

Report Highlights

Why DLA Performed This Audit

The audit's purpose was to determine if there is a need for the commission's continued existence and whether its termination date should be extended. The commission is set to sunset June 30, 2020, and will have one year from that date to conclude its operations.

What DLA Recommends

1. The commission's chair should ensure procedures are implemented to publish meeting notices timely and accurately.
2. The commission's chair should update its strategic plan to reflect current goals and priorities based on experience.

A Sunset Review of the Department of Natural Resources, Alaska Seismic Hazards Safety Commission (commission)

March 15, 2019

Audit Control Number 10-20117-19

REPORT CONCLUSIONS

The audit found that there continues to be a public policy need for the commission's existence. The commission brings together volunteer experts in earthquake-related fields (i.e. engineering and geology) and members of key government agencies to provide advice to policy makers on disaster preparedness and seismic hazard mitigation. Its activities during the audit period included establishing mitigation priorities, issuing recommendations to state agencies, providing advice to local governments and the governor, and helping school districts secure federal grant funding to assess the vulnerability of older buildings to significant structural damage during an earthquake. The commission also helped coordinate classes to train individuals on how to assess buildings and structures in the aftermath of a significant seismic event. One of the classes was held in September 2018, just a few months before southcentral Alaska experienced a magnitude 7.0 on-land earthquake.

The audit also concluded that not all commission meetings were adequately public noticed and the commission's strategic plan should be updated to incorporate the knowledge gained through recent seismic events. (Recommendations 1 and 2)

In accordance with AS 44.66.010(a)(8) the commission is scheduled to terminate on June 30, 2020. We recommend that the legislature extend the commission's termination date to June 30, 2028.

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ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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June 20, 2019

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 and Title 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Alaska Seismic Hazards Safety Commission and the attached report is submitted for your review.

DEPARTMENT OF NATURAL RESOURCES
ALASKA SEISMIC HAZARDS SAFETY COMMISSION
SUNSET REVIEW

March 15, 2019

Audit Control Number
10-20117-19

The audit was conducted as required by AS 44.66.050(a). Per AS 44.66.010(a)(8), the commission is scheduled to terminate on June 30, 2020. We recommend that the legislature extend the commission's termination date to June 30, 2028.

The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Fieldwork procedures utilized in the course of developing the findings and recommendations presented in this report are discussed in the Objectives, Scope, and Methodology.

A handwritten signature in blue ink, appearing to read "Kris Curtis".

Kris Curtis, CPA, CISA
Legislative Auditor

ABBREVIATIONS

ACN	Audit Control Number
AS	Alaska Statute
CISA	Certified Information Systems Auditor
commission	Alaska Seismic Hazards Safety Commission
CPA	Certified Public Accountant
DGGS	Division of Geological and Geophysical Surveys
DHLS&EM	Division of Homeland Security and Emergency Management
DLA	Division of Legislative Audit
DMVA	Department of Military and Veterans' Affairs
DNR	Department of Natural Resources
FEMA	Federal Emergency Management Agency
FY	Fiscal Year

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ORGANIZATION
AND FUNCTION

Alaska Seismic Hazards
Safety Commission

The Alaska Seismic Hazards Safety Commission (commission) is authorized by AS 44.37.067 to serve in an advisory capacity to the governor, legislature, and the public regarding disaster preparedness and seismic hazard mitigation. The commission reports annually to the governor and legislature its activities and policy recommendations.

Specifically, statutes assign the following responsibilities to the commission:

- recommend goals and priorities for seismic hazard mitigation to the public and private sectors;
- recommend policies to the governor and the legislature, including needed research, mapping, and monitoring programs;
- offer advice on coordinating disaster preparedness and seismic hazard mitigation activities of government at all levels, review the practices for recovery and reconstruction after a major earthquake, and recommend improvements to mitigate losses from similar future events;
- gather, analyze, and disseminate information of general interest on seismic hazard mitigation;
- establish and maintain necessary working relationships with other public and private agencies;

Exhibit 1

Alaska Seismic Hazards Safety Commission Members as of March 19, 2019
Sterling Strait, Chair <i>Public</i>
Edward Athey <i>Local Government</i>
Dan Belanger <i>Department of Military and Veterans' Affairs</i>
Michael Devine <i>Insurance Industry</i>
David Gibbs <i>Local Government</i>
Garrett Gladsjo <i>Public</i>
Laura Kelly <i>Federal Agency</i>
Natalia Ruppert <i>University of Alaska</i>
James Salisbury <i>Department of Natural Resources</i>
Robert Scher <i>Public</i>
Vacant <i>Local Government</i>

Source: Office of the Governor, Boards and Commissions website.

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- review predictions and warnings issued by the federal government, research institutions, and other organizations and persons and suggest appropriate responses at the state and local levels; and
 - review proposed seismic hazard notifications and supporting information from state agencies, evaluate possible socioeconomic consequences, recommend that the governor issue formal seismic hazard notifications when appropriate, and advise state and local agencies of appropriate responses.

Additionally, the commission may perform the following:

- advise the governor and the legislature on disaster preparedness and seismic hazard mitigation, and on budgets for those activities;
- recommend legislation or policies to improve disaster preparedness or seismic hazard mitigation;
- conduct public hearings;
- appoint committees from its membership and appoint external advisory committees of ex-officio members; and
- accept grants, contributions, and appropriations from public agencies, private foundations, and individuals.

The commission has adopted an organization charter, rules of procedures, a strategic plan, and an earthquake response plan for significant seismic events to assist in achieving its statutory objectives.

The commission is made up of 11 voting members appointed by the governor as follows:

- a representative from the University of Alaska;
- three representatives, each from a local government in a separate seismically active region of the state;
- a representative from the Department of Natural Resources (DNR);

-
- a representative from the Department of Military and Veterans' Affairs;
 - a representative from an appropriate federal agency;
 - a representative of the insurance industry; and
 - three public members who are experts in the fields of geology, seismology, hydrology, geotechnical engineering, structural engineering, emergency services, or planning.

**The Department of
Natural Resources'
Division of Geological
and Geophysical
Surveys**

The commission is administratively located within DNR's Division of Geological and Geophysical Surveys (DGGS) and operates with a management budget of \$10,000. Commission members serve without compensation, but are entitled to per diem and travel expenses. DGGS staff provides administrative support functions such as public noticing of commission activities, financial and budgetary reporting, and information technology support.

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BACKGROUND INFORMATION

Alaska has more earthquakes than any other region in the United States and is one of the most seismically active areas in the world. The second largest earthquake ever recorded, with a magnitude of 9.2, occurred in March 1964 in the southcentral region of Alaska. Large magnitude earthquakes have the potential to cause severe or catastrophic damage to buildings; disrupt transportation systems, basic utilities, and critical facilities; and cause loss of life.

In 2001, the Alaska Seismic Hazards Safety Commission was created to help reduce the disaster potential of major earthquakes and to reduce dependence on disaster relief. Seismic hazard mitigation refers to proactive efforts to improve safety and to reduce potential damage resulting from earthquakes. Mitigation of seismic hazards is done by studying, identifying, and prioritizing needed actions of state and local governments and the public sector. Efforts to mitigate hazards include considering where earthquakes are most likely to strike and how infrastructure can be constructed or modified to reduce damage. Examples of infrastructure critical to public safety include: airports, ports, harbors, hospitals, clinics, water and wastewater treatment facilities, bridges, roads, and schools.

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REPORT

CONCLUSIONS

In developing our conclusion regarding whether the Alaska Seismic Hazards Safety Commission's (commission) termination date should be extended, its operations were evaluated using the 11 factors set out in AS 44.66.050(c), which are included as Appendix A of this report. Under the State's "sunset" law, these factors are to be considered in assessing whether an entity has demonstrated a public policy need for continuing operations.

The audit found that there continues to be a public policy need for the commission's existence. The commission brings together volunteer experts in earthquake-related fields (i.e. engineering and geology) and members of key government agencies to provide advice to policy makers on disaster preparedness and seismic hazard mitigation. Its activities during the audit period included establishing mitigation priorities, issuing recommendations to state agencies, providing advice to local governments and the governor, and helping school districts secure federal grant funding to assess the vulnerability of older buildings to significant structural damage during an earthquake. The commission also helped coordinate classes to train individuals on how to assess buildings and structures in the aftermath of a significant seismic event. One of the classes was held in September 2018, just a few months before southcentral Alaska experienced a magnitude 7.0 on-land earthquake.

The audit also concluded that not all commission meetings were adequately public noticed and the commission's strategic plan should be updated to incorporate the knowledge gained through recent seismic events. (Recommendations 1 and 2)

In accordance with AS 44.66.010(a)(8), the commission is scheduled to terminate on June 30, 2020. We recommend that the legislature extend the commission's termination date to June 30, 2028.

Detailed report conclusions are as follows.

The commission operated effectively and worked to avoid duplicating the efforts of other entities through collaboration.

The audit reviewed 19 of the 25 meetings held from July 2015 through January 2019 and found that commission meetings were conducted in an effective manner and generally provided time for public comment. However, the audit found five of the 25 meetings were not public noticed or not public noticed timely. (Recommendation 1) Additionally, the audit identified one meeting for which quorum was not met; however, member absences were excused prior to the meeting and commission members understood that a quorum was not possible prior to the meeting.

The commission's mission is closely aligned with the missions of other state agencies such as the Division of Geological and Geophysical Surveys (DGGs) and the Department of Military and Veterans' Affairs (DMVA), Division of Homeland Security and Emergency Management (DHLS&EM). The commission's mission also overlaps with the Municipality of Anchorage Geotechnical Advisory Commission and the Alaska Earthquake Information Center. However, the commission is distinct from the other agencies in its focus on seismic hazard mitigation and its ability to facilitate collaboration among agencies with related missions.

The commission's membership, which includes representation from various entities and the public, worked to avoid duplication of activities through collaboration, communication, and outreach to ensure activities are coordinated. For example, the commission collaborated with DHLS&EM on various training activities.

The commission operates on a management budget of \$10,000 annually.

The commission has no dedicated staff and operates with a budget of \$10,000 annually. Operational costs for FY 16 through January 31, 2019, are shown in Exhibit 2. Costs of the commission were primarily for travel, meeting costs, and printing of the annual report.

According to DGGs staff, the commission's budget is included as part of DGGs's general fund appropriation. Departmental fiscal staff stated that DGGs staff perform duties for the commission such

as updating the website and public noticing meetings. Generally, the commission is not charged for those personal service costs; however, in FY 17, due to Department of Natural Resources budget deficiencies, the commission was charged for support costs.

Exhibit 2

Alaska Seismic Hazards Safety Commission Schedule of Expenditures FY 16 through January 31, 2019 (Unaudited)				
	FY 16	FY 17	FY 18	July 1, 2018 through January 31, 2019
Expenditures:				
Personal Services	\$ -	\$ 5,561	\$ 779	\$ 3
Travel	5,507	5,802	2,440	1,928
Services	1,394	1,354	298	14
Commodities	288	326	-	-
Totals	\$7,189	\$13,043	\$3,517	\$1,945

Source: Division of Geological and Geophysical Surveys staff.

The commission actively worked to heighten seismic hazard awareness and assist with mitigation activities.

The commission's activities during the audit period were guided by its strategic plan. The plan's purpose is to assist the commission in achieving its statutorily required duties spanning a three to five year period with review and updates to be done every two years as experience is gained. The audit found the plan had not been updated since November 2013. (Recommendation 2) Exhibit 3 provides a non-inclusive list of commission activities from July 2015 through January 2019, summarized by the strategic plan's four primary goals.

One of the commission's long-term priorities has been to assist school districts in identifying the most seismically vulnerable schools through rapid visual screening. Rapid visual screening is a procedure developed by the Federal Emergency Management Agency (FEMA) to identify, inventory, and screen buildings that may be seismically hazardous. During the audit period, the commission assisted four school districts¹ in obtaining FEMA funding through DHLS&EM and coordinated with a contractor to conduct screenings.

The commission also helped coordinate training classes for evaluating damage to structures. In September 2018 the commission provided financial support² for a one-day advanced course for professional engineers and architects to be certified via the State of California's Office of Emergency Services safety assessment program. The program utilizes volunteers and resources to provide certified professionals to assist local governments in safety evaluations of buildings and structures. Nineteen individuals from the federal, state, and private sector completed the safety evaluator course held in Anchorage. The training was completed just a few months before southcentral Alaska experienced a magnitude 7.0 earthquake.

¹ School districts were located in the Kenai Borough, Fairbanks North Star Borough, City and Borough of Juneau, and the City and Borough of Sitka.

² Support costs paid by the commission totaled \$423; however, the costs are not reflected in the expenditure schedule at Exhibit 2 provided by DGS.

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Alaska Seismic Hazards Safety Commission Activities July 2015 through January 2019

Strategic Plan Goal 1: Act in an advisory capacity

Advise the Governor, the Legislature, and the public on Alaska's seismic hazards and risk mitigation.

- The commission prepared, at the governor's request, a report summarizing the benefits of improved earthquake monitoring and early warning in Alaska based on input from a wide range of stakeholders.
- Held emergency meetings following the significant earthquakes occurring in Iniskin in January 2016, Haines Highway in May 2017, off-shore Kodiak in January 2018, and southcentral Alaska in November 2018. For each event the commission compiled a summary of information about the earthquake which was posted on the commission's website.
- The commission worked with the Alaska Division of Community and Regional Affairs to offer guidance to FEMA on the most productive ways to implement the Risk MAP³ program in Alaska.
- The commission responded to a request for advice from an Alaskan village regarding earthquake hazards in the region in relation to planned construction.
- Provided comments to the Department of Commerce, Community, and Economic Development regarding the Architects, Engineers, and Land Surveyors Board over changes to state regulations for specific licensee types to require seismic training for licensure.

Strategic Plan Goal 2: Provide information and technical guidance

Recommend studies, policies, and programs that will mitigate the risks associated with seismic hazards.

- At the request of the University of Washington, the commission provided assistance in preparing a grant application to the National Science Foundation to fund an earthquake research project in southwestern Alaska.
- The commission worked with DHLS&EM and FEMA on the Kodiak earthquake response scenario study for Kodiak Island Borough.
- Helped local governments secure grants from FEMA's National Earthquake Hazard Reduction Program. The grants helped school districts use FEMA's Rapid Visual Screening methods to assess the vulnerability of a number of school buildings susceptible to significant structural damage during an earthquake. The following district projects were completed:
 - ❑ 20 buildings on 10 campuses in the Fairbanks North Star Borough School District
 - ❑ 47 buildings on 15 campuses in the Kenai Peninsula Borough School District
 - ❑ 10 buildings on 6 campuses in the City and Borough of Juneau School District
 - ❑ 4 buildings on 3 campuses in the City and Borough of Sitka School District
- Recommended to the governor, legislators in high seismic activity boroughs, all state departments, and the mayor of the Municipality of Anchorage that entities investigate potential economic impacts and develop contingency plans to prepare for and mitigate the possible detrimental effects of a great Pacific Northwest earthquake on Alaska.

³ The Risk MAP program is one of FEMA's risk management programs that includes risk mapping analysis and planning.

Alaska Seismic Hazards Safety Commission Activities July 2015 through January 2019 (Continued)

- Issued a policy recommendation that the State support and appropriate resources for programs that identify public buildings most at risk from earthquakes and prioritize rehabilitation or replacement of those buildings. The recommendation was sent to the Department of Transportation and Public Facilities and the mayors of the Fairbanks North Star Borough, Kenai Peninsula, Matanuska-Susitna Borough, Municipality of Anchorage, and the City and Borough of Juneau.
- Issued a policy recommendation to the legislature and the governor's office to approve funding for the Alaska Earthquake Center to take over existing monitoring stations in Alaska owned by the National Science Foundation that were scheduled to be decommissioned.
- Issued a policy recommendation to DGGs to develop a field guide for earthquake response and investigations.
- Issued policy recommendations to the Department of Education and Early Development and chairs of the Senate and House education committees to identify and prioritize mitigation of seismically vulnerable school buildings throughout the state and that new schools be designed and constructed in accordance with the seismic provisions of the International Building Code.

Strategic Plan Goal 3: Recommend educational programs

Recommend and participate in programs that will disseminate information to government agencies and the public.

- The commission provided financial support in September 2018 to train qualified individuals as volunteer responders to assist local, state, and federal authorities to evaluate the safety of buildings and infrastructure immediately following a significant earthquake.
- Provided educational presentations to the Alaska Local Emergency Planning Committee Association and the State Emergency Response Commission regarding the Iniskin earthquake.
- The commission secured funding from FEMA and helped organize the "Next Big Earthquake and Tsunami" workshop held in November 2015 in Fairbanks and another called the "Next Big Earthquake and Tsunami: Mitigating Impacts" held in May 2017 in Anchorage. These workshops brought in numerous representatives from local, state, and federal governments, as well as education professionals, engineers, planners, and other stakeholders.
- Participated in DMVA's Alaska Partnership for Infrastructure Protection organization—which is a group of private and public entities that meet to plan and coordinate a community-level response to a significant earthquake.

Strategic Plan Goal 4: Encourage seismic hazards risk mitigation efforts

Encourage efforts to address issues related to seismic hazards risk mitigation.

- Participated in the Earthquake Engineering Research Institutes' School Seismic Safety Initiative to create a nation-wide program to inventory the seismic vulnerability of schools.
- Prepared an abbreviated summary of the types of federal grants communities and other entities (e.g. school districts, public utilities, etc.) could pursue to fund projects aimed at mitigating the effects of earthquakes.

Source: Alaska Seismic Safety Commission Annual Reports and Meeting Minutes.

The commission helped respond to the November 30, 2018 on-land earthquake.

On November 30, 2018, a magnitude 7.0 on-land earthquake in southcentral Alaska caused power outages, damage to roads and buildings, and closures of schools, businesses, and government offices. Within hours of the initial seismic event, six members of the commission convened an emergency meeting as required by the commission's response plan.⁴ Status updates from the various commission members were provided to determine how best to assist state officials. As part of the response, the commission developed a one-page fact sheet which was posted to the commission's website. Due to the significant damage and continuing aftershocks, DHLS&EM's State Emergency Operations Center took the lead in directing and controlling disaster emergency response operations. The commission monitored response activities and offered help where needed. Following the response plan, the commission contacted the governor's office to provide information and offer assistance.

Within a few days of the event, requests were received at DGGS and DHLS&EM from state and local agencies and private businesses for assistance with inspecting structures. The commission provided DHLS&EM a listing of certified evaluators who had completed safety assessment training to aid in this effort. A total of 11 volunteers assisted with damage assessments, eight of which had completed the training sponsored by the commission in mid-September 2018. Additionally, several commission members helped to coordinate damage assessments by working directly with state agencies such as the Department of Transportation and Public Facilities.

The commission met three weeks after the earthquake for status updates and identified the State was working on obtaining approval as a federal disaster to secure federal funds and assistance from FEMA. On January 31, 2019, a federal disaster declaration was issued and in early March 2019 FEMA contacted the commission for assistance in generating a damage report and recommendations for future preparedness.

⁴ The commission's response plan is a set of cues, not an action plan. Every earthquake is different, and the potential roles of, and requests to, the commission vary greatly based on the event.

FINDINGS AND RECOMMENDATIONS

The prior 2013 sunset audit made four recommendations:

- The Alaska Seismic Hazards Safety Commission (commission) should recommend replacing habitually absent members in a timely manner.
- The Office of the Governor and the commission should work together to fill all commission vacancies in a timely manner.
- The commission should ensure recommendations clearly identify the organization responsible for implementing an action and the action to be performed.
- The commission should improve prioritization and accountability within its strategic planning documents.

The prior recommendation to replace habitually absent members has generally been resolved. During the audit period, commission members who planned to be absent requested to be excused from a meeting which allowed a determination of quorum ahead of each meeting. The audit identified that one member did not attend 10 of the 13 meetings held during the audit period and another member missed five consecutive meetings. However, all the absences were excused.

The prior recommendation regarding filling commission vacancies in a timely manner has generally been resolved. A review of meeting minutes found the commission actively sought replacements when a vacancy occurred.

The prior recommendation to ensure commission recommendations contain sufficient detail is considered resolved. During the audit period, six new policy recommendations and one updated recommendation substantially identified the organization responsible for action and identified the actions to be performed.

The prior recommendation to improve the strategic plan has been partially resolved. The plan was updated subsequent to the 2013

sunset audit and commission members generally regard the strategic plan strategies as useful in accomplishing the commission's statutory duties. However, several commission members indicated the plan should be updated. The plan is a guide for the commission for a period of three to five years and the plan states that it be reviewed every two years. Given the plan was last updated in November 2013 and Alaska has experienced and responded to significant seismic events since that time, the plan should be updated to ensure it reflects the experience and knowledge gained. (Recommendation 2)

One new recommendation is made as part of this audit.

Recommendation No. 1:

The commission's chair should ensure procedures are implemented to publish meeting notices timely and accurately.

From July 2015 through January 2019, five of the 25 commission meetings held (20 percent) were not public noticed or not public noticed timely. Specifically, two were not published on the State's Online Public Notices System and three were published less than seven days prior to the meeting. The deficiencies occurred due to a lack of written procedures to ensure Division of Geological and Geophysical Surveys support staff were made aware of meeting dates and that notices were posted on the Online Public Notices System in a timely manner.

The Open Meetings Act, AS 44.62.310(e), states that reasonable public notice shall be given for all meetings required to be open. The notice must include the date, time, and place of the meeting and, if the meeting is by teleconference, the location of any teleconferencing facilities that will be used. Also, per statute all meetings are required to be posted on the Alaska Online Public Notices System. The commission's rules of procedures require meeting notices be published at least seven days prior to the meeting. By not adequately posting public notices of commission meetings, the public and interested stakeholders may not have been provided the opportunity to participate and provide feedback on commission matters.

We recommend the commission ensure procedures are implemented to publish public meeting notices timely and accurately.

Recommendation No. 2: The commission is authorized by AS 44.37.067 to serve in an advisory capacity to the governor, legislature, and the public regarding disaster preparedness and seismic hazard mitigation. The commission developed a strategic plan to help ensure it met its statutory obligation. The strategic plan was last updated in November of 2013. According to the plan, it was developed to guide the commission for three to five years and should be reviewed and updated by the commission every two years as further seismic experience is gained.

The commission's chair should ensure the strategic plan is updated to reflect current goals and priorities based on experience.

A review of meeting minutes found the commission discussed possible updates to the plan, yet little action was taken to update the plan from July 2015 through October 2018. At the November 6, 2018 meeting, commission members discussed potential updates to improve the plan; however, those discussions were tabled following the significant southcentral Alaska on-land earthquake at the end of November. An out-of-date strategic plan could impede the commission's effectiveness.

We recommend the commission's chair ensure the strategic plan is updated to reflect current goals and priorities based on experience.

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OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 and Title 44 of the Alaska Statutes, we have reviewed the activities of the Alaska Seismic Hazards Safety Commission (commission) to determine if there is a demonstrated public need for its continued existence.

As required by AS 44.66.050(a), this report shall be considered by the committee of reference during the legislative oversight process in determining whether the commission should be reestablished. Currently, under AS 44.66.010(a)(8) the commission will terminate on June 30, 2020, and will have one year from that date to conclude its administrative operations.

Objectives

The three central, interrelated objectives of our report are:

1. To determine if the commission's termination date should be extended.
2. To determine if the commission is operating in the public's interest.
3. To determine the status of recommendations made in the prior sunset audit.

Scope

The assessment of operations and performance of the commission was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relates to the determination of a demonstrated public need for the commission. We reviewed the commission's activities from FY 16 through January 31, 2019. Financial information is presented, unaudited, from FY 16 through January 31, 2019.

Methodology

During the course of our audit we reviewed and evaluated the following:

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- The prior sunset audit report (ACN 10-20087-13) to identify issues affecting the commission and to identify prior sunset audit recommendations.
 - Applicable statutes to identify commission functions and responsibilities, determine whether statutory changes enhanced or impeded commission activities, and help ascertain if the commission operated in the public interest.
 - The State's Online Public Notices System to verify commission meetings were adequately public noticed.
 - Commission meeting minutes and annual reports to gain an understanding of commission proceedings and activities, the nature and extent of public input, whether a quorum was maintained, and whether commission vacancies impeded operations.
 - Attended the January 28, 2019 commission meeting via teleconference to gain an understanding of board operations.
 - Expenditures and funding sources to identify the costs of operations.
 - Various State and news related websites to identify complaints against the commission or other commission-related concerns.
 - Commission's rules of procedures to gain an understanding of commission functions and responsibilities.
 - Commission's strategic plan (November 2013-2018) to determine compliance with statutes and to evaluate commission operations.
 - The commission's charter to determine the commission's mission and goals as related to activities performed.
 - The commission's earthquake response plan as it related to activities performed following the significant seismic earthquake in November 2018.
 - Correspondence, policy recommendations, reports which include the rapid visual screening final results for four school districts and

other website content, and annual reports provided to the governor and the legislature to understand the activities performed by the commission.

- Various national and state websites relating to the commission and/or seismic hazard mitigation.
- A survey of all 10 active commission members was conducted to identify the members' views over the usefulness of the strategic plan in its current format and whether resources should be used to update the plan. Responses were received from all.

Department of Natural Resources staff and commission members were interviewed to identify and evaluate commission activities. Specific issues of inquiry included commission operations, seismic hazard mitigation activities by other agencies, duplication of efforts, complaints against the commission, and results of training activity supported and sponsored by the commission.

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APPENDIX SUMMARY

Appendix A provides the sunset criteria used in developing our conclusion regarding whether the Alaska Seismic Hazards Safety Commission's termination date should be extended.

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APPENDIX A

Analysis of Public Need Criteria AS 44.66.050(c)

A determination as to whether a board or commission has demonstrated a public need for its continued existence must take into consideration the following factors:

1. the extent to which the board or commission has operated in the public interest;
2. the extent to which the operation of the board or commission has been impeded or enhanced by existing statutes, procedures, and practices that it has adopted, and any other matter, including budgetary, resource, and personnel matters;
3. the extent to which the board or commission has recommended statutory changes that are generally of benefit to the public interest;
4. the extent to which the board or commission has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service that it has provided;
5. the extent to which the board or commission has encouraged public participation in the making of its regulations and decisions;
6. the efficiency with which public inquiries or complaints regarding the activities of the board or commission filed with it, with the department to which a board or commission is administratively assigned, or with the office of victims' rights or the office of the ombudsman have been processed and resolved;
7. the extent to which a board or commission that regulates entry into an occupation or profession has presented qualified applicants to serve the public;

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8. the extent to which state personnel practices, including affirmative action requirements, have been complied with by the board or commission to its own activities and the area of activity or interest;
 9. the extent to which statutory, regulatory, budgetary, or other changes are necessary to enable the board or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection;
 10. the extent to which the board or commission has effectively attained its objectives and purposes and the efficiency with which the board or commission has operated; and
 11. the extent to which the board or commission duplicates the activities of another governmental agency or the private sector.

Agency Response from the Office of the Governor



OFFICE OF THE GOVERNOR
Governor Michael J. Dunleavy
STATE OF ALASKA

November 20, 2019

Ms. Kris Curtis
Legislative Auditor
Legislative Budget and Audit Committee
P.O. Box 113300
Juneau, AK 99877-3300

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LEGISLATIVE AUDIT

Dear Ms. Curtis:

Thank you for the opportunity to respond to the recommendations of the March 15, 2019 audit report for the Alaska Seismic Hazards Safety Commission.

The report concluded that the 2013 recommendations regarding the timely filling of vacancies and maintaining an active membership have been generally resolved. This concern has been addressed by the Administration. Governor Dunleavy has filled all vacancies in a timely manner, and the Chair has reported active participation from all members over the past year.

If I can be of further assistance, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gina Ritacco".

Gina Ritacco
Director
Boards and Commissions

550 West 7th Avenue, Suite 1700, Anchorage, AK 99501

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Agency Response from the Department of Natural Resources



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

Department of Natural Resources

OFFICE OF THE COMMISSIONER

550 West 7th Avenue, Suite 1400
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November 19, 2019

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NOV 20 2019

LEGISLATIVE AUDIT

Kris Curtis, CPA, CISA
Legislative Auditor
Division of Legislative Audit
P.O. Box 113300
Juneau, AK 99811-3300

Subject: Confidential preliminary audit report, Department of Natural Resources, Alaska Seismic Hazards Safety Commission Sunset Audit

Dear Ms. Curtis:

Thank you for your letter dated October 31, 2019, requesting our response to the Division of Legislative Audit's preliminary report, *Department of Natural Resources, Alaska Seismic Hazards Safety Commission Sunset Audit*. I appreciate your division's thorough and objective review of this commission, which is scheduled to sunset June 30, 2020.

The Alaska Seismic Hazards Safety Commission (ASHSC) is administered by DNR's Division of Geological & Geophysical Surveys (DGGS). As you know, Alaska is by far the most seismically active state in the country and ranks among the highest in seismic risk to its citizens and infrastructure. The ASHSC's mission to guide the governor and legislature in ways to reduce these risks before damaging earthquakes occur is crucial to our public safety and economy. Therefore, I agree with your recommendation to extend the termination date of the commission to at least June 30, 2028. I also agree that improvements can be made to increase the commission's effectiveness and efficiency. As requested, I will briefly comment on each of the report's conclusions and recommendations.

Regarding the detailed report conclusions of (1) The commission operated effectively and works to avoid duplicating the efforts of other entities through collaboration, (2) The commission operates on a management budget of \$10,000 annually, (3) The commission actively worked to promote seismic hazard awareness and assist with mitigation activities, and (4) The commission helped respond to the November 30, 2018, on-land earthquake, I agree on all counts and concur that there continues to be a public policy need for the commission's continued existence.

Recommendation No. 1 – The commission's chair should ensure procedures are implemented to publish meeting notices timely and accurately.

I agree that the ASHSC should provide reasonable public notice in advance of meetings. DGGS posts the public notices on behalf of the ASHSC chair and will ensure that they are issued at least seven days prior to meetings. DGGS has assigned specific staff responsibilities and established new procedures to work with the commission's chair to ensure public meeting notices are published timely and accurately. This recommendation has already been implemented.

Recommendation No. 2 – The commission's chair should ensure the strategic plan is updated to reflect current goals and priorities based on experience.

I agree with this recommendation. The ASHSC updated their strategic plan to reflect current goals and priorities based on experience. This new plan was adopted in July 2019, which has resolved this recommendation.

Thank you again for your thorough and informative report, and for the opportunity to comment.

Sincerely,



Corri A. Feige
Commissioner

Cc: Steve Masterman, State Geologist and Director, DGGS
Ken Papp, Division Operations Manager, DGGS
Barrett Salisbury, Geologist IV, DGGS
Sterling Strait, Chair, Alaska Seismic Hazards Safety Commission

Agency Response from the Alaska Seismic Hazards Safety Commission



THE STATE
of ALASKA

GOVERNOR MICHAEL DUNLEAVY

SEISMIC HAZARDS SAFETY COMMISSION

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15 November, 2019

RECEIVED

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LEGISLATIVE AUDIT

Kris Curtis, CPA, CISA
Legislative Auditor
Division of Legislative Audit
P.O. Box 113300
Juneau, AK 99811-3300

RE: Review of Preliminary Audit Report for Alaska Seismic Hazards Safety Commission.

Dear Mrs. Curtis,

I have received and reviewed the preliminary audit report for the Alaska Seismic Hazards Safety Commission dated March 15, 2019.

Thank you for your thorough review of our commission activities and your recommendations for improvement. By making these improvements we will be better prepared to fulfill our mission and serve the people of Alaska.

I agree with the recommendations and conclusions included in the preliminary report. I have worked with the commission and the DNR to address these recommendations as follows:

Recommendation 1: The commission's chair should ensure procedures are implemented to publish meeting notices timely and accurately.

I requested that our DNR administrative support staff to develop a written procedure for posting public meeting notices for all commission meetings.

Our DNR representative and administrative staff have completed this task and now follow a checklist procedure when preparing for all commission meetings. This procedure includes the specific public notification requirements that need to be met to align our meetings with the Open Meetings Act.

I confirmed this with our DNR representative Barrett Salisbury on November 14, 2019 at which time I reviewed a copy of the procedure.

By following this procedure, commission meetings will be publicly noticed both timely and accurately.

Kris Curtis, Division of Legislative Audit
Review of Preliminary Audit Report, ASHSC
November 15, 2019
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Recommendation 2: The commission's chair should update its strategic plan to reflect current goals and priorities based on experience.

In the spring of 2019 I worked with the commission to update our strategic plan to align with our current priorities and activities. This update was completed and approved during our commission meeting on July 15, 2019.

The updated version of our strategic plan is published on our commission website at seismic.alaska.gov.

Thank you for this opportunity to review and respond to the recommendations made in the preliminary audit report. I am encouraged by your conclusion that our commission continues to provide a public service through our actions.

I look forward to continuing the work of this commission as we pursue our mission of improving seismic safety for Alaska.

Respectfully yours,



Sterling Strait

Chair, Alaska Seismic Hazards Safety Commission
907.632.7654 sterling.strait@alaska-pipeline.com

ALASKA SEISMIC HAZARDS SAFETY COMMISSION