

**ALASKA STATE LEGISLATURE**  
**JOINT COMMITTEE ON LEGISLATIVE BUDGET AND AUDIT**

August 18, 2004

10:07 a.m.

**MEMBERS PRESENT**

Representative Ralph Samuels, Chair  
Representative Mike Chenault  
Representative Mike Hawker  
Representative Beth Kerttula (via teleconference)

Senator Gene Therriault, Vice Chair (via teleconference)  
Senator Gary Wilken (via teleconference)

**MEMBERS ABSENT**

Representative Vic Kohring

Senator Ben Stevens  
Senator Con Bunde  
Senator Lyman Hoffman

**COMMITTEE CALENDAR**

APPROVAL OF MINUTES  
DISCUSSION OF CONTRACT AMENDMENTS WITH CONSULTANT ON GAS  
PIPELINE ISSUES  
EXECUTIVE SESSION  
DISCUSSION OF 2003 STATEWIDE SINGLE AUDIT

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

No witnesses to record

**ACTION NARRATIVE**

**TAPE 04-19, SIDE A**

Number 0001

**CHAIR RALPH SAMUELS** called the Joint Committee on Legislative Budget and Audit meeting to order at 10:07 a.m. Representatives Samuels, Chenault, Hawker, and Kerttula (via teleconference) and

Senators Therriault (via teleconference), and Wilken (via teleconference) were present at the call to order.

#### **APPROVAL OF MINUTES**

REPRESENTATIVE HAWKER made a motion to approve the minutes of April 27, May 18, June 16, and June 17, 2004. There being no objection, the minutes from those meetings were approved.

#### **DISCUSSION OF CONTRACT AMENDMENTS WITH CONSULTANT ON GAS PIPELINE ISSUES**

REPRESENTATIVE HAWKER moved that the committee authorize Chair Samuels to amend the committee's contract with consultant Bonnie Robson to an amount not to exceed \$200,000, with no other changes to the contract.

CHAIR SAMUELS objected for discussion purposes. He explained that originally the contract was for up to \$100,000, which hasn't all been spent yet. He informed the committee of the following work that has occurred: shopping for economists to perform modeling; work with the Federal Energy Regulatory Commission (FERC) attorneys; and joint hearings with Senate Resources Standing Committee. Therefore, much work has been done in preparation and anticipation of obtaining a Stranded Gas Act contract. Chair Samuels said that he didn't anticipate going through the last half of the contract as quickly as the first part of it. Only one set of joint hearings will occur unless there are requests for further meetings. Therefore, this is merely to ensure that there are enough funds to cover what the committee is doing.

REPRESENTATIVE HAWKER asked if the consultant's billing is based on an hourly rate calculation. He also asked if the committee is going through the detailed billings.

CHAIR SAMUELS replied yes to both.

REPRESENTATIVE KERTTULA asked whether all of the experts are being paid with this money or is this just the attorneys' fees.

CHAIR SAMUELS answered that he believes it's just the attorneys' fees and the experts are being paid separately. He noted that the committee has paid some of the experts who have testified, although most of the presenters haven't been paid by the committee. There has been some out of pocket expenses, he mentioned.

REPRESENTATIVE KERTTULA requested copies of the bills.

SENATOR THERRIAULT asked if, from the total \$200,000, the committee would be able to pay some of the experts.

CHAIR SAMUELS replied no. He clarified that most of the original \$100,000 has already been used, and by mid September that amount will be used up. Therefore, he said he was trying to avoid doing this with smaller increments. Chair Samuels announced that he didn't anticipate going through the second \$100,000 at all.

CHAIR SAMUELS removed his objection.

There being no other objection, the motion to authorize Chair Samuels to amend the committee's contract with consultant Bonnie Robson to an amount not to exceed \$200,000, with no other changes to the contract carried.

#### **EXECUTIVE SESSION**

REPRESENTATIVE HAWKER made a motion to move to executive session for the purpose of discussing confidential audit reports under AS 24.20.301. There being no objection, the committee went into executive session.

CHAIR SAMUELS brought the committee back to order at an unspecified time.

#### **DISCUSSION OF 2003 STATEWIDE SINGLE AUDIT**

REPRESENTATIVE HAWKER made a motion that the 2003 statewide single audit report be released to the appropriate agencies for response. There being no objection, it was so ordered.

#### **ADJOURNMENT**

There being no further business before the committee, the Joint Committee on Legislative Budget and Audit meeting was adjourned at 10:23 a.m.