

MINUTES
SENATE FINANCE COMMITTEE
March 19, 2003
9:01 AM

TAPES

SFC-03 # 24, Side A
SFC 03 # 24, Side B
SFC 03 # 25, Side A

CALL TO ORDER

Co-Chair Gary Wilken convened the meeting at approximately 9:01 AM.

PRESENT

Senator Lyda Green, Co-Chair
Senator Gary Wilken, Co-Chair
Senator Con Bunde, Vice Chair
Senator Ben Stevens

Also Attending: DOUG WOOLIVER, Administrative Attorney, Alaska Court System; NICO BUS, Acting Director and Administrative Services Manager, Division of Support Services, Department of Natural Resources; KAREN MORGAN, Director, Division of Administrative Services, Department of Public Safety; JOEL HARD, Colonel, Director, Division of Fish and Wildlife Protection, Department of Public Safety;

Attending via Teleconference: From Anchorage: MARK MYERS, Director, Division of Oil and Gas, Department of Natural Resources; DICK MYLIUS, Resource Assessment and Development Manager, Division of Mining, Land and Water, Department of Natural Resources; PETE PANARESE, Acting Director, Division of Parks and Outdoor Recreation, Department of Natural Resources; KIM RICE, Administrative Services, Division of Parks and Outdoor Recreation, Department of Natural Resources; RICHARD MCMAHON, Chief, Lands Records Information, Division of Support Services, Department of Natural Resources; JEFF JOHNSON, Boating Law Administrator, Office of Boating Safety, Division of Parks and Outdoor Recreation, Department of Natural Resources; From off-net locations: DON BOWMAN, Major, Administrative Commander, Division of Alaska State Troopers, Department of Public Safety; GARY POWELL, Director, State Fire Marshal, Division of Fire Prevention, Department of Public Safety

SUMMARY INFORMATION

SB 100-APPROP: CAPITAL PROJECTS

The Committee heard overviews of requests of the Alaska Court System, the Department of Natural Resources, and the Department of Public Safety. The bill was held in Committee

#SB100

SENATE BILL NO. 100

"An Act making capital appropriations and reappropriations; capitalizing a fund; 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."

Alaska Court System

Co-Chair Wilken noted that during the previous hearing, questions were raised on court security and he referenced information has since been provided.

Justice Information and Communication Project

\$1,065,000 general funds

Reference No.: 37742

Category: Law and Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2008

Phased Project

Statewide replacement of court system technology and communications resources.

DOUG WOOLIVER, Administrative Attorney, Alaska Court System, testified that this request would fund the third phase of an essentially "on-going expense". He told of funding appropriated the previous legislative session. He informed that the private sector operates information technology on a five-year replacement cycle, and although this is also the goal of the Court, the process is behind schedule. He stated that much of the equipment has been in operation "well beyond its expected useful life".

Mr. Wooliver emphasized that part of the requested funding is necessary for the case management system, which the Court is "bringing on-line".

Mr. Wooliver furthered that some of the funds are necessary to replace the Court's telephone system. He stressed the particular importance of the telephone system to the Court in that many proceedings rely on telephonic testimony. He spoke to the time and money saved by conducting hearings telephonically for the Court, the prosecutor, the public defender, the Department of Public Safety and citizens. He remarked, "because of the great geographical distances in our State, telephonic hearings are the only practical way to conduct a great number of court proceedings." He pointed out that a modern telephone system facilitates those proceedings, while an outdated system makes the process more costly and difficult. He exemplified that most courts in the State are unable to teleconference more than two parties without the employ of a teleconference operator; an expensive option. He commented on the legislature's recognition of the necessity to expand its teleconferencing abilities, and the benefits a similar upgrade would afford the Court System.

Deferred Maintenance Projects

\$1,008,000 general funds

Reference No.: 37745

Category: Law and Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2008

High priority repairs to building components that have not been sufficiently maintained and whose condition now threatens longevity of the building.

Mr. Wooliver noted funds for these projects were appropriated the previous legislative session utilizing an inter-agency transfer from the Department of Administration. He listed the first priority as the replacement of the Ketchikan courthouse roof, which is no longer waterproof and buckets are necessary to catch leaks. He detailed the subsequent water damage. He furthered that the requested funds would also be utilized to repair the roofs of the Dimond Courthouse in Juneau and the courthouses in Fort Yukon and Tok and the administrative building located in Anchorage. He added that other deferred maintenance projects in these locations would also be addressed with the funds.

Rural Court Technology, Phase IV

\$420,000 general funds

Reference No.: 37746

Category: Law and Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2008

That 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.

Mr. Wooliver informed that this project is to replace outdated equipment that is no longer manufactured or serviced. He noted this request is the third attempt to secure funding for the final phase of the project. He compared recording costs to that of employing court reporters, noting that the only disadvantage is the need to replace equipment every 15 years. He described the new recording methods using digital recordings on compact discs, which could be electronically transferred, stored and cataloged.

Statewide Court Building Code and Energy Upgrade

\$400,000 general fund

Reference No.: 37747

Category: Law and Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2008

Phased Project

Reconstruction of in-court clerks' workstations for accommodation of disabled persons and court equipment. Second year funding addresses [earthquake] bracing for tall shelving.

Mr. Wooliver stated that the Americans with Disabilities Act (ADA) requires wheelchair access to jury boxes, witness stands, etc. He furthered that the funds would also be used to remodel and redesign courtroom benches located in Fort Yukon, Tok, Valdez, Juneau and Delta Junction to accommodate updated technology.

Data Systems Security

\$200,000 general funds

Reference No.: 37748

Category: Law and Justice

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2008

Phased Project

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

Mr. Wooliver informed that the mainframe of the statewide computer-based system is located in the Anchorage administrative office and must be secured. He added that an emergency power supply would also

be installed to prevent disruption statewide in the event of a power outage in Anchorage. He stated that software and security upgrades would also be installed in 15 other court locations. He emphasized the importance of security protection of computers and data, as more court information is stored electronically.

Replacement Central Services Van
\$30,000 general funds
Reference No.: 37761
Category: Law and Justice
Location: Anchorage Areawide
Election District: Anchorage Areawide
Estimated Project Dates: 07/01/2003 - 06/30/2008
One-time Project
Replacement of van used to support court operations.

Mr. Wooliver read from the Project Description/Justification, which reads as follows.

The court system is requesting \$30,000 to replace its model year 1990 van, which is used to support the court's operations. The van is used on a daily basis for local pick up and deliveries of court equipment and supplies as well as for periodically transporting equipment and personnel to Palmer, Homer, Kenai and Seward. As our case management software project is deployed to more locations, the travel to outlying areas will increase.

The court's only van is over 12 years old and has begun to require significant maintenance and repairs. General maintenance is required for all vehicles, but because of the van's age, maintenance and repairs are becoming more frequent and costly. In FY 02, the van was repaired for corrosion damage and faulty battery charging. The corrosion damage relates to the disintegration of the body of the vehicle and the faulty charging speaks to the declination of the electrical system. The frequency of unexpected repair problems and physical and electrical issues creates an unsafe environment for court staff operating the vehicle and may cause delays in court operations.

Department of Natural Resources

NICO BUS, Acting Director and Administrative Services Manager, Division of Support Services, Department of Natural Resources, thanked Committee for funds appropriated the previous session and indicted the funds are being well applied.

Oil and Gas Seismic, Well, and Lease Data Acquisition

\$250,000 general funds

Reference No.: 33977

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2004

On-going Project

Proper oversight of industry exploration and development (E&D) activities on state lands requires that the Division maintain a degree of technical parity with lessees and operators. 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 oil and gas E&D data, to maintain the technical and engineering applications necessary to do so, to acquire the information in quantity, and to do so in formats compatible with the Division's analytical applications. This project differs from previous similar projects in that it now includes reservoir engineering responsibilities.

Mr. Bus told of the Division of Oil and Gas' use of this data to determine terms and conditions of leases. He stated that this information is available for purchase from the federal government. He furthered that the funds would also be utilized to purchase equipment to store the acquired data.

Land Use Data Base System Upgrade for Improved Access

\$200,000 general funds

Reference No.: 33909

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2005

Phased - Underway Project

This project updates the central Department of Natural Resources business system. The present system does not adequately meet the needs of Department customers or staff. The functionality is too limited; this results in higher costs of doing business for the State and the customer. For example, data entry is slow, reporting is inadequate, and too many paper forms are involved. The present system does not do enough to support the Department's basic business processes.

Department of Natural Resources will continue to realign its essential business processes, as defined by statute and regulation, with its information system. It will raise the productivity of Department staff to accomplish higher per unit

volumes of work by simplifying the manner in which information is entered.

Mr. Bus told of the significant progress to modernize the system undertaken with the funds appropriated in the current fiscal year. He stated the public has better access to information and could submit bids for land purchases and permit applications on-line.

Mr. Bus stated the additional funds would be utilized to provide electronic permitting, which would assist in the Governor's goal to streamline processes.

Co-Chair Wilken noted this project has been funded in FY 01 and FY 02 and the project would be completed at the conclusion of FY 05.

Mr. Bus affirmed this is the intent.

Senator Taylor asked if this equipment would be compatible with other State computer equipment.

Mr. Bus answered it would be compatible and described the interagency access.

Co-Chair Wilken recognized those Department personnel available via teleconference to answer questions.

Oil and Gas Leasing and Accounting Systems Integration

\$150,000 general funds

Reference No.: 37969

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2005

Phased - New Project

This CIP [Capital Improvement Project] is requested to meet a critical need to redesign and expand the existing Oil and Gas Royalty Accounting System (OGRA) capabilities. The Division of Oil and Gas Management and Commercial Analysts have a need to extract royalty accounting and lease data. The FY 04 capital project will redesign just the existing Accounting and Lease Systems to eliminate duplications between the two systems and to enhance reporting and audit capabilities. A September 2002 completed external review verified the internal assessment by the Department that the database needs to be redesigned in order to meet current and expected needs of the State, and to maximize revenue generation and valuation.

Mr. Bus overviewed this request, which was anticipated to take two

years to complete.

Oil and Gas Reservoir Potential for Gas in the Brooks Range
\$50,000 general funds

Reference No.: 37736

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2004

One-time Project

Managed by the Division of Oil and Gas and accomplished cooperatively with the Energy Section of the Division of Geological and Geophysical Surveys and the U.S. Geological Survey, this project seeks to stimulate private-sector gas exploration in the Brooks Range foothills. Very few wells have been drilled in the area and potential conventional natural gas resources and reservoir producibility are poorly understood. New data needed to answer these questions include a detailed subsurface stratigraphic framework and reservoir quality information, including porosity and permeability estimates. These data are critical to developing this potentially huge resource.

Mr. Bus spoke to the significant interest in exploration in this area. He stated this funding would "support the acquisition and analysis of the baseline data needed for increased private sector exploration and development." He clarified the acquisition would entail collection of rock samplings.

MARK MYERS, Director, Division of Oil and Gas, Department of Natural Resources, testified via teleconference from Anchorage that he was available to answer questions.

Navigable Waters Assertions

\$188,700 general fund

Reference No.: 37765

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2007

Phased Project

This project would fund the State's assertion of ownership for navigable waters, including filing applications with the BLM [federal Bureau of Land Management] for disclaimers of interest, research to make navigability determinations, identify navigable waters, and improve state-federal coordination on making navigability determinations and decisions. Most significantly, this CIP would fund the State's

efforts to prepare and file applications with the US Bureau of Land Management for "Recordable Disclaimers of Interests" to clear State title to certain navigable waters.

Mr. Bus read a portion of the Project Description/Justification as follows.

In January 2003, the United States Department of Interior adopted a revised regulation that allows states to file requests for "Recordable Disclaimers of Interest" to resolve land title issues with the federal government. This regulation allows the Federal Government to disclaim ownership of state owned navigable waters. The state needs to seize this opportunity to resolve the issue of ownership of navigable waters. The first application was submitted by the State on February 14, 2003, for the Black River, a tributary of the Porcupine River in eastern Alaska. With this funding, applications could be filed for several hundred additional rivers within the next year. These would primarily be applications for rivers that BLM has determined navigable. In future years, the CIP would fund research that would identify hundreds of additional streams that are navigable and the State could file applications for recordable disclaimers.

Co-Chair Wilken asked if this would be the first year of funding for this project.

Mr. Bus affirmed.

Senator Taylor asked if the funds would be allocated for Department of Natural Resources personnel or for Department of Law personnel.

Mr. Bus replied that the funding would be utilized for Department of Natural Resources personnel, including a Natural Resources Manager, although the Department would coordinate efforts with the Department of Law and the Department of Fish and Game. He described the duties of the Department of Natural Resources staff on this project in completing paperwork and cartography.

DICK MYLIUS, Resource Assessment and Development Manager, Division of Mining, Land and Water, Department of Natural Resources, testified via teleconference from Anchorage that the Department of Law determined that no additional staff would be necessary in that Department to undertake its portion of this recordable disclaimers project. He added that before the updated federal regulation, the only method to establish title was to file actions, which did require significant assistance from the Department of Law.

Co-Chair Wilken asked if Mr. Mylius would administer this program.

Mr. Mylius affirmed.

Senator Taylor referenced a decision rendered in a "three rivers case", whether the US Department of Interior is now recognizing the "State's rightful claims" to navigable waters. He also wanted to know if this project includes the "subsurface fee" in that documented federal assurance would be granted acknowledging that the State owns subsurface lands located under navigable waters, including waters along the Pacific Coast.

Mr. Mylius replied on behalf of the Department of Natural Resources in saying, "that's our hope" that the federal BLM would recognize the State's claim. He relayed that the federal government is now willing to issue recordable disclaimers on waters it agrees are navigable, including the Black River, which was involved in the aforementioned three rivers situation. He qualified the federal agency must undergo an extensive public notice and public comment procedure before final decisions could be made. He noted interest in the matter of conservation organizations that could influence the agency.

Senator Taylor commented this is a change in federal policy.

Co-Chair Wilken asked why this is a capital budget item rather than operating.

Mr. Bus replied that this is a new program and because new positions would be added, it was determined more appropriate in the capital budget, although he agreed that most of the expenses would be operational and could be funded through an operations appropriation.

Improve Forest Productivity in Southern Southeast Alaska

\$100,000 general funds

Reference No.: 37739

Category: Development

Location: Prince of Wales Island

Election District: Cordova/Southeast Island

Estimated Project Dates: 07/01/2003 - 06/30/2006

One-time Project

To sustain a long-term timber supply to value-added processors in SE Alaska, we must keep managed stands productive. Forest lands in SE are the most productive in Alaska, and the State owns little land in this area. To maximize production from our limited land base, we must thin young, overstocked stands. We inherited a backlog of overstocked State land that was cut

over by the USFS. Overstocking slows tree growth, delays re-harvest, and degrades wildlife habitat. With CIP funding we will thin these stands to accelerate growth for future harvest, maintain the rotation age, ensure sustainable harvest levels, and increase habitat benefits.

Mr. Bus added that private contractors would be employed to undertake this effort on approximately 240 acres on Prince of Wales Island. He anticipated a future gain of \$1.3 million because the remaining tress would mature sooner, grow larger and subsequently provide higher value.

State Park Emergency Repairs

\$120,000 general funds

Reference No.: 6843

Category: Health/Human Services

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2004

On-going Project

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 and trails, safe shelter from harsh weather, and safe camping sites.

Mr. Bus commented this is a "bare minimum request".

Co-Chair Wilken noted this request is about half the amount of previous appropriations of the past seven years. He asked if this reflects that the State is "catching up" with deferred maintenance projects, or whether fewer funds are being requested.

Mr. Bus agreed the request is for a lesser amount than past years and acknowledged more projects could be addressed. He informed that the Department is investigating privatization of some units, and only "dire needs" would be addressed until the management status of all parks is determined.

National Historic Preservation Fund Federal Grant Program

\$950,000 federal receipts

\$50,000 G/F Match

Reference No.: 6865

Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2005
On-going Project

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.

Mr. Bus explained this longstanding federal pass-through program administered by the Department, in which communities and organizations apply for grants. He described the review board process of prioritizing and recommending projects. He noted the communities and organizations must provide matching funds.

Co-Chair Wilken asked why matching general funds are required.

Mr. Bus replied the organizations and communities must provide 40 percent matching funds to receive the grant and the State must provide up to \$50,000 matching funds for administrative and oversight of the program.

Forestry Federal Funded Grants for Fire and Forest
\$2,800,000 federal receipts
Reference No.: 37769
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2006
On-going Project

This project provides receipt authority for federal funding including that provided to the State through the federal government's National Fire Plan. Federal funding provides specific program support including that intended to improve the ability of the State and local government to educate, mitigate, prepare for and respond to the threats of wildland fire. This authority, for primarily US Forest Service funds, will allow State participation in cooperative forestry projects in which the State and federal government have mutual interest to participate. Such projects also include forest

health initiatives, insect and disease studies, internships, and community and urban forest inventories and planning.

Mr. Bus informed that each year the US Forest Service provides funds for insect and disease projects, and urban and community projects. He stated that the majority of funds are allocated for contractual services and equipment purchases for local governments and volunteer fire departments.

Senator Taylor requested an explanation of the program.

Mr. Bus told of the "grouping of different federal projects" within this item, one of which is the insect and disease project. He stated he would provide further information on this project. He pointed out that insect and disease damage contributes significantly to fire hazard.

Senator Taylor asked about efforts undertaken to address insect and disease damage on State lands.

Mr. Bus clarified this program addresses all land in Alaska, rather than only State-owned land. He noted the areas most threatened with insect and diseases are the Kenai Peninsula and the Mat-Su valleys, in which no State forests are located.

Senator Taylor expounded on the damage caused to forests and asserted actions in addition to conducting studies are needed, such as salvage.

Mr. Bus replied the Department offered much of the affected State-owned forest for timber sales; however, because of the insect and disease damage, no interest was expressed.

Senator Taylor asked if the Department conducted salvage efforts itself or contracted to another entity to do so.

Mr. Bus responded that funds would be necessary to undertake these efforts and that the Department has requested capital appropriations in the past for this purpose. He stated that some funds were provided for the current fiscal year and that salvage efforts were underway in the Kenai Peninsula.

Senator Taylor continued to speak to the reduced value of the affected timber and increased fire hazard. He preferred the State "manage that environment" rather than allow a fire to occur.

Mr. Bus commented that some of the funds appropriated to this program are used to contract with local fire crews to reduce fire

hazards, in such areas as the Anchorage hillside. He stated that it is difficult to attract bidders due to low commodities on timber.

Co-Chair Wilken referenced the federal match requirement of 50 percent "in-kind general funds". He asked the definition of in kind general funds and whether they could be utilized for other purposes.

Mr. Bus explained that some "regularly appropriated program monies" qualify for this matching requirement and thus additional funds are not necessary.

Co-Chair Wilken asked if the total amount of this capital request is \$4.2 million.

Mr. Bus clarified some of the projects are "100 percent pass through" and do not require a 50 percent in kind general fund match. He indicated he would provide a listing of the specific projects.

Co-Chair Wilken again asked if the in kind general funds be "spent on something else."

Mr. Bus replied the in kind general funds are currently allocated for timber management purposes.

Co-Chair Wilken questioned why the outline of the item does not indicate the State match requirement.

Mr. Bus shared the observation and stated he would research the matter.

Abandoned Mine Lands Reclamation Federal Program

\$1,500,000 federal receipts

Reference No.: 6855

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2006

On-going Project

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 endangered public health and safety, that substantially degraded the quality of the environment and prevented the beneficial use of or caused

damage to land and water resources.

Mr. Bus relayed that the Department has identified 16 coal sites and 124 non-coal sites as hazardous and that require reclamation, at a total cost of \$36 million. He stated the amount of this request would be utilized to address those sites of highest priority and that the program would continue to address the identified sites as long as funding is appropriated.

National Coastal Wetland Conservation Grants Program

\$2,500,000 federal receipts

Reference No.: 37962

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2005

On-going Project

National Coastal Wetland Conservation Grants, from the U.S. Fish and Wildlife Service (Department of [the] Interior), are available to the Division of Parks, working in cooperation with local governments and private non-profit organizations, to secure protection of valuable wetlands across Alaska.

Mr. Bus noted funding for this program is passed through the Department as grants for organizations and communities. He explained this specific request would provide funding to purchase land located on Afognak Island, near Kodiak.

Senator Taylor recalled the land in question was selected by a "series of villages" through the Alaska Native Claims Settlement Act (ANCSA) for commercial and recreational purposes to provide jobs to residents. He remarked that if this purchase, facilitated by the Exxon Valdez Oil Spill (EVOS) Trustee Council, transpires, the land would be removed from "the tax rolls" and would be eliminated as a resource base to provide jobs. He asked if the land would be "locked up" as a wilderness area.

Mr. Bus reiterated that the Department would only serve as a "pass-through" of this funding and that the parties involved would have to speak to their reasoning. He pointed out that the sellers and buyers are willing to participate.

Senator Taylor surmised that a significant purchase price would provide incentive for sellers. He compared the Department's role as a pass-through entity to those indirectly involved in the Holocaust of World War II. He charged that the State is responsible for a policy that is "continuing to erode" private land ownership. He spoke to the amount of land the EVOS organization has purchased to

date saying he found the practice "offensive".

Co-Chair Green suggested reviewing the benefactors and contributors to the Rocky Mountain Elk Foundation, the organization requesting the grant to purchase the land on Afognak Island. She predicted this information would be insightful.

Co-Chair Wilken asked the party that would own the land if this transaction were approved and the sale proceeded.

Mr. Bus answered that the Rocky Mountain Elk Foundation and the Kodiak Bear Trust would have ownership.

Co-Chair Wilken asked the amount of acreage and whether this land could be used for other purposes.

Mr. Bus replied the amount involved in this project is 5,000 acres. He pointed out some of the land is currently owned by the EVOS Trustee Counsel and that the funds would be used to purchase the timber rights on this property.

Co-Chair Wilken asked the consequences if the legislature decided against authorizing the appropriation.

Mr. Bus answered the organization would not "execute their transaction".

Senator Bunde asked the balance of the EVOS fund.

Mr. Bus stated he would provide the information.

PETE PANARESE, Acting Director, Division of Parks and Outdoor Recreation, Department of Natural Resources, testified via teleconference from Anchorage to clarify the process whereby the Department would appropriate the federal funds to the Rocky Mountain Elk Foundation to combine with matching funds to purchase the land. He corrected that the State would have ownership of the land, since the Foundation is not "in the land management business" but rather acquires land for habitat protection purposes.

Co-Chair Wilken asked who owns the remainder of the 5,000 acres not owned by EVOS.

Mr. Panarese replied he would research the matter.

Co-Chair Green asked whether the Rocky Mountain Elk Foundation is affiliated with the Rocky Mountain Institute.

Mr. Panarese was unsure.

Senator Bunde informed that the Rocky Mountain Elk Foundation is a "pro elk hunting" organization, similar to the Ducks Unlimited organization, which promotes habitat and other matters related to hunting.

Alaska Oil and Gas Exploration, Development and Permitting
Federal DOE Project
\$737,700 federal receipts
Reference No.: 37770
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2006
Phased Project

This is a federal Department of Energy grant project for the Alaska Oil and Gas Exploration, Development, and Permitting project. The goal of the program is to increase the production of domestic oil. The intent of the Alaska project is to increase development activity from small to moderate sized firms by providing them with extensive public information on existing wells via the Internet.

Mr. Bus informed this project was presented to the Legislative Budget and Audit Committee in October 2002 and received approval to receive and expend \$850,000, of a total \$1.5 million grant, at that time. He stated it is a cooperative project between the Department of Natural Resources, the Alaska Oil and Gas Conservation Commission, the Department of Fish and Game and the Office of Coastal Zone Management. He informed that the funds would be expended to obtain well data to make available on the Internet for independent developers.

Co-Chair Wilken asked if this is a phased project.

Mr. Bus explained the project began in FY 03 and would likely be completed in FY 04.

Alaska Boating Safety
\$600,000 federal receipts
\$120,000 receipt supported services
Reference No.: 32553
Category: Health/Human Services
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2006
On-going Project

The goal of the Alaska Boating Safety Program is to reduce preventable boating fatalities and other accidents by providing programs that promote safety for persons and property in and connected to the use, operation, and equipment of boats, and encourage safe and enjoyable non-commercial boating in Alaska.

Mr. Bus pointed out the receipt-supported services funds are generated from user fees. He said the project funds boating safety education programs and the Kids Don't Float program, among others.

SFC 03 # 24, Side B 09:49 AM

Mr. Bus continued speaking to the reduced fatality rates and boating related accidents realized since the inception of the program.

Co-Chair Green understood no general funds would be involved in this request.

Co-Chair Wilken explained the receipt-supported services were collected by the Division of Motor Vehicles in the form of boat registration fees.

Mr. Bus furthered that funding for this program has always been required. Before legislation was adopted to change oversight from the federal government to the State government, he stated municipal governments and other organizations provided the matching funds. He informed that the use of the receipt supported services funds in this request would allow the program to secure the maximum amount of federal funds.

Co-Chair Green recalled that when HB 106 was passed in an earlier legislative session, it was understood that no State funds would be required.

Co-Chair Wilken remembered the same.

Senator Taylor stated the program was to be self-sufficient.

Senator Bunde commented the State funds are "pass through" funds generated from boat registration fees.

Mr. Bus affirmed, qualifying that because receipt supported services funds are included in the general fund, this program would technically receive State funds.

Co-Chair Wilken asked the missions and measures for this program.

Mr. Bus replied the criteria of the federal grant serves as the missions and measures. He offered statistics of specific results, parties who received the grants and success rates.

Co-Chair Wilken asked the consequences of not funding this request.

Mr. Bus explained that if the receipt supported services funds were not appropriated, the amount of federal funds received would be reduced unless additional funds could be secured from local governments and organizations. He anticipated these sources had been "exhausted" and therefore, the receipt-supported services were requested. He stated that if receipt and expenditure of the federal funds were not approved by the legislature, the program would be eliminated for the fiscal year. He indicated the Department would request receipt authority for the full amount of federal funds available with the goal of securing the maximum amount possible of matching funds from alternate sources.

Co-Chair Wilken announced he would scrutinize this program. He spoke to his concerns that this program may not be in the best interest of Alaskans. He commented that it has "bothered" him "that we spend three-quarters of a million dollars to tell parents to put life jackets on their kids" and that he must register his kayak.

Senator Taylor asked the percent of matching funds required to receive the federal funds.

Mr. Bus estimated the requirement to be 50 percent.

Senator Taylor projected \$120,000 would be generated from registration fees.

Mr. Bus explained that the Division of Motor Vehicles collects boat registration fees, and that most of the funds are used to administer the program. He stated \$120,000 is the difference between the total amount collected and the amount necessary to administer the program.

Senator Taylor asked about the matching funds provided by organizations and municipalities.

Mr. Bus replied that communities in which these programs are operated contribute to the matching fund requirement.

Senator B. Stevens referenced the average 25 boating accidents per

year and requested statistics of where boating accidents occur and the number of injuries or deaths per incidence. He commented that in some areas noncommercial boating activity is transportation not just recreation and asked for an accounting of accidents related to the type of activity.

National Recreational Trails Federal Program
\$695,000 federal receipts
Reference No.: 6854
Category: Transportation
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2006
On-going Project

All across Alaska, Alaskans rely on trails for recreations, 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 protections. Grants are awarded to organizations, businesses, agencies, and local governments.

Mr. Bus noted this item is also a pass-through for grants awarded in three categories: motorized, receiving 30 percent of the funds, non-motorized, receiving 30 percent and 40 percent to a combination. He stated that a review board considers and prioritizes the proposals, which are submitted by communities.

Senator Bunde asked the relationship of this request to SB 71 and whether this program involves funds in addition to those appropriated as part of the Trails and Recreation Access for Alaska (TRAAK) program.

Senator B. Stevens replied that the TRAAK program is funded through the Surface Transportation project, not through the Department of Natural Resources and therefore he surmised this item is in addition to the TRAAK program.

KIM RICE, Administrative Manager, Division of Parks and Outdoor Recreation, Department of Natural Resources, parks testified via teleconference from Anchorage affirmed this funding would be in addition to the TRAAK funds appropriated to the Department of Transportation and Public Facilities.

Land and Water Conservation Fund Federal Grants for Local Governments

\$675,000 federal receipts
Reference No.: 32552
Category: Development
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2008
On-going Project

More than any other state in the Union, Alaskans recreate outdoors. Outdoor recreation opportunities are very important for Alaskans. 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 governmental 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.

Mr. Bus noted this program has been in existence for many years. He described the process in which communities apply for the grants and supply 50 percent matching funds to construct recreational facilities. He exemplified the Twin Lakes Park in Juneau, as a project undertaken with these grant funds. He emphasized the grant recipients are required to maintain the facilities once constructed.

Senator Bunde commented this funding could also be utilized for trails.

Mental Health Trust Land Development
\$600,000 MHTAAR
Reference No.: 6853
Category: Development
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2006
On-going Project

Mental Health Bill

The Trust Land Office (TLO) will contract for services to supplement its core operations. Typically the services are related to nonrecurring projects such as the administration of a large timber sale, the evaluation of a particularly complex transaction, development of an asset management plan for certain trust lands or resources or significant improvements to the TLOs information management.

Mr. Bus pointed out this request was submitted at the request of

the Mental Health Trust Authority (MHTA) to fund on-going operations to generate income from its land holdings.

Co-Chair Wilken asked why this item is not included in the operating budget.

Mr. Bus responded the funds requested in this item would be utilized to contract for various long-term services, such as "timber layout", although he noted funding for staffing is included in the operating budget.

Senator Taylor opined this is the wrong "funding mechanism" because these timber sales generate significant revenue over the cost of the preparation of the sales. He stated that the revenue is deposited to the general fund and contended the legislature is required each year to "pull money out of the capital budget" to provide the Department with the necessary funds to undertake future timber sales. He suggested that a portion of timber sales receipts be designated for related expenditures.

Mr. Bus emphasized the funds for this request are entirely Mental Health Trust Authority Authorized Receipts utilized for timber sales on lands owned and administered by MHTA. He stressed no general funds are involved.

AT EASE 10:06 AM / 10:07 AM

Alaska Cadastral Project
\$518,700 federal receipts
Reference No.: 37768
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2005
Phased Project

The vision is to create an integrated system for sharing land parcel information between federal, state, local, and native organizations. The Alaska Cadastral Project will enable anyone to access current rights, interests and boundary information involving real property. The project builds partnerships for the collection, management, standardization, and sharing of Alaska's land parcel information to improve business processes and support decision making. The project offers several strategic areas for improving the services of state and local government by improving the quality and accessibility of essential business information related to real property.

Mr. Bus pointed out no matching funds are required for this item.

He informed that the Department presented this project to the Legislative Budget and Audit Committee in October 2002 and requested authorization to receive and expend the first installment of the \$600,000 total amount.

Mr. Bus stated that one aspect of this project involves digitizing paper records of plats.

Co-Chair Green relayed conversations and presentations by the Mineral and Mining Commission, the University of Alaska and other parties proposing similar projects. She asked if this item reflects the same project or whether duplication would occur.

Mr. Bus replied that the Department is the primary "mapper" of State land, the federal Bureau of Land Management (BLM) conducts the primary mapping activities of federal land, municipalities and Native corporations undertake the efforts on land they own. He stated this project is intended to combine the information into an electronic database.

Mr. Bus furthered that the project Co-Chair Green referenced involves a separate commercial activity.

Co-Chair Green also asked whether this information, once the project is completed would be available for purchase or at no cost.

Mr. Bus responded that all the information is public information.

RICHARD MCMAHON, Chief, Lands Records Information, Division of Support Services, Department of Natural Resources, testified via teleconference from Anchorage to affirm that land records are public information. He informed that the Division is "actively participating" with the other projects and assured the efforts are complementary and any duplication would be eliminated.

Co-Chair Green agreed to the importance of mapping, but stressed that the State should not fund duplicate efforts and instead the parties should jointly undertake the project and ensure all needs are adequately served.

Co-Chair Wilken also recalled a conversation with parties interested in undertaking a mapping effort.

AT EASE 10:12 AM / 10:12 AM

Mr. McMahon agreed with this "vision" and stressed the Division is working to ensure the best expenditure of this grant provided by the US Department of Energy.

Senator Bunde questioned why during the current "era of user fees" the State would provide this information at no charge.

Mr. Bus responded that much of this information is required for recording of lands and that the State does assess a fee for such recordings. He stated that once land is recorded, the information becomes public. He informed that Governor Murkowski intends to review the fee structure.

Senator Bunde asked whether the recording fees cover the cost of gathering and providing the information.

Mr. Bus relayed the goal is that revenue meets expenditures. He noted that in previous years revenue has far exceeded the costs of administering the program.

Senator Bunde asked if the Department has therefore generated the \$518,000 necessary to fund this item.

Mr. Bus answered yes and explained the funds would be utilized to digitize records dating back to the 1800s.

Senator Bunde challenged that the fees collected for the paper records of the 1800s could not be sufficient to cover the costs of accessing the data at the present time. He therefore surmised the State should charge a fee to access those records.

Mr. Bus detailed process of accessing this information, which is allowed at no charge if the data is only viewed. However, he remarked that if the information is to be used for commercial purposes, the Department sells a compact disc containing the information.

Senator Bunde commented the State is "offering a service for free" that private enterprise is also attempting to provide.

Co-Chair Wilken expressed that the Department of Natural Resources budget subcommittee should further research the matter.

Co-Chair Wilken noted the overview of this item does not indicated a State matching fund requirement.

Mr. McMahon replied that the Department could utilize existing general funds appropriated for FY 03.

Co-Chair Wilken understood that \$130,000 is necessary to receive the federal funds.

Mr. Bus explained that in-kind expenditures qualify for the State match requirement.

Co-Chair Wilken asked if the in kind expenditures are monetary or in the form of labor provided.

Mr. Bus answered that mostly labor is utilized for the in-kind expenditures.

Co-Chair Wilken again indicated the matter warrants additional review.

Recorder's Office Film Conversion
\$388,000 Receipt Supported Services
Reference No.: 37732
Category: General Government
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2004
One-Time Project

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 would support this statutory function in two ways: (1) it would enable the component to digitize document images from existing film records for the past ten years statewide; and (2) it would enhance 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 of these older records.

Mr. Bus stated that earlier projects have converted records older than ten years. He told of the many people viewing this information and the desire for a digital format.

Senator Bunde noted this program is financially self-supporting.

USGS Streamgaging Cooperative Program
\$180,000 Statutory Designated Program Receipts (SDPR)
Reference No.: 37762
Category: Development
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2006
On-going Project
This CIP request authorization to accept funds from the

private sector, local government and other state agencies, and pass those funds through to the USGS as part of its stream gaging coop program. Industry, state and local government often asks, and pays for, the USGS to install and operate a stream gage. The information is usually necessary for resource development, hydroelectric projects, or water supply. If they pay the USGS directly, USGS can't provide matching funds. But if the funding is passed through a state agency, the funds can be matched at 100% by the federal government.

Mr. Bus noted that although this item reflects private sector investments, authority to receive and expend the funds is required.

Recorder's Office Plat Imaging
\$100,000 Receipt Supported Services
Reference No.: 37731
Category: General Government
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2004
One-Time Project

A primary statutory function of the Recorder's/UCC component is to provide its customers with easy access to the permanent public records, including subdivision plats and surveys. Through several cooperative ventures, the State Recorder's Office has obtained images of approximately two-thirds of the recorded plats and surveys in the state and will be making them available to the public on line via the component's web site under a federally funded grant. This CIP project addresses only the imaging of the remaining one-third of the historic plats and surveys in the state and the on-line indexing of those that predate the 1970s.

Mr. Bus stated this item would provide for the conversion of approximately one-third of the data not funded through the Cadastral Project.

Municipality and Borough Special Assessments
\$50,000 State Land
Reference No.: 31874
Category: General Government
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2006
On-going Project

This project funds special assessments levied by municipalities and boroughs against the Department of Natural Resources for improvements that benefit state properties.

Mr. Bus told of the State Land Disposal Income funds utilized for this project.

Improving Milk Processing Facilities in Milk Shortage States
Federal Program

\$5,000,000 federal receipts

Reference No.: 37964

Category: Development

Location: Anchorage Areawide

Election District: Anchorage Areawide

Estimated Project Dates: 07/01/2003 - 06/30/2004

Phased Project

A proposed "Milk Shortage Program" will assist states that consume more fluid milk than they produce. USDA will be authorized to grant funds for modernizing processing facilities.

Mr. Bus relayed he had met with Co-Chair Green on this matter and he expressed intent to receive but hold these funds until a determination was made whether the State would participate in the program. He indicated the funds could be spent for various purposes, including construction or renovation of facilities and upgrading the packaging and delivery of dairy products.

Co-Chair Wilken understood the total cost of the project is \$20 million.

Mr. Bus stated the intent is that \$5 million would be appropriated each year for five years, with \$20 million "earmarked for Alaska". He qualified the Department first must specify how the funds would be expended.

Co-Chair Wilken requested Mr. Bus continue to work with Co-Chair Green on this project.

Division of Geological and Geophysical Surveys Federal Grants
Projects

\$1,100,400 federal receipts

Reference No.: 38144

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2006

On-going Project

The Alaska Mineral and Energy Inventory (AMEI) project comprises a group of mineral and energy inventory data generation, organization, and public data delivery task that

are directly tied to mineral and energy inventory mandates in AS 41.08, the Legislatively designated outcome measures for DGGS. This project provides receipt authority for Federal funds specifically directed towards making Alaska mineral and Energy data more widely available and more easily accessible.

Mr. Bus pointed out this item requires no State matching funds. He overviewed the various projects undertaken with these grant funds.

Co-Chair Wilken noted this program was previously funded through the operating budget.

Mr. Bus explained that expenditures for these projects are made over several fiscal years.

North Slope Tundra Travel Model - U.S. Dept. of Energy Grant
\$250,000 federal receipt
Reference No.: 38391
Category: Development
Location: North Slope Borough
Election District: Arctic
Estimated Project Dates: 07/01/2003 - 06/30/2005
Department of Natural Resources is engaged in a collaborative research project with the U.S. Department of Energy for the purpose of research to generate a probability prediction model based upon the resistance of tundra to disturbance associated with wintertime cross-country travel. This study is essential to the long-term goal of increasing the length of the winter work season for seismic exploration, ice road construction, and other development and production activities requiring cross tundra travel while ensuring environmental protection of the tundra surface.

Mr. Bus overviewed this item.

Mr. Myers furthered the intent is to allow earlier construction of ice roads and other modes of travel, specifically over the "exploration season", which must occur "off ice". He stated this would increase the number of wells that could be drilled. He noted the length of ice roads increases as activities are conducted further away from infrastructures.

Co-Chair Wilken asked if this study would occur within the National Petroleum Reserve-Alaska.

Mr. Myers stated the project would examine better technology to determine when frost depth and snow protection is sufficient. He stated other modes of travel would also be investigated. He

remarked the debate has been ongoing regarding the best methods for both State-owned and NPR-A lands.

Remote Recreational Cabins Survey and Appraisals
\$430,000 State Land Disposal Income funds
Reference No.: 38480
[Note: detail project analysis not provided.]

Mr. Bus informed the receipts are generated from "people who are interested in remote recreational cabin properties." He explained that to purchase these properties, buyers must obtain appraisals and surveys, which the Department performs at the expense of the buyers.

Senator Bunde asked why private surveyors are not contracted by the buyers to conduct these appraisals and surveys.

Mr. Mylius explained that in previous "stake it yourself" programs such as this, high failure rates occurred because buyers did not "follow through on their survey work". He surmised this was due to the high costs and delays between the date the parcels were staked and the date the surveys were conducted. He added that the Department has had difficulties with individual surveyors. As a result, it was determined to be more economical for the buyers and more likely the land would be surveyed if the Department collected the fees and contracted private parties to undertake the surveys and appraisals.

Senator Bunde asked how the costs were determined in advance of conducting the surveys and appraisals.

Mr. Mylius responded that surveyors provide estimates and the difference in the actual cost is added or deducted from the purchase price of the land.

JEFF JOHNSON, Boating Law Administrator, Office of Boating Safety, Division of Parks and Outdoor Recreation, Department of Natural Resources, testified via teleconference from Anchorage, to answer questions if necessary.

Co-Chair Wilken announced the Committee would review this matter at a later date.

Department of Public Safety

Aircraft and Vessel Repair and Maintenance
\$1,227,400 general funds
Reference No.: 6121

Category: Public Protection
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2004
On-going Project

Department of Public Safety Aircraft and Vessel Repair and Maintenance. These funds are for the annual repair, replacement 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 require expert vendors to rebuild them. Many other components of vessels and aircraft must be maintained or replaced routinely to ensure safe operating conditions.

KAREN MORGAN, Director, Division of Administrative Services, Department of Public Safety, noted the amount requested for FY 04 is less than in previous fiscal years due the proposal to remove the P/V Woldstad from service along with some aircraft, which would be sold. She indicated authorization for these sales is included in the Section 5 of the bill.

JOEL HARD, Colonel, Director, Division of Fish and Wildlife Protection, Department of Public Safety, pointed out that the budget has no mechanism to accrue operating funds for future maintenance needs, as is practice in the private sector. Therefore, he stated that capital requests must be submitted each year for this purpose.

Senator Bunde asked if the Department's equipment sustained losses as a result of the recent windstorm in the Anchorage area.

Col. Hard told of some damage inflicted on two super piper cubs and wing damage to another aircraft.

Senator Bunde asked if these vehicles would have to be replaced.

Col. Hard answered they would.

Senator B. Stevens asked if request for funds to undertake repairs to the P/V Stimson is an annual request.

Col. Hard replied it is not. He explained that the larger vessels are generally taken to a shipyard for major repairs once every two years. He stated the P/V Stimson was last dry docked in 2001.

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Col. Hard continued the Department is evaluating long term deferred maintenance needs of older vessels.

Senator B. Stevens expressed that the issue of repairing or removing the P/V Woldstad and the P/V Stimson has been discussed in the Department of Public Safety budget subcommittee.

Senator B. Stevens asked if dry dock repairs have been alternated each year between the P/V Woldstad and the P/V Stimson.

Col. Hard affirmed.

Senator B. Stevens requested the repair history of the P/V Woldstad over the previous eight years.

Col. Hard stated he would provide this information.

Fish and Wildlife Statewide Law Enforcement Equipment Replacement

\$750,000 general funds

Reference No.: 6127

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2004

On-going Project

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.

Ms. Morgan explained the amount of this request is higher than of past fiscal years due to previous deferred maintenance needs that were unfunded.

Senator Bunde opined that \$80,000 is substantial amount for a 22-foot skiff.

Col. Hard described the specialized foam hull skiffs developed for Fish and Wildlife Projection purposes. He remarked that the design the Department pioneered has now become the standard for the military.

Co-Chair Wilken asked what company builds these boats.

Col. Hard listed Safe Boat, Inc.

Alaska State Troopers Law Enforcement Equipment Replacement
\$600,000 general funds

Reference No.: 37774

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2003 - 06/30/2009

On-going Project

The 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.

Ms. Morgan noted this request is included in the governor's proposed budget on an annual basis.

DON BOWMAN, Major, Administrative Commander, Division of Alaska State Troopers, Department of Public Safety, testified via teleconference from an off-net location that this request is to fund replacement of highly used equipment necessary for day-to-day operations.

Fairbanks Roof Replacement Project

\$1,019,100 general funds

Reference No.: 37778

Category: Public Protection

Location: Fairbanks Areawide

Election District: Fairbanks Areawide

Estimated Project Dates: 07/01/2003 - 06/30/2005

Phased Project

This project requests construction funding for replacement of the Department of Public Safety HQ building roof in Fairbanks. Design funding of \$43,600 general funds was appropriated in FY 02 and the design study was completed in July, 2002. This roof replacement project is also identified as the number one Department of Public Safety priority on the Statewide deferred maintenance list.

Ms. Morgan pointed out this is the second year this request has been submitted for funding. She informed that leaks have been identified and stressed the roof must be replaced before damage occurs to the building structure.

Co-Chair Wilken asked whether this project could be undertaken in

phases over several years. He also suggested the funds could be appropriated in phases and the project undertaken in a future fiscal year.

Ms. Morgan explained that once the project is begun, it must be completed without interruption. She agreed the funds could be compiled and the project undertaken in the future.

Firefighting Breathing Apparatus Replacement
\$225,000 general funds
Reference No.: 37785
Category: Public Protection
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2003 - 06/30/2004
One-time Project
Purchase of ninety (90) self contained breathing apparatus (SCBA) and spare bottles used to conduct basic and advanced fire training at the three State operated regional training centers in Anchorage, Fairbanks and Juneau. These new units are necessary to comply with national equipment standards and OSHA regulations.

Ms. Morgan informed that the current equipment has been donated by local fire departments as new gear is purchased. She stated that the updated models are significantly different from the equipment utilized in training.

Senator Bunde pointed out the request is to purchase 90 units, although classes are never that large.

GARY POWELL, Director, State Fire Marshal, Division of Fire Prevention, Department of Public Safety, testified via teleconference from an off-net location.

Senator Bunde asked if the units would be available for field use or reserved only for training exercises.

Mr. Powell replied the units would be dedicated primarily for training purposes but could be used in the event of emergency in actual fires. He exemplified the Millers Reach Fire in which additional supplies was needed.

Senator Bunde asked the uses of the training equipment.

Mr. Powell listed fire training in Fairbanks and cruise ship training in Juneau as uses of the equipment. He informed that shipping these units causes wear and tear.

Co-Chair Wilken asked if this item is included in the Code Blue Project.

Mr. Powell answered it is not, explaining the Code Blue Project pertains to emergency medical equipment, while this request is fire equipment.

New Ketchikan Public Safety Building - Construction Phase
\$2,452,500 general funds
Reference No.: 37780
Category: Public Protection
Location: Ketchikan
Election District: Ketchikan
Estimated Project Dates: 07/01/2003 - 06/30/2006
Phased Project
Construction funding for new Department of Public Safety Southeast Detachment headquarters building in Ketchikan.

Ms. Morgan reminded that the Department received a prior appropriation of \$400,000 for design and preconstruction.

Co-Chair Wilken asked if the design is complete.

Ms. Morgan affirmed.

Co-Chair Wilken asked the status of a site location.

Ms. Morgan responded that the City of Saxman has agreed to donate land to house the facility. She qualified that a change in the city manager structure had delayed the process, but that discussions had resumed.

Senator Taylor clarified that the location is not finalized.

Ms. Morgan explained that no agreement has yet been signed with the City of Saxman. However, she stated that a site has been selected by the City of Saxman that is appropriate for the Department's needs.

Senator Taylor asked if the State would own or lease the facility.

Ms. Morgan responded that the matter has not been finalized, although she anticipated the State would own the facility with a "nominal" lease fee paid to the City of Saxman.

Senator Taylor opined that significant amounts of State owned land located south of Ketchikan is available and would be better suited.

Ms. Morgan reminded that the Legislature made the decision that the facility would be located within the City of Saxman. She agreed that State land is also available and noted that the initial site assessment included other locations.

Co-Chair Wilken announced the earlier decision might be reviewed.

Senator Taylor expressed concern that State Troopers would have difficulty traversing through the crowded downtown Ketchikan area to reach the airport, ferry terminal and the hospital during emergencies.

Ms. Morgan replied that response time was one of the issues considered in the site evaluation. She assured that assured that Troopers patrol the Ketchikan Gateway Borough and should be available to respond to emergency calls from various locations.

Maj. Bowman was unable to respond specifically to this concern but agreed response to the northern areas would take longer if the facility were located in the City of Saxman, in the southern portion of the Borough.

Senator Taylor pointed out the majority of the population resides north of downtown Ketchikan rather than south. He asked if the Department had conducted a study of the locations of emergency calls and response times.

Maj. Bowman was unaware of any such study but assured he would review the matter.

Co-Chair Wilken understood that the actual location has not been determined, but that legislative intent indicates the facility would be located in the City of Saxman.

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ADJOURNMENT

Co-Chair Gary Wilken adjourned the meeting at 10:55 AM