

MINUTES
SENATE FINANCE COMMITTEE
February 22, 2001
9:02 AM

TAPES

SFC-01 # 22, Side A
SFC 01 # 22, Side B
SFC 01 # 23, Side A

CALL TO ORDER

Co-Chair Pete Kelly convened the meeting at approximately 9:02 AM.

PRESENT

Senator Dave Donley, Co-Chair
Senator Pete Kelly, Co-Chair
Senator Jerry Ward, Vice Chair
Senator Gary Wilken
Senator Alan Austerman
Senator Loren Leman
Senator Green

Also Attending: JOE REEVES, Deputy Director/Administrative Services Manager, Division of Administrative Services, Department of Corrections; MARY MCDOWELL, Commissioner, Commercial Fisheries Entry Commission, Department of Fish and Game; MARK JOHNSON, Chief, Community Health and Emergency Medical Services, Division of Public Health, Department of Health and Social Services; NICO BUS, Administrative Services Manager, Division of Support Services, Department of Military and Veterans Affairs and Department of Natural Resources; KEN BISCHOFF, Director, Division of Administrative Services, Department of Public Safety; PAUL DICK, Chief, PFD Operations, Permanent Fund Dividend Division, Department of Revenue; KURT PARKAN, Deputy Commissioner, Department of Transportation and Public Facilities; KAREN MORGAN, Deputy Director, Communications Services, Information Technology Group, Department of Administration; DOUG WOOLIVER, Administrative Attorney, Alaska Court System;

Attending via Teleconference: From Anchorage: JOHN MALLONEE, Data Processing Manager, Child Support Enforcement Division, Department of Revenue;

SUMMARY INFORMATION

SB 29-APPROP: GOVERNOR'S CAPITAL BUDGET

The Committee heard presentations on technology-based budget requests from the Department of Corrections, the Department of Fish and Game, the Department of Health and Social Services, the Department of Military and Veterans Affairs, the Department of Natural Resources, the Department of Public Safety, Department of Revenue, the Department of Transportation and Public Facilities, and all of the capital requests from the Alaska Court System. The bill was held in Committee.

#SB29

SENATE BILL NO. 29

"An Act making capital appropriations and capitalizing funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

Co-Chair Kelly announced that the Committee would continue to review the technology portion of the capital budget.

Department of Corrections

Criminal Justice Management Information System Replacement

\$762,200 general funds

Reference No.: 33841

AP/AL: Appropriation

Project Type: Information Systems

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2003

This project funds the final phase of the Offender-Based State Correctional Information System (OBSCIS) management information system replacement. TIC/TAC reviewed and approved project in FY 98, FY 99, FY 00, and FY 01.

On-going project

JOE REEVES, Deputy Director/Administrative Services Manager, Division of Administrative Services, Department of Corrections, testified that the department has been trying to complete this project for the past several years.

Mr. Reeves read portions of the description that accompanies the

request as follows.

The Alaska Department of Corrections will be finalizing the installation of an improved and enhanced offender based information system to manage offenders under supervision of the department. This system will provide accurate and timely reports on dispositions of those offenders and projections for future planning...

...This project has been reviewed and approved by the TIC/TAC Committee in FY 98, FY 99, FY 00, and FY 01. This project funds the final phase of conversion and implementation of the agency's OBSCIS...

Mr. Reeves noted the request would provide funds for eight OBSCOS modules. He continued citing from the description as follows.

The modules will complete the OBSCIS project and will automate almost all of the manual processes within the department, and allow faster and more accurate access to inmate information and interaction with the rest of the state's criminal justice system (courts, the Department of Law and the Department of Public Safety.)

Mr. Reeves gave details on the planned module projects listed in the description as follows.

MODULE	ESTIMATED COST
CRC/Local Jail Interface	\$30,000
Commissary	30,000
Inmate Programs/Records	50,000
Medical Health/Client Billing	470,000
Public Integration	30,000
Quality Control Auditing	67,200
Judgment/Restitution Interface	30,000
Scheduling/Agencywide	55,000
Total	\$762,200

Mr. Reeves shared that the first module planned for completion is the CRC/Local Jail Interface. He stressed that the state has 874 beds in such facilities, which provide up to 319,000 "man days" of incarceration.

Mr. Reeves also noted that the Commissary maintains data on all inmate purchases from local institutions.

Mr. Reeves interjected that the estimated costs of all the modules are consulting fees that would be paid to individuals to develop

interfaces.

Mr. Reeves continued that the Inmate Programs/Records is used to track inmate participation in various projects as well as tracking inmates as they are transferred between different facilities. He stated that inmates often make such transfers.

Mr. Reeves explained the Medical Health/Client Billing module would be used to develop an automated billing system to track inmate health care expenditures, which total approximately \$15 million each year.

Mr. Reeves addressed the Public Integration module, which provides information used for victim notification and other public information programs.

Mr. Reeves relayed that the Quality Control Auditing module is used to ensure that all of the modules are operating properly. He noted that the existing auditing system contains approximately 300 data elements, including identification of inmates, where they are located, etc. He stated that the new system would have 1200 data elements.

Mr. Reeves explained the Judgment/Restitution Interface tracks inmates' obligations to their victims within the state.

Mr. Reeves gave scheduling inmates' transportation as an example of what the Scheduling/Agencywide module would be used for.

Mr. Reeves continued to read from the description as follows.

This new OBSCIS system will maximize services to the public through electronic data, optimize government efficiency by enabling accurate, timely prisoner records to all users, and will affect the way other public agencies do their business. ...

Mr. Reeves detailed the information that would be shared with the Department of Public Safety as including criminal history, remands, wants and warrants, Driving While Intoxicated history, arrest prints, inmate transportation itineraries, inmate files, known associates, inmate photographs, victim notification, sex offender registration and special conditions of incarceration.

Senator Leman cited a portion of the description not read by the witness, as follows.

Project also ensures that accurate and timely prisoner records are kept for victim services across the state and nation.

Senator Leman wanted to know if this update would improve the tracking of restitution payments to victims.

Mr. Reeves affirmed.

Senator Ward asked about the record keeping of any cash carried on the offender's person when booked into the prison system or any money received by the inmate while incarcerated.

Mr. Reeves explained how the money is deposited into an inmate trust account under the inmate's name and is tracked until the inmate is released, when the money is then returned. He stated that the Commissary module is linked to this process.

Mr. Reeves answered another question of Senator Ward's stating that the new account would be called the Offender Trust Account and would track all of an offender's money.

Computer Network Hardware Replacement and Upgrade

\$185,000 general funds

Reference No.: 30799

AP/AL: Appropriation

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001-06/30/2003

This project funds the replacement of a portion of the MIS system so the Agency can keep up with changing technology and software programs. TIC/TAC reviewed and approved the project in FY 02.

Mr. Reeves testified that the current network was set up with the expected life span of five years. He stressed that the system is now in its sixth year. He spoke of \$6.8 million spent to date on the project to replace obsolete systems in the 34 sites statewide. He detailed the studies conducted to ensure the most suitable system. He stressed that the current system is outdated and unable to keep up with the data programming.

Co-Chair Kelly wanted to know what about the data that the system could not keep up with.

Mr. Reeves replied that the issue was memory capability.

Co-Chair Kelly asked if this project would be ongoing.

Mr. Reeves responded that this request would complete the core

replacement. Any additional efforts, he said, would pertain to maintenance costs. He stated, "This is the final piece" of the project.

Department of Fish and Game

Commercial Fisheries Entry Commission Permit and Vessel Licensing

\$115,000 Receipt Services

Reference No.: 33908

AP/AL: Appropriation

Category: Public Support Technology/Service

Location: Juneau Areawide

Election District: Juneau Areawide

Estimated Project Dates: 07/01/2001 - 06/30/2006

This project is part of an overall upgrade plan for the agency to implement permit and vessel licensing on the Internet. The purchase of the Storage Area Network (SAN) is an integral part to assuring the reliability and backup of the application on a new version of the network operating system.

MARY MCDOWELL, Commissioner, Commercial Fisheries Entry Commission, Department of Fish and Game, detailed the agency and its dependency on computer technology for the licensing and data tracking. She stated that the upgrades are necessary to keep up with the influx of data given the limited staff of the autonomous agency.

Ms. McDowell stressed that the \$3000 annual operating budget appropriation for technological activities is inadequate to address this equipment replacement project.

Ms. McDowell added that the funds would also provide a backup system to prevent loss of data.

Senator Austerman asked if the requested \$150,000 utilizes existing funds.

Ms. McDowell replied that the Commission generates approximately twice the amount of receipts as expenses.

Senator Austerman wanted to know if the public would have access to the information contained on these systems.

Ms. McDowell answered this information is already available on the Internet through the agency's extensive website.

Senator Wilken was surprised that there are no accompanying operating and maintenance cost reductions resulting from this

project.

Ms. McDowell replied that the on-line licensing would save public time, but not necessarily staff time. She detailed the process an applicant follows to obtain and submit an application for a license.

Senator Wilken asked if the project buys public convenience only.

Ms. McDowell responded the intent of the project is to upgrade obsolete equipment and expand capabilities to meet growing needs.

Senator Wilken asked if this is a one-time appropriation.

Ms. McDowell affirmed.

AT EASE 9:21 AM / 9:24 AM

Department of Health and Social Services

Emergency Communications: Emergency Medical Services
\$341,600 general fund
Reference No.: 33443
AP/AL: Appropriation
Category: Health/Safety
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2001 - 06/30/2006
EMS ambulance and first responder personnel need adequate, reliable emergency communications systems to provide effective life-saving services. In some areas there is no EMS communications coverage whatsoever. In other areas, two-way radio systems are old and breaking down with increasing frequency. This project will target needs for enhanced EMS communications for volunteer ambulance and first responder services in areas with the greatest documented needs, based on a comprehensive statewide EMS communications plan (completed in September 1997). Under a community facility grant program for the U.S. Department of Agriculture, these funds qualify for a 25% match, which would go directly to the local EMS agencies.

MARK JOHNSON, Chief, Community Health and Emergency Medical Services, Division of Public Health, Department of Health and Social Services, testified that this project is for a continuation of a multi-year phase-in project. He said this focuses on rural Emergency Medical Services (EMS) volunteers throughout the state. He talked about the need for communication between service

providers in remote locations.

Mr. Johnson shared that the department was able to recover costs from a satellite phone system contract when that business went bankrupt, but that the department still wishes to pursue such a system to use in certain remote areas.

Mr. Johnson stated that two-way radios are the ideal method of communication in more populated areas. He noted that while cellular service is available, these involve airtime costs and that volunteer organizations are not budgeted for these expenses. In addition, he told of how conversations between multiple parties are often necessary.

Mr. Johnson stressed that many existing systems are 20 years old and are failing with increasing frequency. He spoke to the department's obligation to support the volunteer ambulance and first response services.

Co-Chair Kelly noted the 20 percent match qualification and asked if the intent is to allow communities to provide this match.

Mr. Johnson replied this is correct, and told of the grant program available through the United States Department of Agriculture (USDA). He noted some community's economic situation would make raising matching funds difficult. He stated that the department is working to best secure the maximum funds for each community.

Co-Chair Kelly wanted to know how many communities are involved.

Mr. Johnson stated that the department has done a need assessment for many communities, and estimated that 75 have qualified. He told of the testing of a new phone system that the department would like to take advantage of if it expands across the state.

Co-Chair Kelly asked if the department would later learn how many of the 75 identified communities would qualify for the federal grant.

Mr. Johnson affirmed.

Senator Austerman asked if the total expenditure for this project is approximately \$4 million.

Mr. Johnson replied this figure assumes each community would contribute a 25 percent match, but noted that in some communities the match could be as high as 85 percent. He stressed that the need has been documented yet it is still unknown how much federal

funding each community would qualify for.

Senator Austerman requested more detailed information showing the documented need.

Mr. Johnson stated that the comprehensive statewide EMS communications plan, completed in September 1997, gives this information.

Senator Austerman asked how this project integrates with the capital improvement project request for a land mobile radio (LMR) system.

Mr. Johnson replied this project relates to geographical areas not covered by the LMR. He noted however, that some ambulance services would utilize the LMR, if it were implemented. He predicted the LMR system would remain viable "well into the future".

Mr. Johnson detailed how currently the state is paying for dedicated radio lines for the ambulance services and that with the implementation of the LMR system, more agencies would use the system and the cost would be reduced for each user.

Mr. Johnson stressed that it is important to note that "staying the same is going to cost money too" because the failed radios would still need to be replaced. He advised that a phase-in plan for replacing broken radios with updated technology that could utilize the new LMR system would be most efficient.

Senator Austerman asked why this request was not included as part of the LMR project.

Mr. Johnson replied that this request is compatible with the LMR system and he detailed how the LMR project would continue to expand into more geographical areas along the Railbelt. However, he stressed that much of the identified need for the emergency response project encompasses areas outside of the Railbelt.

ANNALEE MCCONNELL, Director, Office of Management and Budget, Office of the Governor, added that a number of additional projects could have been included in the entire LMR system effort. Instead, she said it was determined that some of the projects "stood on their own" and that this project was one of those.

Senator Wilken asked if the Emergency Medical Services component was included in the telecommunications Request for Proposals (RFP) and whether private industry is included.

Mr. Johnson replied that in areas where the State Microwave System exists, the state would retain ownership of the system and expenses would be limited to maintenance costs.

Senator Lemman suggested changes to the explanatory information accompanying the budget request detailing the 25 percent matching funds that would be allocated to the local communities. He suggested the language should correctly state that the communities would qualify for "an up to 75 percent match."

Mr. Johnson conceded and stated that when the request was submitted, the department had not received all information from the USDA regarding the grant program.

Ms. McConnell offered for the department to provide a presentation on the entire telecommunications RFP.

Co-Chair Kelly stated it would be most appropriate to give such a presentation before the capital budget subcommittee.

Department of Military and Veterans Affairs

Emergency Communications: Rescue Coordination Equipment Replacement

\$106,700 general funds

Reference No.: 34506

AP/AL: Appropriation

Category: Public Protection

Location: Anchorage Areawide

Election District: Anchorage Areawide

Estimated Project Dates: 07/01/2001 - 06/30/2001

This project allows the department to replace the Rescue Coordination Center's (RCC) VHF Radios, replace a vital antenna, and upgrade our computers both in the RCC and State Emergency Coordination Center (SECC).

NICO BUS, Administrative Services Manager, Division of Support Services, Department of Military and Veterans Affairs and Department of Natural Resources, testified that this project proposes to relocate the antenna to a more optimal location. He stated that the current system is outdated and that replacement parts are no longer available. He informed that services from Mt. Susitna have been interrupted approximately nine times in the last two years. He explained that the rescue coordination center is a combination of state and federal operations. He detailed that the federal Air National Guard provides staffing and that the state is responsible for equipment costs. He listed that over 400 search and rescue missions were performed for the state, while only five

missions were conducted for the federal government for downed aircraft.

Senator Lemman pointed out that this request only includes state funds and asked why no federal funds were provided.

Mr. Bus responded that the federal government provides funding for the aircraft, fuel and the pilots to conduct the missions and the state provides funding for the equipment in the search and rescue center. He listed the three separate entities utilizing the center as the federal mission, the state mission and the combined State Emergency Coordination Center, which houses the Department of Natural Resources, the Department of Environmental Conservation, the Department of Public Safety and other state agencies. He explained this location is used as a command center in the event of a fire or other emergency.

Senator Austerman asked if this project would be included as a part of the overall LMR program to coordinate search and rescue operations.

Mr. Bus replied that the radio portion has been held off in order to first identify the best equipment.

Senator Austerman suggested that if the funds were going to be expended to coordinate all of the radio systems, he wanted to know if this project is related and should be included in the LMR.

Co-Chair Kelly interrupted to ask if the goal is to someday allow the EMS operator to directly communicate with the staff of the search and rescue center.

Ms. McConnell affirmed this is the ultimate goal. She noted that this request is not dependant on the LMR, but that certain aspects are interrelated. She pointed out that the existing computer equipment in the Emergency Coordination Center is incompatible with the proposed LMR system.

Department of Natural Resources

Land Use Data Base System for Industry and Public Access
\$495,000 general funds
Reference No.: 33909
AP/AL: Appropriation
Category: Development
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2001 - 06/30/2003

DNR's information systems are a strategic state asset that is used by resource managers and resource developers to create economic opportunities for Alaska and its citizens. Land records must be accessible, relevant, and dependable. Business processing must be competent and efficient. High quality public land record systems promote the resource development and improvement activities. The present system hampers these goals.

Mr. Bus testified this project is to upgrade the key database system containing over 115,000 land records. He stressed that the current system is "antiquated", built in 1970, and utilizes Cobalt language. He informed that the department is having difficulty obtaining qualified programmers to manage the system. He emphasized that it is too labor intensive for both staff and users to operate. He stated that the department is no longer the only entity accessing this land records information. He relayed the goal is to make this information accessible on the Internet.

Co-Chair Kelly asked for a description of the customer.

Mr. Bus replied the customers represent any parties that deal with the Department of Natural Resources and include: landowners needing to obtain the title for their property, parties performing land surveys, parties involved in land-leases, home sites, or right-of-ways, municipalities pursuing entitlement, representatives from the mining industry, and oil and gas industry, those with water rights, etc.

Department of Public Safety

Alaska Public Safety Information Network Redesign

\$ 2,725,500 general funds

Reference No.: 33865

AP/AL: Appropriation

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2001

APSIN serves more than 2,600 local, state, and federal criminal justice users, which represent \$500 million in annual operating expenditures. APSIN must be rewritten to communicate with these agencies in Alaska and with the national systems. If APSIN is not rewritten, it will be substantially more costly to comply with new legislative requirements, and police will not have access to the National Crime Information Center, e.g. information related to wanted/missing persons, stolen property, property used in the commission of a crime, national

criminal records, vehicle and driver information, photographs, fingerprints, DNA, sex offender and other vital national information.

KEN BISCHOFF, Director, Division of Administrative Services, Department of Public Safety, testified that this on-going project has been funded to date primarily using federal funds. He projected the total cost of the project to be approximately \$8.4 million, of which \$4.8 million is general funds.

Mr. Bischoff referenced a handout provided by the department [copy on file] and characterized the Alaska Public Safety Information Network (APSIN) as the criminal justice scorekeeper. He listed the other local and federal agencies that use this system. He pointed out on the graph how the Department of Public Safety utilizes the criminal records information.

SFC 01 # 22, Side B 09:52 AM

Mr. Bischoff continued describing how police departments contribute funds toward obtaining interface software to make it possible to interact with the department and the Federal Bureau of Investigation.

Mr. Bischoff listed the information the database provides includes criminal history records, "hot file", warrants, writs of execution requests, missing persons, property used in the commission of a crime, etc. that would be useful to a police dispatcher or in a civil investigation.

Mr. Bischoff added the Department of Health and Social Services utilizes this database for background information for foster parents, and screening for school bus drivers and applicants for concealed weapons permits.

Mr. Bischoff said the Department of Public Safety system needed to be upgraded to maintain its compatibility with upgrades implemented by other agencies.

Co-Chair Kelly asked if there would be any realized savings in this upgrade.

Mr. Bischoff titled this as a growth industry. He stated the amount of information contained in this database continues to grow and that there are variables that could mitigate the growth. He noted that legislatures pass new laws and that there are tools that can

help the growth. Therefore, he said the cost benefit would be realized in the future.

Co-Chair Kelly announced for the record that former Lieutenant Governor, Red Boucher was present.

Senator Lemman asked for information regarding federal matching funds for future projects.

Mr. Bischoff repeated that the total cost of the project is estimated to be \$8.4 million of which \$4.8 would be general funds.

Emergency Communications: Southeast Upgrade
\$400,400
Reference No.: 32371
AP/AL: Appropriation
Category: Public Protection
Location: Juneau Areawide
Election District: Juneau Areawide
Estimated Project Dates: 07/01/2001 - 06/30/2003
Place eight communications repeaters in Southeast Alaska to improve emergency communications.

Mr. Bischoff reminded that this project has been before the Committee in previous years. He informed that the state does not currently have a dedicated emergency communication capability in Southeast Alaska. This project, he explained, works in cooperation with the United States Coast Guard (USCG) to establish antenna sites at existing USCG VHF transmission sites. He said the Alaska State Troopers would use these antennas for dispatch and regular business communications, as well as emergency medical services. He noted that that the Department of Environmental Conservation and the Marine Highway System have expressed interest in utilizing the system as well.

At ease 9:59 AM / 10:11 AM

Department of Revenue

Permanent Fund Dividend Appeals Process Streamlining
\$125,000
Reference No.: AMD33901
AP/AL: Appropriation
Category: Public Support Technology/Service
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2001 - 06/30/2006
To automate the process of receiving incoming mail from

applicants responding to our requests for additional information.

PAUL DICK, Chief, PFD Operations, Permanent Fund Dividend Division, Department of Revenue, testified this is a request for a supplemental to the division's Optimal Character Recognition (OCR) system. He explained how this system scans documents into the division's database utilizing a barcode in a faster, more efficient manner than the existing data entry method. He told of the many letters received by the division and the amount of time it takes to hand process each letter. He stressed the proposed system would greatly enhance customer service.

Senator Austerman asked if this request includes the necessary software.

Mr. Dick replied the request is mostly for software as the division already has the necessary scanning hardware.

Co-Chair Kelly wanted to know the downside of not implementing the system. He asked if there is a backlog of the letters in question.

Mr. Dick responded the division has a backlog of approximately 50,000 documents during the summer months. He noted that during this time, the division is also sending out letters to applicants requesting additional information.

Senator Wilken asked if the operating efficiencies would therefore be in managing growth and increasing customer service.

Mr. Dick affirmed and noted that information could be provided to customers in a shorter time.

Co-Chair Kelly asked for background of the funding source, asking if it is a reserve fund within the permanent fund.

Mr. Dick explained the funding source used to manage the division is separate from the permanent fund earnings reserve account. He noted that excess funds not paid out annually as dividends are transferred into this managing fund.

Senator Wilken asked if on-line applications were being considered.

Mr. Dick stated that a method exists, but is cumbersome. He stated that the division is working to improve this system, targeting those who qualify for the one-page application.

Senator Wilken asked if half of the applicants used the on-line

system, if the need for optical scanning would be reduced.

Mr. Dick responded that optical scanning would always be necessary. This, he explained is because there would always be applicants who do not file electronically.

Ms. McConnell added that this electronic signature project is one of several that address advancing technology. She noted that as the division addresses the handling of information submitted over the Internet that require a signature, all potential applications for other state operations would be considered.

Child Support Enforcement Caseload Management System
Modification Project
\$3,000,000
Reference No.: AMD33818
AP/AL: Appropriation
Category: Public Support Technology/Service
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2001 - 06/30/2001

JOHN MALLONEE, Data Processing Manager, Child Support Enforcement Division, Department of Revenue, testified via teleconference from Anchorage that this capital project would eliminate two critical problems within the automated child support system.

Mr. Mallonee listed the first as proprietary software used to handle all input and output calls within system. He explained this technology is ten years old no longer supported by the vender. He described problems encountered with changes are made to the mainframe. He warned that although accommodations have been made to keep the system operational, the system would eventually fail.

Mr. Mallonee pointed out that the system needs to be rewritten anyway and that it is most cost effective to upgrade at this time. He spoke to the difficulty in finishing batch writing at night and the need to access this inputted information in a timely manner. He stressed that all child support information is contained on this system and that it is inoperable for several days each month.

Mr. Mallonee shared that some of the system has been replaced and this request addresses the remaining 60-65 percent of the program.

Co-Chair Kelly talked about spouses leaving the state and "disappearing". He asked if this project would permit tracking of these parents in the future.

Mr. Mallonee responded the upgraded system would allow the division to link with 56 jurisdictions in the country. He noted not all jurisdictions are currently connected.

Senator Leman requested more information showing the breakdown of costs for the remaining \$3 million proposed for this project.

Mr. Mallonee replied that almost all of the funds would be used to hire contract programmers to augment existing division staff to rewrite programs. He detailed the funding as \$1.9 million federal funds and \$1 million provided from the state.

Senator Leman clarified that none of the funds are for new software.

Mr. Mallonee affirmed and explained existing software would be rewritten.

Senator Wilken asked if less than the entire \$3 million in general funds is appropriated in the FY 02 budget, if additional funds could be appropriated in future years to allow completion by the planned date in FY 06.

Mr. Mallonee answered the project could be completed in phases and the timing of the project depends on the number of programmers working at one time. He said it was possible that other circumstances would require the project to be addressed in phases anyway.

Department of Transportation and Public Facilities

Management Reporting System Efficiency - Analysis and Development

\$250,000

Reference No.: 33938

AP/AL: Appropriation

Category: Transportation

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2006

The department needs a thorough analysis of all information systems being used by the department, including a review of what information is being collected from them, how it is being collected, and how the information is being used. This review should suggest ways of improving the efficiency of the department's information management by streamlining processes, by changing or improving systems, and by improving reporting processes.

KURT PARKAN, Deputy Commissioner, Department of Transportation and Public Facilities, testified this is the only project utilizing general funds. He pointed out the department utilizes several different information management systems and that there is frustration that not all of these systems produce reports usable for decision-making purposes. He stated this project would conduct a thorough analysis of all the information systems to determine what information is collected from them, how it is being collected and how it is being used. He stressed the intent is to streamline process. He added this project would apply to systems currently under development as well.

Co-Chair Kelly requested further detail of the problem.

Mr. Parkan explained that each system was produced independently from the other. He listed Airport Information Management, Alaska Marine Highway Reservations, Highway Accidents systems, Pavement Management, and equipment fleet as some of the information management systems used by the department. He emphasized that each program produces reports useful for their specific purpose but are not integrated to the full benefit of the department. He remarked that the commissioner must set policy and review the performance of each program operated by the department.

Co-Chair Kelly asked if the project would be done internally or if bids would be requested from outside the department.

Mr. Parkan responded that a contract would be issued to perform an analysis of the systems and make recommendations on how to produce better reporting.

Senator Ward commented that the State of Indiana underwent a similar procedure and learned that their airports could be privatized and operate at one-third of the expense. Therefore, he surmised the proposed project has merit.

Senator Leman asked if when the RFP is issued if it would include a provision to include the users of these systems to ensure the recommendations are feasible and user-friendly.

Mr. Parkan assured this would be done.

Statewide: Comprehensive Document Management System
\$227,500
Reference No.: 33911
AP/AL: Allocation
Category: Transportation

Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2001 - 06/30/2006
Appropriation: Surface Transportation Program
Implement a system that can store and manage the Divisions' mass of project plans, as-built diagrams, legally-binding Right of Way parcel documents, technical reports and other archival documents relating to project development and construction. This system will reduce the current overcrowding of office space by providing electronic access to documents that can then be moved to storage. The project will increase the efficiency of document access and provide an electronic backup to the department's essential files on the state's infrastructure.

Mr. Parkan testified this project and the following project use federal funds and require state matching funds. He stated this project is an attempt to consolidate documents that are currently stored "in filing cabinets throughout the state." He explained this information would become available electronically to all of the department's design engineers. He stressed this would not only make better use of space, but would also allow the division to be more efficient by researching techniques used in past projects to apply to future projects.

Right of Way Permitting and Project Development Management System
\$318,500
Reference No.: 33910
AP/AL: Allocation
Category: Transportation
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2001 - 06/30/2006
Appropriation: Surface Transportation Program
The first portion involves streamlining the department's permitting processes, and making moving to a web-based application system; this portion of the project is well underway. The second portion involves the management of the state's right of way during project development. This segment of the project involves improving the department's processes for right of way project development, and then automating many of those processes. The system will allow for electronic management of information, an electronic movement of workflow. It will allow better management of our increasing federally funded capital projects, both for highways and aviation.

Mr. Parkan noted this project is similar to the previous project.

He also pointed out it is part of larger project to make the right-of-way process more user friendly.

Co-Chair Kelly clarified a minimum of nine-percent in state matching funds is required to secure federal funding for this project. He asked if the request is to utilize general funds for the state-portion and why this is not reflected in the proposed budget.

Mr. Parkan responded that the standard match requirement for federal highway projects is nine-percent and that the amount is reflected in the governor's proposed budget as general funds.

Ted Stevens Anchorage International Airport: Information Technology Systems
\$1,053,000
Reference No.: 33898
AP/AL: Allocation
Category: Transportation
Location: Anchorage Areawide
Election District: Anchorage Areawide
Estimated Project Dates: 07/01/2001 - 06/30/2006
Appropriation: Airport Improvement Program
Upgrade and/or replace outdated telecommunications and information systems for increased capacity, service and features needed for airport operations. Current projects needed to modernize the Airport Information Technology include: upgrading existing wiring, implementing a high-speed backbone network and planning, design, integration, and enhancement of Geographic Information Systems, CADD enhancements. The portion of this project reviewed by the TIC/TAC is \$500,000 applicable to the wiring system distribution.

Mr. Parkan testified this project would expand and improve data and video technology within the main airport terminal. He explained that the airport tenants currently run separate wiring systems in the facility and the intent is to create a centralized system. He noted this project would also extend the system to the North Terminal and to the safety building. He told how fire and rescue crews would have access to information relating to the building plans that could be useful in the event of an emergency.

Senator Green asked if this project is to augment the on-going terminal upgrade project. She assumed this item was included in the original plan and asked if it was instead a shortfall.

Mr. Parkan corrected that this request is not to address an

oversight because the project was not included in the terminal upgrade project. He explained how this project is utilizing the current construction activities to enhance service for public safety operations and to expand the wiring systems into the North terminal.

Senator Wilken noted the project is planned to occur in FY 01 through FY 06 and asked if it could be completed in phases. He asked if this is an option under the stipulations of using airport funds.

Mr. Parkan responded that the project is planned as one step and has received federal authorization as such. He noted it is anticipated to take two years to complete and is part of a larger five-year Capital Improvement Project (CIP).

Ted Stevens Anchorage International Airport: Communication Equipment and System Relocation
\$5,515,000
Reference No.: 33897
AP/AL: Allocation
Category: Transportation
Location: Anchorage Areawide
Election District: Anchorage Areawide
Estimated Project Dates: 07/01/2001 - 06/30/2006
Appropriation: Airport Improvement Project
Purchase and install an Airport-owned communication system and infrastructure, including telephone switch, equipment, enhanced systems, and associated infrastructure and complete necessary system and utility installations and relocations.

Mr. Parkan stressed the existing system is over 25 years old. He noted the project has been reviewed by the airlines as part of the updated operating agreement between the airport and the airlines.

Senator Wilken asked if the RFP for this project would include service of the equipment.

Mr. Parkan affirmed it would be part of the negotiations.

Senator Wilken asked why the service provider would not provide the necessary equipment and the state become subscribers.

KAREN MORGAN, Deputy Director, Communications Services, Information Technology Group, Department of Administration, described the process of submitting budget requests to the Office of Management and Budget. She stated that the plans were in development at the time the requests were due and are therefore generalized. She

assured the expectation is for "a good contract" and said this situation allows flexibility in the RFP for vendors to offer the most cost-effective solution. She stressed the amount requested is a maximum authorization and that the matter would be again presented to the legislature after the contract is awarded so the actual amount could be adjusted.

Senator Wilken asked about the Telecommunications Act of 1996, which he understood was enacted by Congress to stipulate that private industry was to "supply the world-at least the nation with communications". He stressed that the actions of the state appear to contradict this goal. He opined that the only advantage to the state in owning a phone system at an airport would be if the system generates revenue.

Co-Chair Kelly suggested a presentation of all the telecommunication-related budget requests could be given to either the full Committee, the capital budget subcommittee, or a special telecommunications budget subcommittee.

Alaska Court System

Automated Case Management System - Phase 2

\$1,750,000

Reference No.: 34030

AP/AL: Appropriation

Category: Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2006

Equipment and systems development for 1) Automated Case Management System and 2) Improved Public Access to the Courts.

DOUG WOOLIVER, Administrative Attorney, Alaska Court System updated the Committee on the progress made on the first phase of the project using funds allocated the previous fiscal year. He stressed that this request is the top priority of the judicial branch. He reiterated the shortcomings and frustrations encountered with the current system. He noted that the legislature also benefits from the upgrades in having easier access to case management information. He explained the second phase involves installing statewide, the systems developed in Phase I.

Co-Chair Kelly asked if this phase could be undertaken in stages with funding allocated over more than this fiscal year. He also asked, "What's the bottom line benefit?"

Mr. Wooliver replied this portion of the project would be difficult

to phase because most of the funds are proposed to purchase a statewide license. He continued that the overall benefit of this project is to allow the court system to keep track of significantly more information than is currently possible. He detailed this includes caseload data and tort reform rulings provided to the legislature, which he stressed would allow the legislature to accurately assess the implementation of the tort reform laws. He added the new system would give the court system the ability to electronically transfer criminal judgment information to the Department of Public Safety.

Co-Chair Kelly asked is this upgrade would realize corresponding operating budget savings.

Mr. Wooliver could not speak for other affected department, but assured it would allow the judicial branch to better manage existing information, which is currently contained only on paper.

Co-Chair Kelly asked that his questions be answered as they apply to all remaining requests.

Capital Replacement Equipment

\$745,000

Reference No.: 34108

AP/AL: Appropriation

Category: Public Support Technology/Service

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2006

Statewide replacement of court system technology and communications resources.

Mr. Wooliver stated this project is the second highest priority of the Alaska Court System. He noted it could be undertaken in phases in a variety of ways. He explained this project does not create an economic benefit as much as it replaces outdated equipment. He described the old computer machinery and how it is incompatible with the new case management system. He added that the project also upgrades the phone system, and he stressed that the Alaska Court System has more teleconference activity than any other state agency. He said this is mostly due to the geography of Alaska. He told how holding teleconference hearings save money for the court system, the Public Defenders Agency as well as individual litigants.

SFC 01 # 23, Side A 10:51 AM

Court Security Projects
\$500,000
Reference No.: 34032
AP/AL: Appropriation
Category: Justice
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2001 - 06/30/2006
Courtroom security requirements

Mr. Wooliver spoke of the limited security in courtrooms saying, "Courthouses are filled with people who hate each other, who are forced by the government to come before the court so that the court, a government employee, can make the most important decisions of their lives." He stressed this creates a great deal of tension and most of the safety concerns are not for the judges but for defendants, witnesses, domestic violence litigants, jurors, and front counter clerks who have the most contact with the public. He emphasized the low salaries paid to employees in this position.

Mr. Wooliver stated the funds would be used to make security upgrades in Kenai and Palmer courthouses. He noted these courts have a high volume of activity and are located in areas of the state with the highest concentration of Freeman, an alleged anti-government organization.

Mr. Wooliver remarked this project could be addressed in phases over more than one fiscal year.

Deferred Maintenance Projects
\$1,000,000
Reference No.: 34031
AP/AL: Appropriation
Category: Justice
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2001 - 06/30/2006
High priority repairs to building components that have not been sufficiently maintained and now threaten longevity of the building.

Mr. Wooliver spoke to this multi-year project to address identified items in the legislature's deferred maintenance task force report. He said the items are prioritized based in the needs of the court system as well as assessment of the damages. He noted this funding would be used for a new roof on the Diamond Courthouse in Juneau as the building has suffered significant water damage. He added that

this funding would also be used to replace water damaged flooring and floor coverings in the small Fort Yukon court office and courtroom.

Rural Court Technology Upgrades (Digital Recording)-Phase 4
\$420,000

Reference No.: 34034

AP/AL: Appropriation

Category: Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2006

The Alaska Court is requesting \$420,000 for the final phase of a four-phase multi-year project to replace courtroom audio recording and electronic sound systems statewide. Phases 1 through 3 targeted the modernization of the 6 largest courts with PCs, new sound systems and digital audio recording. Because of substantial savings in the project, the 9 additional courts and both appellate courts were also upgraded. Phase 4 will upgrade the smallest rural courts.

Mr. Wooliver pointed out that Alaska is one of the only states that use a recording system, rather than court reporters, to record court proceedings. He said this method was chosen at the time of statehood primarily because of a lack of available court reporters. He stated that since that time, this method has resulted in "an enormous cost savings" over the years. He calculated at least 50 court reporters at an annual expense of approximately \$2.5 million would be necessary if the state utilized them rather than a recording system. Despite these savings, he stressed, these systems must be upgraded about every 15 years.

Mr. Wooliver informed that the manufacturer of the old equipment is no longer in business and no more replacement parts are available. He told of the increased quality of recordings made using the updated equipment.

Statewide Remodeling Costs

\$500,000

Reference No.: 34033

AP/AL: Appropriation

Category: Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2006

Renovation projects to increase staff efficiency and accommodate improved means of conducting court business, particularly accommodation of improved technology.

Mr. Wooliver explained this request is for funding to address variety of small renovations. He listed a remodeling project in the Anchorage courthouse to create multi-litigant courtroom and a grand jury sitting room as one of the projects. He detailed the lack of seating for participants and observers of multi-litigant court proceedings.

Statewide Court Building Code and Energy Upgrade

\$400,000

Reference No.: 34035

AP/AL: Appropriation

Category: Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2006

Redesign of courtroom bench configurations to provide adequate space for clerks, witnesses and judges, and to comply with the Americans with Disabilities Act. Earthquake bracing for library shelving in 20 court law libraries.

Mr. Wooliver detailed this request is for the first phase of a two-phase project to remodel the courtrooms in Tok, Valdez, Juneau and Delta Junction to make them more functional and bring them into compliance with the Americans With Disabilities Act.

Law Library Catalog Software for Web Access

\$60,000

Reference No.: 34036

AP/AL: Appropriation

Category: Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2006

This project is for the purchase of software to allow users access to the law library's electronic catalog of available legal resources.

Mr. Wooliver stated this one-time funding request would be used to obtain software necessary to offer the state's law library catalog on the Internet. He described the searching capabilities currently available only at the Anchorage law library. He expressed that access to this information would be useful for court employees, the public, attorneys and judges.

Senator Wilken requested a breakdown of the five remodeling projects proposed in Reference No. 34035.

Mr. Wooliver replied he would supply the information.

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ADJOURNMENT

Co-Chair Pete Kelly adjourned the meeting at 10:58 AM