

MINUTES
SENATE FINANCE COMMITTEE
March 05, 2002
4:15 PM

TAPES

SFC-02 # 28, Side A
SFC 02 # 28, Side B

CALL TO ORDER

Co-Chair Pete Kelly convened the meeting at approximately 4:15 PM.

PRESENT

Senator Dave Donley, Co-Chair
Senator Pete Kelly, Co-Chair
Senator Jerry Ward, Vice Chair
Senator Loren Leman
Senator Lyda Green
Senator Gary Wilken
Senator Lyman Hoffman
Senator Donald Olson

Also Attending: DOUG WOOLIVER, Administrative Attorney, Office of the Administrative Director, Alaska Court System; JOE BEEDLE, Vice President of Finance, University of Alaska; KAREN MORGAN, Director, Division of Administrative Services, Department of Public Safety; MAJOR DON BOWMAN, Administrative Commander, Division of State Troopers, Department of Public Safety; SUSAN SCUDDER, Executive Director, Council on Domestic Violence & Sexual Assault, Department of Public Safety; NICO BUS, Administrative Services Manager, Division of Support Services, Department of Military and Veterans Affairs and Department of Natural Resources; PAT POURCHOT, Commissioner, Department of Natural Resources

Attending via Teleconference: From Anchorage: CAPTAIN AL CAIN, Division of Fish & Wildlife Protection, Department of Public Safety

SUMMARY INFORMATION

SB 243-CHIROPRACTORS: SUNSET/LICENSING

The bill was reported from Committee.

SB 247-REAPPROPRIATIONS & CAPITAL APPROPRIATIONS

The Committee heard testimony from the Court System, the University of Alaska, the Department of Public Safety, the Department of Military and Veterans Affairs, and the Department of Natural Resources. The bill was held in Committee.

#sb243

SENATE BILL NO. 243

"An Act extending the termination date of the Board of Chiropractic Examiners; and relating to chiropractors."

This was the second hearing for this bill in the Senate Finance Committee.

Co-Chair Donley offered a motion to report the bill from Committee with individual recommendations and accompanying fiscal notes.

AT EASE 4:17 PM / 4:17 PM

There being no objections, CS SB 243 (FIN) was REPORTED from Committee with a previous fiscal note, dated January 30, 2002, in the amount of \$44,200 from the Department of Community and Economic Development.

#sb247

SENATE BILL NO. 247

"An Act making capital appropriations and reappropriations, 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."

This was the fourth hearing for this bill in the Senate Finance Committee.

Court System

Replacement Equipment
\$1,265,000 general funds

Reference Number: 35897
Project Type: Equipment
Category: Law and Justice
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2005
Statewide replacement of court system technology and communications resources.

DOUG WOOLIVER, Administrative Attorney, Office of the Administrative Director, Alaska Court System, informed the Committee that is the second phase of upgrading the Alaska Court Systems' computer and telephone systems. He stated that the current computers are "beyond their useful life" especially when compared to the private sector's five-year computer replacement cycle policy. He explained that the Court System relies heavily on its telephone system for teleconferenced hearings as this is substantially less expensive than requiring people to travel to a common location; however, the current system's inability to teleconference more than two parties at a time, in addition of other limited capacities, places a hardship on the Court System.

Court Security Projects
\$850,000 general funds
Reference No.: 35898
Project Type: Renovation and Remodeling
Category: Law and Justice
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2007
Courtroom Security Requirements

Mr. Wooliver expressed that the September 11, 2001 terrorist attacks on New York City and Washington DC resulted in a national focus on security issues, although the Alaska Court system is more concerned with instilling safety measures to circumvent angry litigants than terrorists. He explained that the Court System currently does not have screening machines or metal detectors, and security officers are contractual. He stated that this request would provide for security cameras and additional safety measures to safeguard the Court System personnel, particularly "front-end staff," with an emphasis on the Kenai and Palmer Court System locations. He noted that this request would be coordinated with a \$150,000 operating budget request to increase the number of security officers.

Rural Court Technology Upgrades - Phase 4
\$420,000 general funds

Reference No.: 35900

Project Type: Information Systems

Category: Law and Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 07/01/2008

The Alaska Court System is requesting \$420,000 for the fourth phase of a four-phase, multi-year project to replace courtroom audio recording and electronic sound systems statewide.

On-going project

Mr. Wooliver stated that this request would fund the final phase of a project to replace outdated court recording equipment. He reminded the Committee that the State's decision to use court recording equipment, rather than recording clerks, has proven to be a cost effective measure as current Court recording needs would require fifty court recording clerks at an annual expense of \$2,500,000. He qualified that there are expenses associated with recording equipment because it is required to be periodically upgraded. He commented that this upgrade consists of a compact disk (CD) system with good sound quality that electronically records, stores, categorizes, and transfers records.

Data Systems Security

\$225,000 general funds

Reference No.: 35944

Project Type: Renovation and Remodeling

Category: Law and Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2006

Technology security improvements to address physical security for the court's telecommunication assets, operational security to protect computer systems and functionality to remotely manage and tune network resources.

Mr. Wooliver stated that this request would be the first phase of three-year project to provide security and backup power supply for the Court's computer systems. He stressed that the installation of protective software is critical as more information is stored in computer systems.

Senator Olson, referring to the Court recording project, asked whether rural and urban court systems require differing types of electronic recording systems.

Mr. Wooliver explained that the Court System "has not yet been able to upgrade to the new digital CD format" in some smaller rural

courts.

University of Alaska

Primary Administrative Host Computing System Replacement -
Phase 2 of 2

\$ 1,500,000 ACPE Div Funds

Reference No.: 35871

Project Type: Information Systems

Category: University

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2005

With the first phase of the "Replace UA Administrative Host Computing Systems" project funded in FY 02, the hardware to be purchased with these funds will in addition to providing additional computing and storage resources provide for an available robust and completely redundant system with No Single Point of Failure (NSPF) fault tolerance. This is a critical component of the goal to achieve zero downtime for UA administrative systems thereby making them available to students faculty and staff 7 days a week, 24 hours a day. Funds will also be used to upgrade existing storage subsystems as well as purchase additional storage for the Banner (and related) systems.

Phased project

JOE BEEDLE, Vice President - Finance, University of Alaska, shared with the Committee that this funding would allow the University to complete its "central instructional and telecommunications equipment improvements."

Small Business Development Center

\$450,000 general funds

Reference No.: 36243

Project Type: Planning

Category: University

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

This project will fund The Alaska Small Business Development Center, a statewide business assistance program.

On-going project

Mr. Beedle stated that the Small Business Development Center (SBDC) has historically received \$450,000 in State funding. He shared that the University originally requested \$565,000 for FY03 to qualify for a federal match program to expand the SBDC rural economic

development and technology programs in the State.

Statewide Construction Planning

\$ 3,000,000

\$1,500,000 Fed Rcpts

\$1,500,000 Univ Rcpt

Reference No.: 36244

Project Type: Planning

Category: University

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2005

This request for non-general fund authority will allow the university to make expenditures in response to emerging needs that can be self-funded or partially-funded.

One-time project

Small Project Development and Construction

\$ 4,000,000

\$2,000,000 Fed Rcpts

\$2,000,000 Univ Rcpts

Reference No.: 36248

Project Type: Renewal and Replacement

Category: University

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2005

This Systemwide planning, design and construction authority will provide the University the ability to respond to small capital projects using external funding sources. The legislature has fueled UA's momentum through increased State funding and in doing so, UA is able to generate an increasing amount of external support. This authority will allow UA to respond to emerging needs and opportunities quickly and efficiently. This project is a request for additional University Receipt Authority and federal authority for UA Systemwide Planning, Design and Construction.

One-time project

Mr. Beedle stated that these requests would allow the University to expend non-general fund receipts gleamed from such funding sources as tuition, private and federal grants and projects, and housing receipts, to undertake various maintenance repairs and other small projects to prepare for future capital improvements. He commented that a total of \$3 million is identified for the planning phase and \$4 million is identified for the construction phase.

Senator Wilken asked the location of information about these

planning and construction projects (project Reference numbers 36244 and 36248) in The University of Alaska Fiscal Year 2003 Operating & Capital Budget Requests booklet [copy on file]. He noted that the booklet identifies approximately 50 University capital projects, and he asked how the University determined the priority of these four requests.

Mr. Beedle stated that these projects are identified through the \$4 million non-general fund Small Renewal and Replacement (R&R) Project Receipt Authority line item on page 72 of the book and the \$3 million non-general fund Statewide (SW) Planning Receipt Authority line item on page 73.

Mr. Beedle stated that numerous projects identified in the "UA FY 03 Capital Budget Request Project Listing Details" summary on pages 72 and 73 are being addressed in other legislation or department budgets. He continued that approximately twelve of the top priority items listed on pages 72 and 73 would be addressed in the Governor's bond package in Senate Bill 262, and other projects would be included in the Department of Military and Veterans Affairs' Joint Readiness Facility budget request.

Mr. Beedle further explained that support for the central telecommunications system (project Reference number 35871) "was secured" during an Office of Management and Budget Telecommunications Information Council (TIC) review.

Senator Wilken asked the total amount of University projects expected to be included in the SB 262 bonding bill.

Mr. Beedle responded that University projects proposed in SB 262 would amount to \$15,600,000.

Senator Hoffman, referring to the Small Business Development Center request, asked for further information about the federal match program.

Mr. Beedle responded that the federal match program would provide "core funding" for a rural economic development and technology outreach program for small offices and small communities throughout the State. He apologized to the Committee for the inadvertent omission of information detailing the program.

Senator Hoffman asked that this information be provided to the Committee.

Senator Wilken asked for further information about the \$30 million non-general fund request for Phase II of the Fairbanks campus Bio-

Science Building project, specified on page 73 of the book.

Mr. Beedle explained that the threat of international bio-terrorism has resulted in widespread interest in furthering "bio-informatics;" therefore, he reported that federal and private funding of approximately \$10 million is available to support a bond program for construction of a 164,000 square foot Bio-Science instructional and research facility to house programs, classrooms, offices, and lab space, including virology labs. He noted that additional federal receipt authority funding would be available to support the virology labs.

Senator Wilken summarized that the \$20 million federal virology funding receipts combined with the \$10 million University bond program would provide the \$30 million non-general fund support of this project that would be supported by revenue generated from the University's super computer usage contracts.

Department of Public Safety

Aircraft and Vessel Repair and Maintenance

\$ 1,872,200 general funds

Reference No.: 6121

Project Type: Renewal and Replacement

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

Department of Public Safety Aircraft and Vessel Repair and Maintenance. These funds are for the annual repair and maintenance requirements of this division's aircraft and vessel fleet. For example, the funds will be used to rebuild vessel and aircraft engines and components when they reach the limits of safe useful life. Large marine diesel engines and aircraft engines require expert vendors to rebuild them. Many other components of vessels and aircraft must be maintained or replaced routinely to ensure safe operating conditions.

On-going project

KAREN MORGAN, Director, Division of Administrative Services, Department of Public Safety stated that this annual request provides for required maintenance and repairs for the Department's aircrafts and vessels. She noted that the majority of the Department's aircrafts are over 20 years old and that the majority of the vessels have been in service for more than eight years.

Helicopter Replacement

\$ 750,000 general funds

Reference No.: 35930
Project Type: Equipment
Category: Public Protection
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2007
Replace one law enforcement helicopter
One-time project

Ms. Morgan explained that this funding, combined with revenue generated from the sale of two existing helicopters and one fixed aircraft, would provide for the purchase of a Eurocopter A-Star 350 B2 Class Helicopter (A-Star) that can perform at high altitudes for search and rescue missions and Fish and Wildlife case investigations.

Bethel Hangar Fuel Tank Replacement and Rural Trooper Housing
Water and Sewer Systems
\$ 89,000 general funds
Reference No.: 35707
Project Type: Health and Safety
Category: Public Protection
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2005
This project request will replace the Bethel Aircraft Hangar
fuel tank and replace the rural trooper housing water and
sewer systems in Aniak and Nenana.
One-time project

Ms. Morgan informed the Committee that this request would provide the necessary funds to replace the failing 40-year old Aniak sewer line as well as the Nenana well and water line that are located too close to the trooper housing's septic system.

Fish and Wildlife Statewide Law Enforcement Equipment
Replacement
\$ 300,000 general funds
Reference No.: 6127
Project Type: Equipment
Category: Public Protection
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2004
Replacement of FWP Statewide Law Enforcement Equipment
required for the day-to-day enforcement activity of this
division. For example, to purchase and replace equipment such
as skiffs, outboard motors, snowmachines, All-Terrain

Vehicles, and other equipment required in enforcement patrols and search and rescue operations.

On-going project

Ms. Morgan stated that this annual request would fund the replacement of critical equipment the troopers use in daily operations such as skiffs, computer equipment, outboard motors, riverboats, and trailers.

Trooper Law Enforcement Equipment

\$ 400,000 general funds

Reference No.: 32261

Project Type: Equipment

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

Purchase of new and replacement equipment for the use of State Trooper personnel throughout the state. The Division of Alaska State Troopers historically has relied upon CIP funding for these types of replacement items due to a lack of replacement equipment funding in the AST operating budget.

On-going project

Ms. Morgan stated that this request would provide for upgrades to the State Trooper law enforcement operating equipment for such items as a Hostage/Crisis Negotiation Console, upgrades to allow for the use of digital cameras and electronic movement devices, and for enhancing computer capabilities.

Public Safety Academy Shooting Range Completion

\$ 251,000

\$191,000 General Funds

\$ 60,000 Stat Desig

Reference No.: 35834

Project Type: Construction

Category: Public Protection

Location: Sitka

Election District: Sitka, Wrangell, Petersburg

Estimated Project Dates: 07/01/2002 - 06/30/2004

This project requests funds for the completion of the Academy shooting range located in Starrigavan Valley (one mile off the main road near the Alaska Marine Highway terminal). The berms, fencing and rough earthwork have been completed. The Starrigavan Range isn't usable during inclement weather due to the lack of a covered shooting shelter and classroom building.

One-time project

Ms. Morgan informed the Committee that the City and Borough of Sitka has provided land and funds towards the construction of a new shooting range for the Public Safety Academy Shooting Range in Sitka. She stated that this funding request would provide the necessary funds to complete the project.

Crime Lab Improvement
\$ 65,900 general funds match
Reference No.: 35882
Project Type: Renovation and Remodeling
Category: Public Protection
Location: Anchorage Areawide
Election District: Anchorage Areawide
Estimated Project Dates: 07/01/2002 - 06/30/2003
This request is for \$65,900 GF Match that is needed to fulfill the 25% match requirement (\$416.7 total) for a \$1,250.0 federal grant awarded in FY2001 for the Crime Lab Improvement Program. This was included in the department's original GF Match request in FY2002 but was not funded during the 2001 session.
One-time project

Ms. Morgan stated that this general fund match would fulfill the 25 percent federal match requirement to complete the Anchorage Scientific Crime Detection Laboratory renovations, specifically the DNA analysis area remodel.

AMD: Fish and Wildlife Enforcement Replacement Vessels
\$ 2,340,000
 \$1,499,400 General Funds
 \$ 840,600 Stat Desig
Reference No.: AMD6126
Project Type: Equipment
Category: Public Protection
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2004
Replace 4 Law Enforcement Patrol Vessels Statewide. This amendment changes a portion of the requested funding to statutory designated program receipts. Per the attached February 11, 2002 memorandum from Deven Mitchell, Dept. Manager, Department of Revenue, the source of the statutory designated program receipts is interest earnings on Northern Tobacco Securitization Corporation bonds.
Phased Project
Amendment

Ms. Morgan informed the Committee that this request would provide

the receipt authority to expend interest earnings from the Northern Tobacco Securitization Corporation Bonds to purchase four Fish and Wildlife Patrol vessels for search and rescue missions and commercial fisheries patrols. She stated that these vessels would include two 36-foot patrol class vessels with twin engines, one 27-foot vessel, and one 65-foot vessel.

Secure, Store and Maintain Seized Vessels

\$ 90,000 General Funds

Reference No.: 6131

Project Type: Transitional

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

This project will fund, on a 24-month schedule, the state's obligation to secure, store, and maintain vessels seized as a result of illegal commercial fishing activity. When a vessel is seized, it is the state's responsibility to ensure that the seized vessel is stored securely and maintained until the vessel is either forfeited to the state or returned to the defendant.

On-going project

Ms. Morgan commented that this request would provide funds to store and secure seized vessels as a result of illegal commercial fishing activities.

Council on Domestic Violence and Sexual Assault Shelter Grants

\$ 500,000 general funds

Reference No.: 35688

Project Type: Health and Safety

Category: Health/Safety

Location: Statewide

Election District: Statewide

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

This request is for capital grants to shelters for victims of domestic violence and sexual assault. These needs are critical to maintain basic health and safety for staff and clients.

One-time project

SUSAN SCUDDER, Executive Director, Council on Domestic Violence & Sexual Assault, Department of Public Safety, stated that these funds would allow for the receipt of approximately \$2.1 million in matching funds from such sources as the Rasmussen Foundation. She stated that the funds would provide for such necessary repairs as statewide plumbing maintenance and security system upgrades in the shelters.

Marine Fisheries Patrol Improvements

\$ 1,001,450 Fed Rcpts

Reference No.: 35825

Project Type: Health and Safety

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2005

The Alaska State Legislature urged the Division to seek additional funding sources for its patrol efforts in Federal waters of the North Pacific Ocean and Bering Sea. This funding is a result of lengthy negotiations with the National Marine Fisheries Service.

Federally regulated marine fisheries occur on a year round basis in the coastal and offshore waters of the State of Alaska. Both the Federal and State Governments share an interest in ensuring these fisheries are protected.

On-going project

Ms. Morgan informed the Committee that this request would allow for National Marine Fisheries Services receipt authority to enhance fisheries patrol efforts in the Bering Sea because the State is responsible for patrolling those federal waters.

Illegal Drug and Alcohol Use Initiative

\$ 2,000,000 Fed Rcpts

Reference No.: 36522

Project Type: Health and Safety

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2007

Rural Alaska continues to suffer serious, life threatening effects from use of illicit drugs and alcohol. This federal grant will allow the state to enhance the efforts of state troopers, local law enforcement, and community policing teams to reduce illicit drugs and alcohol. The use of these illicit substances increases the prevalence of violent crimes such as homicide, sexual assaults, robberies, burglaries and serious domestic violence assaults in rural Alaska.

One-time project

Ms. Morgan stated that illicit substance and alcohol abuse in the State continues to result in violent crimes and domestic assaults in communities throughout Alaska. She furthered that this request would provide the receipt authority for federal grant funds to provide training for community policing team members in Rural

Alaska as well providing portable decontamination facilities of illegal drug labs for statewide use.

Senator Leman asked the source of the federal funds, specifically whether they are in the form of a specific allocation or through another grant.

Ms. Morgan understood that the funds were specific to this program; however, she would verify the source.

Senator Hoffman noted that programs already exist to address alcohol and substance abuse; therefore, he inquired what additional programs would result from this funding.

Ms. Morgan stated that these funds would directly support the development and training of community policing teams and programs, as well as providing for de-contamination work associated with methamphetamine labs.

Senator Hoffman asked about the membership of the community policing teams.

Ms. Morgan responded that the teams would be comprised of community volunteers and local law enforcement officers.

Rural Law Enforcement Support
\$600,000 Fed Rcpts
Reference No.: 34776
Project Type: Health and Safety

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2005

The Department of Justice, Office of Community Oriented Policing Services will be awarding the Alaska Department of Public Safety \$600,000 to train Village Police Officers, Village Public Safety Officers and Tribal Police Officers to increase their ability to deal with crisis situations and to purchase equipment for better response to emergencies.

One-time project

Ms. Morgan informed the Committee that this specific Department of Justice grant is to provide crisis management training to Police and Safety Officers in rural and remote areas of the State. She stated that the funds would also be used to purchase associated equipment.

Senator Olson, referring to the Aircraft and Vessel Repair Project

(Reference Number 6121), asked the accident rate of the Department of Public Safety for the past year, and whether any associated repair expenses are included in this request.

Ms. Morgan responded that these funds would be utilized to perform necessary maintenance as a preventive measure. She stressed that if an aircraft or vessel does not meet required maintenance guidelines or "does not pass inspection," it is "grounded."

Senator Olson informed the Committee that a Department aircraft crash in February 2001 resulted in one fatality; however, he understood that the accident was not maintenance related. He asked the level of funding in this request intended for repairs resulting from aircraft accidents, as opposed to general maintenance.

CAPTAIN AL CAIN, Division of Fish & Wildlife Protection, Department of Public Safety informed the Committee that during the last calendar year: "two fixed wing aircraft were totally destroyed and one helicopter suffered substantial damage;" however, none of these resulted from mechanical problems.

Senator Olson asked how the Department maintains aircraft that operate in saltwater conditions, as corrosion is a serious concern.

Captain Cain confirmed that the Department operates several aircraft in saltwater conditions, and he stated that "the corrosion inhibits greatly prolong the life of the airframe."

Senator Olson asked why the Department has identified the need for three different kinds of Global Position Navigation Systems (GPS) instead of a single standardized system, making backup systems readily available.

Captain Cain responded that GPS systems are specific to aircraft types as each aircraft has differing altitude, range, and other navigational capacities. He detailed the various systems applicable to different aircraft and stated that the more sophisticated aircraft require higher capability GPS systems.

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Senator Olson asked whether the GPS system designated for use in a Super Cub would function in a Caravan type aircraft so that a single GPS system would suffice for all.

Captain Cain responded that the Super Cub's GPS system would

function in both aircraft; however, installing the Super Cub's more basic GPS system into a Caravan would severely limit the advanced navigational capabilities of the Caravan. He specified that advanced aircraft require sophisticated GPS systems that are more expensive than those designated for aircraft such as a Super Cub.

Senator Olson asked for further information about the \$30,000 engine repair request for a Cessna airplane listed as number five in the Overhaul/Repair Cost section on page four of the request.

Captain Cain explained that this request is to overhaul an existing engine.

Senator Olson expressed that a "more plausible" cost to overhaul a Cessna engine would be approximately \$18,000, as specified for other aircraft engine repairs in item number seven of the same section.

Captain Cain acknowledged that the \$30,000 engine repair request might be misidentified and should be listed as an engine replacement.

Senator Olson asked whether \$60,000 for item number nine in that section is to repair the Robinson Helicopter that was damaged. He questioned why the Department would repair a helicopter if plans were to replace it with an A-Star.

Captain Cain responded that this request is to repair a different helicopter, and that the damaged helicopter has already been repaired. He specified that this item is to rebuild a helicopter that is approaching allowed maximum flying time.

Senator Olson surmised that this helicopter would be sent back to the factory for overhaul.

Captain Cain replied that is correct.

Senator Olson expressed that a "lifetime" 2,000-hour engine replacement for a helicopter of this type would typically cost more than \$60,000.

Captain Cain agreed, and stated that it would normally cost approximately \$120,000. He commented that he would verify the nature of this request, as it might be the 1,000-hour engine component parts replacement rather than the 2,000-hour full lifetime replacement. He stated that the 1,000-hour replacement process would not require the aircraft to be returned to the factory.

Senator Olson explained that he has owned and operated Robinson helicopters for approximately 20 years, and questioned whether there is a 1,000-hour component repair and replacement requirement.

Senator Olson asked what helicopters would be replaced by the acquisition of an A-Star.

Captain Cain stated the A-Star would replace a helicopter based at the Anchorage airport because search and rescue needs and high altitude operational demands exceed the current helicopter's capabilities. He noted that the A-Star being purchased is used, thereby allowing acquisition at a substantially lower price. He stated that the A-Star would allow the Department to perform the required missions in a safe and efficient manner.

Senator Olson asked whether pilot training and maintenance needs are included in this request.

Captain Cain stated that is correct, and furthered that travel and training for two pilots is provided for in the request.

Department of Military and Veterans Affairs

Army Guard Facilities Deferred Maintenance

\$ 1,200,000

\$600,000 Fed Rcpts

\$600,000 General Funds

Reference No.: 34009

Project Type: Deferred Maintenance

Category: Health/Safety

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

By performing Preventative Maintenance for over 14 years, the Facilities Management Division has been able to extend the life expectancy of various building, components and machinery. Preventative Maintenance also decreases the possibility of costly emergency replacements. With 245 buildings at 107 various locations, and the average age of the buildings approximately 29 years old, deferred maintenance, renewal and replacement are high priorities. Even when preventative maintenance is performed on schedule, building components have a limited life so that renewal and replacement needs to be performed.

On-going project

NICO BUS, Administrative Services Manager, Division of Support

services, Department of Military and Veterans Affairs informed the Committee that this request provides for deferred maintenance needs at the Department's Army Guard facilities. He read the request's Statement of Needs, and noted that the projects are listed in priority order.

Air Guard Facility Deferred Maintenance

\$ 250,000 general funds

Reference No.: 34007

Project Type: Deferred Maintenance

Category: Health/Safety

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

Continued maintenance of existing Air National Guard Facilities at Eielson Air Force Base and Kulis Air National Guard Base is required. The amount requested is consistent with the DMVA goal of reducing deferred maintenance by at least 5% each year. All structures are used at a commercial or industrial level. Many facilities are occupied and used at extreme sub-zero temperatures. Significant hazards are posed to workers and equipment if structures are not properly maintained.

On-going project

Mr. Bus informed the Committee that this general fund request would be matched with \$750,000 in federal funds not identified in the request because the funding is from a separate federal program. He explained that while this amount does not fully meet the Department's goal of reducing deferred maintenance expenses by approximately five percent a year, it provides funding for the most critical needs.

Juneau Readiness Center Joint Venture with University

\$ 2,552,900

\$ 1,208,000 Fed Rcpts

\$ 1,344,900 General Funds

Reference No.: 35781

Project Type: Construction

Category: Public Protection

Location: Juneau Areawide

Election District: Juneau Areawide

Estimated Project Dates: 07/01/2002 - 06/30/2005

The Readiness Center is located in two separate buildings in downtown Juneau. The Army National Guard needs to relocate since the initial lease with the Mental Health Trust expires in 2003. The proposed Joint Facility will serve as both a Readiness Center for the Alaska Army National Guard and a

Recreational Complex for UAS.

UAS is providing the land for the facility and funding for modifications to the current A & E Design.

State Match Required

Phased Project

Mr. Bus explained that the Juneau Armory and Operating and Maintenance shop are located on leased Mental Health Trust land in downtown Juneau. He reminded the Committee that the Department received an appropriation in 1998 to build a new Readiness Center; however, since that time the project has evolved to include a Recreational Complex for the University of Alaska, Juneau campus. He stated that this request would provide sufficient funds, when combined with the balance remaining from the previous allocation, to meet the Department of Military and Veterans Affairs' commitment to the project.

Mr. Bus stated that other associated costs of the project are included in separate legislation relating to a bonding package.

Senator Ward asked for further information concerning the Armory's lease arrangements with the Mental Health Trust Authority.

Mr. Bus stated that the original Mental Health Trust lease on this land expired in 1998, has been renewed two times. He stated that the maintenance and operating shop lease would expire in 2003, and the Armory facility has one lease renewal option remaining.

Senator Ward asked who manages the lease.

Mr. Bus replied that the lease is with the Mental Health Trust Authority.

Senator Ward asked whether the leasor would consider extending the lease.

Mr. Bus stated that a long-range development plan exists for this "desirable" downtown Juneau waterfront land, and the Mental Health Trust Authority is waiting for the Juneau Readiness Center to vacate the land in order for that plan to be implemented.

Senator Ward asked for specifics of the development plan.

Mr. Bus explained that components of the plan include hotels and tourism facilities. He stated he could provide a copy of the plan to the Committee.

Senator Ward voiced interest in knowing what "public purpose" the

Mental Health Trust Authority would be addressing with this plan.

Senator Hoffman asked the priority the Department places on this project.

Mr. Bus stated that the Department designates this project as "highest priority" as matching funds are required to receive the federal funds already appropriated to the project.

Senator Hoffman asked whether this project has "jumped over" other Department projects.

Mr. Bus responded that the Juneau Readiness Center is the Department's number one priority.

Facilities Spill Prevention Control and Countermeasures
\$ 105,000

\$78,300 Fed Rcpts

\$26,700 General Funds Match

Reference No.: 32563

Project Type: Health and Safety

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2006

All facilities with a fuel tank over 660 gallon capacity, or total combined capacity over 1320 gallons, require a Spill Prevention Control and Countermeasures (SPCC) plan under the Clean Water Act. The SPCC plans must be reviewed and updated every 3 years by a licensed engineer. State and Military Facilities are not exempt under this Act.

State Match required

On-going project

Mr. Bus informed the Committee that federal law requires any fuel tank with a capacity of 660 gallons or more and its associated spill response plan to be examined on a regular basis. He stated that the Department has an established schedule for performing these reviews.

Federal Scout Readiness Centers Energy Projects

\$ 290,000 Fed Rcpts

Reference No.: 32560

Project Type: Construction

Category: Health/Safety

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2006

Replace doors, windows, insulate floors and re-skin roof and walls with insulating panels in existing Federal Scout Readiness Centers. The quick payback work is done and we are now insulating and sealing the buildings that require a complete recovering of the exterior. Sites are selected based on the number of Guardsmen at the site, the anticipated energy saving generated by the upgrade, and the impact of the upgrade on future recruiting in the area.

On-going project

Mr. Bus stated that this project provides funding for energy conservation improvements to Readiness Centers in order to reduce energy costs. He detailed this fiscal year's targeted facilities.

Federal Scout Readiness Centers Construction

\$ 1,700,000 Fed Rcpts

Reference No.: 6913

Project Type: Construction

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2007

Construction of three Federal Scout Readiness Centers per year throughout Alaska. These facilities are included in the Long Range plan. Areas are subject to change due to various factors of land and environmental studies. Three locations for FY03 are Stebbins, St. Michael, and Teller.

On-going project

Mr. Bus stated that the federal government provides funding each year to construct three Army Guard facilities.

Army Guard Construction, Contingency and Planning

\$ 1,500,000 Fed Rcpts

Reference No.: 35780

Project Type: Deferred Maintenance

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2003

In the past Federal Funds have been available to the state and are received without prior notice. Federal Authority is required to receive these funds and not jeopardize losing project funds as they come available from the Federal Government. As an example, we received notification of a \$2.0 million increase in FY02 funds during the month of August 2001.

On-going project

Mr. Bus explained that authorization of this request would qualify the Department to receive federal "quality of life" contingency funds that often became available without notice, toward the end of the federal fiscal year.

Department of Natural Resources

Mr. Bus notified the Committee that the Department of Natural Resources projects are presented in priority order.

Land Use Data Base System Upgrade for Improved Access

\$ 390,000 general funds

Reference No.: 33909

Project Type: Information Systems

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

DNR's computer system is in need of change. It relies on 20+-year-old technology. It cannot provide the services that DNR staff and customers now require. The system requires cumbersome data entry procedures, and it provides reports that are not adequate for the public or DNR staff to manage its programs. In general, the system does not provide adequate service for today's needs.

The consequence of these problems is that DNR cannot service the public as efficiently as it should. Individual transactions (lease, permits, etc) take longer, use too much staff time, and the public cannot get information within interpretation by staff.

Phased Project

Mr. Bus stated that this request provides funds to undertake the second phase of the Department's Land Use Data Base System upgrade which includes changes to the staff management reporting software system to provide better public and staff access to the data system. He continued that the upgrade would additionally make State Land Auctions available on the Department's website and overhaul the Water Rights and Land Use Permitting applications.

Land and Water Conservation Grants for State Parks Upgrades

\$ 1,000,000

\$500,000 Fed Rcpts

\$500,000 General Funds Match

Reference No.: 35732

Project Type: Deferred Maintenance

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

More than any other state in the Union, Alaskans recreate outdoors. Outdoor recreation provides a wide variety of benefits including improved physical and mental health, activities for children to prevent delinquency, leadership and teamwork development, and economic opportunities for individuals and local communities. LWCF is a 50/50 matching grant program that provides funding for the acquisition and/or development of outdoor recreation areas and facilities in state parks such as campgrounds, boat launches, trails, picnic areas, and public use cabins.

State Match required

On-going project

Mr. Bus noted that historically these federal funds have been available only to communities; however, this year the funds have additionally been allocated to the State. He noted that the State purports to use the funds to upgrade certain parks including Lower Chatanika Campground and the Kasilof River State Recreation Site.

State Park Emergency Repair

\$ 250,000 general funds

Reference No.: 6843

Project Type: Deferred Maintenance

Category: Health/Safety

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

Alaskans comprise 80% of the almost 4 million annual visits to the Alaska State Park system. Many of the state parks are old and broken (\$42 million in identified deferred maintenance needs) and present potential health and safety hazards to visitors. The project will fund emergency repairs to park units to protect visitor health and safety. Projects will upgrade or replace the basic facilities at parks including outhouses, drinking water systems, safe access roads & trails, safe shelter from harsh weather, and safe camping sites.

On-going project

Mr. Bus informed the Committee that the State has approximately \$42 million of deferred maintenance needs in the State Park System and this request provides funding to address emergency repairs in the Parks.

Seismic Data Acquisition and Interpretation to Promote Oil Exploration and Leasing

\$ 155,000 general funds

Reference No.: 33977

Project Type: Planning

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2003

To accomplish its mission of responsibly managing and encouraging development of the state's petroleum resources, the division must have funding to acquire, analyze, and preserve the geophysical data necessary to do so. Proper evaluation of the petroleum potential of state lands and responsible oversight of development of the state's petroleum assets requires that the division purchase geophysical data (primarily seismic data) from adjacent private and federal lands (NPR-A for example). The division also must maintain technical compatibility with the industry that it regulates. Older geophysical data must be converted to digital format for modern interpretive computer applications and to preserve the data.

On-going project

Mr. Bus noted that this is a continuation of a FY02 project which allows the Department to purchase seismic data from various entities. He shared that the Department considers this information valuable and would like to continue this data acquisition project.

Oil and Gas Electronic Signature for Lease Assignments and Payments

\$ 150,000 general funds

Reference No.: 35733

Project Type: Information Systems

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2003

This project will automate the processing of an increasing number of oil and gas lease assignments and permit applications (1400+ annually for CY 2001). A lease assignment is a partial or full transfer of ownership in one lease from one company to another. This automation will include: electronic signatures with verification of the requestor, digital signatures using public key encryption technology and secured network connections, and electronic payments using credit card technology. We expect approximately thirty oil and gas companies to be involved initially in this project. This automation will improve processing time for lease assignments and oil and gas development and production permits.

One-time project.

Oil and Gas Leasing and Unit Database and Mapping Upgrade
\$ 410,000 general funds

Reference No.: 35735

Project Type: Information Systems

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

This CIP requests the acquisition and development of a database and the tools necessary for managing the state's oil and gas units and leases and to create maps, displays, web pages and reports necessary to implement the area-wide and shallow gas leasing and exploration licensing programs. This diverse data includes seismic, well, gravity magnetic, ownership and cultural data, all of which is essential to the division's core business function of managing the state's oil and gas resources.

One-time project

Mr. Bus stated that these projects would provide automation processing capabilities to the oil and gas database program which would allow for a speedier transfer of electronic data while substantially reducing the amount of data submitted in paper form by oil and gas companies. He detailed the types of information that oil and gas companies are required to report and informed the Committee that this is a "pilot project" that might be implemented in other departments.

Fire Truck Replacements

\$ 400,000 general funds

Reference No.: 33955

Project Type: Equipment

Category: Health/Safety

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2005

This project funds the continued implementation of the Division's five-year fire engine redesign and replacement plan. These are first responder engines and are key to containing 90% of fires at 10 acres or less on lands in "full" and "critical" protection. Fire Engine specifications were last upgraded in 1984. Statewide, the division responds to an average of 400 fires per year with engines, mostly in high-risk urban interface areas. Replacement decreases reliance on old, worn engines in areas where life and property are at risk and is essential to successful initial attack in population

centers.
Phased Project

Mr. Bus stated that this request would provide replacement fire-trucks for Tok and Fairbanks. He stated that this is an on-going project to upgrade fire equipment.

Snowmachine Trail Development and Program Grants
\$ 200,000 general funds
Reference No.: 33690
Project Type: Health and Safety
Category: Transportation
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2006
Snowmobiling is one of Alaska's fastest growing outdoor recreation activities. Funds are needed to develop and maintain trails and trailheads to provide for safe riding opportunities and to educate riders about safety concerns. Funds for this program are provided by snowmobile registration fees paid by Alaskans. Funds are distributed in the form of matching grants for trail and trailhead development and maintenance, safety education, and trail identification. Grants are to organizations, businesses, agencies, local governments, and individuals.
On-going project

Mr. Bus commented that this project provides grants to various snow-machine organizations to develop and upgrade snow machine trails.

Senator Wilken asked how much money has been collected from snow-machine licensing fees this year.

Mr. Bus responded that more than \$700,000 has been collected. He informed the Committee that 33,576 and 37,000 machines were registered in 2000 and 2001, respectively. He commented there is a two-year licensing renewal regulation, and noted that the number of snow-machines registered each year is projected to increase.

Senator Wilken asked how much money would be generated in FY03.

Mr. Bus responded that, based on the \$20 per machine registration fee; several hundred thousand dollars would be allocated to fund this program.

Senator Wilken clarified that \$200,000 would be available for grants.

Mr. Bus explained that \$200,000 has been delegated to the grant program, and the Division of Motor Vehicles retains some funds to manage the registration process.

Mr. Bus clarified that \$300,000 would be collected.

Senator Wilken asked the Department to provide the total amount collected as well as all "the components" involved in the process. He opined that the premise behind the establishment of this licensing fee was to 100 percent fund this grant program.

Airborne Geological and Geophysical Mineral Inventory

\$ 500,000 general funds

Reference No.: 6852

Project Type: Planning

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

This project seeks to catalyze private-sector mineral development investment. The project delineates mineral zones on Alaska state lands that: 1) have major economic potential; 2) can be developed in the short term to provide high quality jobs for Alaska; and 3) will provide economic diversification to help offset the loss of Prudhoe Bay oil revenue. Mineral resources comprise a major part of Alaska's economic assets, yet the location and magnitude of these resources are largely unknown.

Knowledge of the State's mineral resources is a key to orderly development of the state and to the maintenance of a stable economy.

On-going Project

Mr. Bus noted that this on-going project has been "very successful" in providing mineral inventory information. He noted that the requested amount could provide for approximately one thousand miles of surveys, although contractor fees have increased and the actual number of miles could be less.

Alaska Boating Safety

\$ 800,000

\$600,000 Fed Crypts

\$200,000 General Funds Match

Reference No.: 32553

Project Type: Health and Safety

Category: Health/Safety

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2000 - 06/30/2005

The goals of the State Boating Safety Program are to reduce preventative non-commercial boating accidents and fatalities, and to enhance safe non-commercial boating in Alaska. From 1988 through 1998, an average of 25-30 Alaskans lost their lives in non-commercial boating accidents. This was more than 10 times the national average and the highest boating fatality rate in the nation. Since the Office of Boating Safety was established in 1998, the fatality rate dropped from 38 that year to 28 in 1999, and to 19 in 2000. This funding allows Alaska to continue to manage its own boating safety program to provide boater education programs and program infrastructure that strive to reduce boating accidents and fatalities.

State Match required

On-going project

Mr. Bus stated that training provided to citizens through this boat safety program has successfully assisted in reducing the boating fatality rate.

Senator Wilken questioned the funding sources identified in this request, as he understood that general funds would not be required to support this program. He asked what has prompted the request for general funds.

Mr. Bus explained that of the \$500,000 projected to be collected from boat registration fees in 2003, \$300,000 would be allocated to fund Division of Motor Vehicles program related expenses, and \$200,000 would be available to fund the program. He noted that the Department proposes to expand the program by utilizing federal matching funds. He stressed, "that the more money put into education, the more lives you save."

Senator Wilken surmised that the \$200,000 of State general funds specified in this request would fulfill the three-to-one federal match requirement; however, he reiterated that the program was not established with the intent of requiring any State general funds.

Senator Hoffman contended that the State money consists entirely of the balance of money generated by boat registration fees after administration expenses have been subtracted.

Senator Wilken stated that if boat registration fees are generating more revenue than required to support the program, then the boat registration fee amount should be reduced.

Kenai River Boat Wake Erosion Study

\$ 200,000 General Funds
Reference No.: 35934
Project Type: Planning
Category: Natural Resources
Location: Kenai

Election District: Kenai, Nikiski

Estimated Project Dates: 07/01/2002 - 09/30/2003

The Kenai River Boat Wake Erosion Study is Phase 2 of a two-phase study to evaluate the relative susceptibility of different Kenai River bank soils to erosion caused by boat wakes, and to quantify how that human-caused erosion affects fish habitat. Phase 1 identified the different types of wakes caused by different boat hull shapes, lengths, horsepower, and passenger loadings.

Phased project

Mr. Bus stated that this is the second and final phase of a study to evaluate erosion on the banks of the Kenai River.

Fire Suppression Retardant Equipment Upgrades

\$ 250,000 General Funds

Reference No.: 35740

Project Type: Health and Safety

Category: Health/Safety

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2007

Retardant is critical to wildland fire response. This project provides firefighters with safe, dependable equipment. The State maintains 3 primary and 3 secondary retardant bases at strategic locations. The bases provide rapid response to wildland fires to meet the mission to contain 90% of wildland fires at 10 acres or less on lands in "full" and "critical" protection. A Kenai airport base is being developed in response to fire danger from spruce beetle infestation. Palmer, Tanacross, Delta, Kenai, Homer and McGrath bases need retardant equipment repairs and upgrades. Airtankers delivering retardant to fires is the most effective way to rapidly attack fires, support ground forces, and control fires.

On-going project

Mr. Bus informed the Committee that the majority of the State's fire retardant equipment, located at various airports around the State, is at least fourteen years old and should be replaced. He listed water pumps, retardant pumps, and high-pressure hoses as being some of the items identified for replacement.

Oil and Gas Document Imaging
\$ 200,000 General Funds
Reference No.: 35748
Project Type: Information Systems
Category: Development
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2005
This project serves both the division's immediate need for the automation of complete royalty data and the department's desire for a data automation prototype. At present, many oil and gas royalty payers submit a portion of their royalty reports electronically; yet each month more than one thousand pages of supporting and supplemental data is filed in hard copy. This project establishes an automated system to copy and convert the paper documents to electronic form. It includes creating and maintaining a single on-line database to catalogue, store, and retrieve all information, including royalty reports, spreadsheets, work documents, e-mail, etc.
Phased project

Mr. Bus stated this request would provide for "the immediate need of automating of complete royalty data" as well as providing a data automation prototype.

Forest Inventory for Timber Sale Planning in Southern Southeast Area
\$ 100,000 General Funds
Reference No.: 35744
Project Type: Planning
Category: Development
Location: Southeast Alaska
Election District: Districts 1-6
Estimated Project Dates: 07/01/2002 - 06/30/2005
Southern Southeast has the highest demand for value-added timber sales. DNR can sell the full annual allowable cut of state timber in this area. Current estimates of the allowable cut are based only on general acreage and volume figures. More accurate information is needed to take full advantage of the timber base without exceeding sustained yield. The inventory will also identify stands for long term planning, near-term harvest, thinning to accelerate growth and enhance wildlife habitat, and efficient access routes to these sites. This project supports the legislative measures for the amount of timber offered for sale and for value-added processing, and the cost per thousand board feet of timber offered.
On-going project

Mr. Bus informed the Committee that the full annual allowable harvest of Southeast timber is a highly sought after resource, and that this project would provide a thorough resource inventory to allow for improved and sustainable management of the timber.

Recorder's Office Equipment Upgrades and Records Preservation
\$ 300,000 Rcpt Svcs
Reference No.: 33980
Project Type: Renewal and Replacement
Category: General Government
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2003
One half of this project (\$150.0) covers the final phase of a project to replace and upgrade the state's land records system infrastructure in fourteen recording locations statewide. Aging and failing equipment affects the component's ability to meet its statutory mandate to provide access to recorded documents. The remainder of the request is for the third phase of an ongoing project to film approximately 6,000 historic original record books that have sustained severe damage and deterioration due to aging, acidic papers and inks, and external conditions.
Phased Project

Mr. Bus stated that there are two components to this request: one addresses upgrading the land records system equipment, and the second addresses the need to transfer old paper files, some of which date back to the 1800's, to permanent electronic files in the State's archives system.

Recorder's Office Imaging of Prior Five Year's Index for Customers
\$ 200,000 Rcpt Svcs
Reference No.: 35765
Project Type: Renewal and Replacement
Category: General Government
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2003
One of the primary statutory functions of the Recorder's/UCC component is to provide its customers with easy access to the permanent public records. This project supports this function in two ways: (1) it enables the component to digitize document images from existing film records for the past 5 years; and (2) it enhances the mainframe based indexing system by providing a direct link to the document images, thereby replacing the cumbersome and time-consuming microfiche process

currently used for customer research and retrieval. It is critical to complete the 5-year conversion under this project to supplement the component's technological upgrades to improve public access to the most frequently researched records.

Phased project

Mr. Bus explained to the Committee that there is public demand to convert the past five years of recorded public documents from microfiche to digital documents; thereby, providing for easier and faster access. He noted that the public has demonstrated the willingness to pay to access this information.

Alaska Minerals Information At Risk Program: Mining and Land Records Integration

\$ 650,000 Fed Rcpts

Reference No.: 34095

Project Type: Information Systems

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

To improve public access to record systems, to bridge related state and federal land record systems that have historically been isolated, to reduce the time required to adjudicate mining applications and update land status plats, and to deliver internet based mapping capability.

Phased Project

Mr. Bus noted that this federally funded project would provide for integration of the federal and state mining and land records system.

Aquatic Farming Site Identification

\$ 144,600 I/A Rcpts

Reference No.: 35749

Project Type: Planning

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2004

The project was requested by the Southeast Conference to complement their proposal to the Alaska Science and Technology Foundation (and other sources) to identify potential areas for aquatic farming activities on Prince of Wales Island. This proposal would demonstrate a new and potentially better method of identifying and permitting aquatic farming sites. The proposal could not fully demonstrate the process without the

involvement of the landowner who must authorize use of the site: DNR. Thus, DNR's involvement in this project is paramount in order to make the necessary land management decisions and implement the project in accordance with Alaska Statute, Title 38.

One-Time Project

Mr. Bus stated that this project has been requested by the Southeast Conference to supplement their proposal to the Alaska Science and Technology Foundation (ASTF) to develop methods to better identify and permit aquatic farming, principally on Prince of Wales (POW) Island. He stated that aquatic farming would provide opportunities to develop an alternative economy to offset the decline of the timber and salmon fishing industries.

Senator Green asked whether this project would qualify POW communities to receive ASTF grants.

PAT POURCHOT, Commissioner, Department of Natural Resources stated that this project would provide the communities with necessary pre-planning and pre-permitting information to prepare grant applications. He noted that other legislation addresses the identification of aquaculture farming sites.

Senator Green asked the intent of the language in the request that specifies that this project would enable "the Southeast Conference to complement their proposal to the Alaska Science and Technology Foundation."

Mr. Bus stated the Department would provide specific information regarding this request to the Committee.

Historic Preservation and Restoration Projects - United States
Army Public Works Program

\$ 600,000 Fed Rcpts

Reference No.: 32550

Project Type: Renovation and Remodeling

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 12/30/2005

The State Office of History and Archaeology is working in partnership with the Department of the Army on historical preservation planning, restoration and archaeology projects. Restoration projects include the World War II National Historic Landmark site at Fort Wainwright in Fairbanks and the National Register of Historic Places listed Cold War Nike Site Summit in Anchorage. Archaeology projects include field

survey, evaluation and data recovery.
On-going Project

Mr. Bus stated that this is a reoccurring project that allows archaeological work to be performed at National Historical designated locations.

National Historic Preservation Fund Federal Grant Program
\$ 1,250,000

\$1,200,000 Fed Rcpts

\$ 50,000 General Funds Match

Reference No.: 6865

Project Type: Planning

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 10/01/2002 - 09/30/2004

The National Historic Preservation Fund is a federal matching grant project with a 60% federal and 40% state match. It provides the state a basic historic preservation program including planning, survey, inventory, project review, and public education. The federal/state partnership program created in the National Historic Preservation Act requires a state historic preservation program to meet basic levels of professional staffing and program services. Cooperative agreements with federal agencies and grants from federal programs, which do not require match, fund cultural resource management projects.

State Match Required

On-Going Project

Mr. Bus informed the Committee that the federal funding amount is being lowered to \$1 million; however, he noted this is an increase over previous funding levels.

Independence Mine Historic Preservation Grant for Building Restoration

\$ 1,500,000 Fed Rcpts

Reference No.: 35759

Project Type: Health and Safety

Category: Natural Resources

Location: Matanuska Susitna Borough

Election District: Matsu Areawide

Estimated Project Dates: 07/01/2002 - 09/15/2003

Independence Mine State Historic Park is one of the most visited year around destinations in the Mat-Su Valley and in the state park system. The visitor draw is the historic buildings. However, the mine site buildings are falling down.

Funds requested are to stabilize eleven of the 15 historic buildings, primarily foundations and roofs. The combination of these investments by the state and federal government is intended to make subsequent private sector development of a visitor destination at the mine site economical. This will be done through a concession contract let by state parks to a private vendor.

One-Time Project

Mr. Bus stated this project would allow the Department to prepare the Independence Mine site for transfer to a private contractor.

Mental Health Trust Land Development

\$ 800,000 MHTAAR

Reference No.: 6853

Project Type: Planning

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2005

The Trust Land Office will contract for services related to the enhancement of parcel-specific Trust land and resource assets. Funds will be used to facilitate the disposal or development of Trust resources in accordance with the Trust Land Office's long-term asset management strategy.

On-Going Project

Mental Health Bill

Mr. Bus stated that this project is "directed" by the Mental Health Land Trust Authority and administered by the Department of Natural Resources.

Abandoned Mine Lands Reclamation Federal Program

\$ 1,600,000 Fed Rcpts

Reference No.: 6855

Project Type: Health and Safety

Category: Health/Safety

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2001 - 06/30/2005

The Legislature enacted the Alaska Surface Coal Mining Control and Reclamation Act in 1983 (AS 27.21 and 11 AAC 90). One of the main purposes of the act was to promote the reclamation of areas mined and left without adequate reclamation before enactment of the federal Surface Mining Control and Reclamation Act of 1977, that endanger the health and safety of the public and that substantially degrade the quality of the environment and prevent the beneficial use of or cause

damage to land and water resources.
On-Going Project

Mr. Bus stated that the Department annually receives approximately \$1.5 million in federal funds to reclaim abandoned surface coal mining sites.

Parcel Purchases by Exxon Valdez Oil Spill Trustees
\$ 291,000 EVOSS
Reference No.: 35768
Project Type: Planning
Category: Natural Resources
Location: Anchor Point
Election District: Homer
Estimated Project Dates: 07/01/2002 - 06/30/2003
The Exxon Valdez Oil Spill Trustees Council will likely authorize the purchase of three land acquisition packages. Two of the parcels are currently held by The Conservation Fund who has purchased them for transfer and sale to the state based upon initial Trustee Council actions and comments. One parcel is currently owned by the University of Alaska.
One-Time Project

Mr. Bus stated this would allow the Department to purchase three parcels of land: one in Ninilchik, one in Anchor Point, and one in Valdez.

National Fire Plan Federal Initiative
\$ 1,200,000 Fed Rcpts
Reference No.: 35769
Project Type: Health and Safety
Category: Health/Safety
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2005
This funding is provided to the State through the federal government's National Fire Plan initiative. The funding is intended to improve the ability of State and local government to prepare for and respond to the threats of wildland fire.
State Match Required
Phased Project

Mr. Bus informed the Committee that recent major fires in the continental United States has resulted in the allocation of federal funds to assist the State and local governments in developing fire protection plans.

Promoting Agriculture in Alaska

\$ 295,000 Fed Rcpts
Reference No.: 35866
Project Type: Planning
Category: Development
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2005
Build a marketing strategy and implement consumer education programs to strengthen markets for Alaska Grown products. Consolidation of retail markets, more complex marketing environments in wholesale, HRI (hotel, retail, and institutional) markets and limited marketing resources have led to a decline in market share for some Alaska Grown products. This project will identify: Target audiences for media promotions, consumer purchasing decision criteria, best marketing and educational venues to reach identified audiences, and will produce, design and conceptualize media presentations to reach these audiences. It will assist producers to understand how best to market their products.
One-Time Project

Mr. Bus noted that the federal funds in this request represent the balance of a FY 02 \$520,000 federal grant, which has been identified by the Legislative Budget and Audit Committee (LB&A) to market and design Alaskan products to appeal to mass markets.

Forest Legacy Federal Grant Program
\$ 500,000 Fed Rcpts
Reference No.: 34881
Project Type: Planning
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2002 - 06/30/2004
The Forest Legacy Program provides Federal funding for acquisition of high-value private forestland that is threatened with conversion to non-forest use. Legislative intent targets private in-holdings acquisition to existing conservation units (parks, refuges, etc.). Parks will purchase state park in-holdings that are primarily used for fish and wildlife habitat, outdoor recreation and traditional access that would be disrupted, destroyed, or degraded if the private property were to be converted to a non-forest use. The primary areas where these types of conversions would be used is in the state park system.
On-Going Project

Mr. Bus stated that this on-going federal program allows the State

to "acquire high-value forestland that is threatened with conversion to non-forest use."

Land and Water Conservation Fund Federal Grants

\$ 500,000 Fed Rcpts

Reference No.: 32552

Project Type: Construction

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2006

Outdoor recreation opportunities are very important for Alaskans. More than any other state in the Union, Alaskans recreate outdoors. This provides a wide variety of benefits including improved physical and mental health, activities for children to prevent delinquency, leadership and teamwork development, and economic opportunities for individuals and local communities. LWCF is a 50/50 matching grant program that provides funding to state and local government entities for the acquisition and/or development of outdoor recreation areas and facilities such as soccer fields, campgrounds, tennis courts, boat launches, hiking trails, picnic areas, and outdoor hockey rinks.

On-Going Project

Mr. Bus informed the Committee that this request would provide grants to local communities for development of recreational opportunities.

National Recreational Trails Federal Program

\$ 695,000 Fed Rcpts

Reference No.: 6854

Project Type: Construction

Category: Transportation

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2002 - 06/30/2006

All across Alaska, Alaskans rely on trails for recreation, subsistence, and travel between communities. These trails need constant maintenance to ensure they are safe for passage and to ensure that they remain open and available for use. Funds are distributed by 80-20 matching grants for recreational trail and trailhead development and maintenance, and for education programs relating to trail safety and environmental protection. Grants are awarded to organizations, businesses, agencies, and local governments.

On-going Project

Mr. Bus stated that the federal government has provided matching grant funding for communities for trails and trail development. He specified that the federal government would supply 80 percent of the funding with the community providing 20 percent.

Senator Hoffman asked why the Department is not addressing streamlining the water right application process since there is a backlog of water right applications.

Mr. Bus responded that the Land Use Database System Project, Reference Number 33909, addresses the water rights system and has been identified by the Department, as the highest ranked FY 03 project. He stated that the Department received funding in the FY 02 budget to address the backlog of water right applications, and that the backlog is anticipated to be brought current before the end of the 2002 fiscal year.

Mr. Pourchot interjected that funding to address streamlining the application process and addressing the backlog of water right applications was included in the FY 02 operating budget.

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ADJOURNMENT

Co-Chair Pete Kelly adjourned the meeting at 05:44 PM