

LEGISLATIVE COUNCIL

April 21, 2005

1. ROLL CALL

Legislative Council was called to order at 8:35 a.m. by Chairman Pete Kott in the House Finance Committee Room and via teleconference.

The roll was taken. In attendance were Council members: Representatives Kott, Coghill, Harris, Rokeberg, Weyhrauch, Berkowitz, Senators Cowdery, Ben Stevens, Gary Stevens, Therriault, Wagoner, Wilken and Davis. Absent member was: Representative Gatto. Staff present: Varni, Ohmer, Collins, Clothier, Cook, Gullufsen, Hard, Ibesate, Johnston, Lobaugh, Price, Schofield and Yorba. Guests present: Joseph Esuchanko and Bob Boerner.

2. APPROVAL OF MARCH 2, 2005 MINUTES

Senator Therriault moved Legislative Council approve the minutes of the March 2, 2005 Council meeting.

The motion was approved unanimously.

3. RATIFICATION OF SANCTIONED CHARITABLE EVENT

Senator Therriault moved Legislative Council ratify the HealthWorks charitable event per AS 24.60.080(c)10.

The motion was approved unanimously.

4. LEASE RENEWAL AND EXTENSION APPROVALS: BARROW, BETHEL AND FAIRBANKS

Pam Varni, Executive Director stated that before Legislative Council were two lease renewals and a lease extension. Ms. Varni affirmed that this is the second one-year renewal option for the Barrow LIO in the amount of \$30,452.52. Ms. Varni further stated that is the fifth and last one-year lease renewal for the Fairbanks LIO, and Senators Wilken and Seekins, Representatives Guttenberg, Holm, Mike Kelly and Ramras in the amount of \$114,776.16. In the case of the Bethel LIO and Senator Hoffman and Representative Kapsner our lease renewal will expire June 30, 2005. Under AS 36.30.083 we exercised a lease extension until June 30, 2010 with the landlord after

doing a market analysis. The one-year rate for Bethel is in the amount of \$42,408. The lease extension is under the market value by \$11,955.48.

Senator Therriault moved Legislative Council approve the one-year renewal options for existing lease space in Barrow and Fairbanks; and the lease extension under AS 36.30.083 in Bethel for existing lease space as reflected in the memo from Pam Varni dated April 16, 2005.

The motion was approved unanimously.

5. HOMELAND SECURITY ADDITIONAL FUNDING APPROVAL

Pam Varni, Executive Director stated Legislative Council approved on February 3, 2005 Homeland Security funding in the amount of \$177,579 for security cameras and access control projects from Homeland Security funds. The Legislative Affairs Agency went out to bid on these two projects. The bids came back with a shortfall of \$74,729 from the amount approved by Council. Ms. Varni further stated that the Office of the Governor will forward an additional \$10,000 and that Legislative Council has capital funds that can be utilized for the additional \$64,729 needed to fund these two projects. Ms. Varni requested that Legislative Council approve the additional money needed to complete the projects in the amount of \$75,000.

Senator Therriault moved Legislative Council approve the additional \$75,000 funding required for the security cameras and access control costs for the Legislature and the Office of the Governor.

The motion was approved unanimously.

6. MEETING PLACE REPLACEMENT SERVER APPROVAL

Sue Gullufsen, Manager of the Legislative Information Office (LIO) stated the current system that runs the Agency's Teleconference Network system is no longer being supported by Cisco after this year. The LIO would like to upgrade this summer in conjunction with the renewal of the support contract on July 1, 2005. The Cisco Meeting Place 8106 Audio Conferencing Server would be the appropriate upgrade for the Agency's needs.

Lori Yorba, LIO staff gave a brief explanation for the upgrade and stated that the Agency has explored other options but felt that this was the best one. Ms. Yorba also informed Legislative Council that this would not change the 1-800 number feature as the Agency currently has it.

Senator Therriault moved Legislative Council approve the solicitation, award and expenditure for a Meeting Place Audio Conferencing Server not to exceed \$41,000.

The motion was approved unanimously.

7. IT SUBCOMMITTEE WORK GROUP REPORT

Chairman Kott asked Curtis Clothier, Data Processing Manager to review the work of the IT Subcommittee Workgroup.

Mr. Clothier reviewed the changes to the IT Resources Policy, which included adding Windows XP and Spyware detection and removal software to the standard software load. References to Netscape software are to be removed.

It was suggested that the IT Resources Policy also include the requirement for all legislative computer users to change their passwords annually. Representative Coghill asked that DP assist users with this task as much as possible.

8. LEGISLATIVE COUNCIL POLICY APPROVALS

Information Technology (IT) Resources Policy Internet/Network Policy

Mr. Clothier also presented recommended changes to the Internet/Network Policy to include the following two items as 'Inappropriate Uses' of Legislative Computer systems; 1) Prohibiting downloading or storing MP3, WAV or any other format of music files on both network and local computers, and 2) downloading and storing email from accounts outside of the Legislature's email system. Mr. Clothier answered questions from Senator Cowdery concerning the need for Legislators to access personal email accounts. Mr. Clothier assured Senator Cowdery that this policy only concerned 'downloading', or importing, email into the Legislature's network, and would not prohibit using standard WebMail applications to access personal email.

A brief discussion of the State's WebSense filtering product followed. The Legislature has begun blocking sites that WebSense categorizes as 'Adult Material', 'Advertising', or 'Security Risks'. Initial reports from the WebSense reports show that the filters are working properly, and not disrupting the work of legislative employees.

Senator Therriault moved Legislative Council approve the recommended policy changes to the Internet/Network Policy.

The motion was approved unanimously.

Senator Therriault moved Legislative Council approve the recommended policy changes to the IT Resources Policy.

The motion was approved unanimously.

LEGISLATIVE COUNCIL POLICY APPROVALS (Continued)

Travel And Per Diem Policy Approval

Chairman Kott stated that some members of the House have requested that changes be made to the per diem rate. The per diem rate was reduced for the Juneau session by approximately 25%. The change was effective as of April 1, 2005. Chairman Kott mentioned some of the members have expectations of a certain rate that they are going to receive when they arrive in Juneau. Chairman Kott made a motion to make the following changes to the session per diem rate as follows:

The Juneau session per diem rate on the first day of session remains the session per diem rate for the entire session unless the Department of Defense raises the rate.

Pam Varni, Executive Director informed Legislative Council that the federal per diem rate is set by the Department of Defense for Hawaii and Alaska. Ms. Varni stated she has been in contact with the Coast Guard in Juneau for copies of the surveys they provide to the Department of Defense. The Coast Guard is currently completing a more thorough survey to reflect hotels in Downtown Juneau not just the Valley. The Coast Guard will be asking the Per Diem Committee to take another look at the latest per diem rate set for Juneau.

Discussion followed.

Karla Schofield, Deputy Director stated, what the Legislature does whenever it sets the per diem rate is that every Legislator is entitled to that per diem rate and each Legislator gets that every day. Occasionally Legislators will decide that they want to return their per diem and the Agency asks that they write the Legislative Affairs Agency (LAA) a check based on the rate paid for a whole day. Because of recordkeeping in terms of tax reporting, if the Agency had every single Legislator picking what amount of per diem they wanted for the day it would turn into a recordkeeping challenge. If a Legislator doesn't want per diem for a particular day they can write us a check and the record will show they did not receive per diem for that day. Legislators should not ask LAA to donate their per diem to a charity. If a Legislator wants to take that action they should write a check to the charity of their choice and let their constituents know that is what they did with the per diem they received. Per diem is a daily rate to cover lodging and meals.

Senator Wilken moved to set the Travel and Per Diem Policy aside till the April 28th meeting.

Representative Rokeberg objected.

Discussion followed.

Representative Rokeberg removed his objection.

Discussion followed.

Representative Coghill offered the following amendment: add a period after “session” and delete “unless the Department of Defense raises the rate”.

Discussion followed.

Representative Coghill removed his amendment.

Speaker Harris offered an amendment to the Travel and Per Diem Policy to read: “The Juneau session per diem rate on the first day of session remains the session per diem rate for the entire session.”

Senator Wilken objected.

Discussion followed.

Senator Wilken moved to table the question to time, date certain, that date being April 28th at 8:00 a.m. at the next Legislative Council meeting.

Speaker Harris and Representative Coghill objected for discussion.

Discussion followed.

Speaker Harris and Representative Coghill removed their objection.

The motion was approved unanimously.

9. PRINT SHOP COLLATOR AND AUTOMATIC FINISHER APPROVAL

Ernie Hard, Print Shop Manager, stated that the Print Shop has four collators at this time. The parts for the three older collators are no longer manufactured and Mr. Hard would like to surplus the three older collators. The current finisher unit for the collator is manually adjusted and works, but has been giving the Print Shop problems for the past four years. Mr. Hard stated his staff constantly has to manipulate the finisher units, which includes using duck tape and magnets for it to run properly. Mr. Hard further stated that it is in the Agency’s best interest to purchase a Bourg collator and finisher.

Senator Therriault moved Legislative Council approve the solicitation, award & expenditure for the purchase of a CP Bourg BST-D+ Suction Tower not to exceed \$62,000 and a CP Bourg SMB-4 Automatic Finisher not to exceed \$47,000.

The motion was approved unanimously.

10. PERS UPDATE BY JOSEPH ESUCHANKO

Chairman Kott stated that the Legislative Council Chair entered into a contract with Joseph Esuchanko, a Consultant from Detroit, Michigan, to evaluate the current PERS situation. The contract was let for \$20,000. Mr. Esuchanko is widely known throughout the United States as one of the foremost consultants in this area.

Mr. Esuchanko stated that the State Senate used the figure provided by actuarial services company Mercer to revamp the state's retirement systems.

Mr. Joseph Esuchanko stated he wanted to see a more detailed projection using a variety of assumptions, such as stock market returns. Mr. Esuchanko stated the proposal to switch to a 401(k)-style defined contribution for new employees rather than using the current defined benefit structure could make it harder for employees to retire. Mr. Esuchanko recommends a hybrid of the two contribution plans.

Mr. Esuchanko stated he would have his recommendations ready in two or three weeks.

Discussion followed.

Chairman Kott brought up for discussion to expand the contract to include the Teacher's Retirement System, which would be an additional \$10,000, which exceeds the limitation that the Legislative Council Chair can contract for under his own authority. Chairman Kott recommended that Mr. Esuchanko continue with PERS but to also expand it to include TRS.

Senator Gene Therriault asked for a one-week delay to confer with his Senate members.

Chairman Kott stated he would take the matter up at next Legislative Council meeting on April 28th.

11. OTHER BUSINESS

Personnel Matter

Senator Therriault motioned Legislative Council go into Executive Session to discuss a personnel matter.

The motion was approved unanimously.

Legislative Council came out of Executive Session.

Senator Therriault moved that this committee under AS 24.10.210 retain committee staff and that the committee delegate to the Chair the authority to select and direct committee

staff in their duties in accordance with AS 24.10.210. The committee staff will be compensated in accordance with AS 39.27.011 the general state salary schedule as determined by the Chair.

The motion was approved unanimously.

Anchorage LIO Parking

Representative Rokeberg objected for the record to the action taken by Chairman Kott in regard to the letter dated April 18, 2005 to Mr. Acree regarding the undersized parking spaces.

Senator Therriault suggested the parking issue be brought up at a future meeting.

Chairman Kott stated that he and Mr. Popely would work with Mr. Acree in regard to the parking issues.

Drafting Manual

Senator Therriault will work with Ms. Cook, Director, Legal and Research Services on a motion for Legislative Council to take action on at the next Legislative Council meeting with regard to a formal policy to the drafting staff on Letter of Intent language appearing as part of bills.

The meeting was adjourned at 10:35 a.m.