.

CHAIR GUTTENBERG said there was a request to move item c. Session Per Diem Policy Discussion to the next meeting and we will do that. Whatever action we do take will take effect next legislative session anyway, and the purpose of doing that at this point was to advance a recommendation to the next legislature to take action because the per diem does not go into effect until then. It is not time sensitive for us, but it is something we should address for the next legislature.

IX. ADJOURNMENT

Is there any other business to come before the Legislative Council? Anybody else? Anyone online? With that I will say that we are adjourned and thank the members for participating and thank you for coming.

[11:17:04 AM](#)