

# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: 4  
 Bill Version: SB 24  
 (S)Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Environmental Conservation  
 Title: Seafood/Food Safety Lab Facility Construction BRU: Environmental Health  
 Component: Laboratory Services  
 Sponsor: Rules Committee  
 Requester: Senate Resources Component Number: 2065

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual				97.8	178.1	184.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>97.8</b>	<b>178.1</b>	<b>184.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF				97.8	178.1	184.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>97.8</b>	<b>178.1</b>	<b>184.0</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

The current Food Safety Laboratory has operated in a leased facility in Palmer for over 30 years. The facility is now inadequate for current lab operations. In addition the lease will soon expire with no opportunity for long term renewal. The bill would authorize financing and construction of a new Seafood and Food Safety Laboratory to be operated by the Department of Environmental Conservation (DEC).

The Department of Administration (DOA) pays the current lease costs for the lab. DEC reimburses DOA for a portion of these costs through an RSA. DEC will directly pay for all of the utilities and maintenance costs for the new building. These new costs are shown in the contractual line. Annual lease savings partially offset these new utility and maintenance costs as shown on the attached chart.

We expect to begin occupying the building in January 2005, therefore the costs shown for 2005 are for half a year.

Prepared by: Janice Adair, Director Phone (907) 269-7644  
 Division: Division of Environmental Health Date/Time 3/16/01 3 p.m.  
 Approved by: Mike Conway for Kurt Fredriksson Date 3/16/01  
 Agency: Department of Environmental Conservation

For distribution information, call the Governor's Legislative Office

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Line Item Description	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<b>Contractual Line 300</b>					
<b>* (Operating Expenses)</b>					
<b>Utilities</b> (estimated) DEC will incur costs for utilities at the new facility starting mid - 2005. Utility costs at the existing leased facility are included in the lease paid by DOA and DEC. These costs are offset by the lease savings shown below and shown on DOA's fiscal note.			\$52,965	\$105,930	\$110,040
<b>Building Maintenance</b> (estimated) DEC will incur costs for building maintenance at the new facility starting mid - 2005. Maintenance costs at the existing leased facility are also included in the lease paid by DOA and DEC. These costs are offset by the lease savings shown below and shown on DOA's fiscal note.			\$54,800	\$92,700	\$95,160
<b>* (Lease Savings - Palmer Lab)</b> DEC portion of current lease paid to DOA/GS through a RSA, will no longer be required after completion of the new facility.			(\$9,916)	(\$20,527)	(\$21,245)
<b>Total Contractual:</b>	\$0	\$0	\$97,849	\$178,103	\$183,955

\* Adjusted annually by the probable Consumer Price Index.