

MINUTES
SENATE FINANCE COMMITTEE
April 18, 2007
2:20 p.m.

CALL TO ORDER

Co-Chair Bert Stedman convened the meeting at approximately [2:20:14 PM](#).

PRESENT

Senator Bert Stedman, Co-Chair
Senator Lyman Hoffman, Co-Chair
Senator Charlie Huggins, Vice-Chair
Senator Fred Dyson
Senator Donny Olson
Senator Joe Thomas
Senator Kim Elton

Also Attending: GAIL FENUMIAI, Assistant Administrative Director, Division of Administrative Services, Office of the Governor; GUY BELL, Assistant Commissioner, Office of the Commissioner, Department of Labor and Workforce Development; JANET CLARKE, Assistant Commissioner, Finance and Management Services, Department of Health and Social Services; ARNOLD LIEBELT, Facilities Manager, Finance and Management Services, Department of Health and Social Services; NICO BUS, Director, Division of Support Services, Department of Natural Resources;

Attending via Teleconference: From Anchorage: ROBERT SWENSON, Director, Division of Geological & Geophysical Surveys, Department of Natural Resources.

SUMMARY INFORMATION

SB 53-BUDGET: CAPITAL, SUPP. & OTHER APPROPS

The Committee heard testimony from the Office of the Governor, the Department of Health and Social Services, the Department of Labor and Workforce Development, and the Department of Natural Resources. The bill was held in Committee.

#sb53

2:20:23 PM

SENATE BILL NO. 53

"An Act making appropriations, including capital appropriations, supplemental appropriations, and appropriations to capitalize funds; and providing for an effective date."

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

2:20:27 PM

Co-Chair Stedman announced that the Committee would hear department testimony detailing the capital requests for fiscal year (FY) 2008.

2:20:50 PM

Office of the Governor

Polling Place Accessibility Improvements under the Federal Help America Vote Act (HAVA)
\$100,000 Election Fund
Reference No.: 38524
Category: General Government
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2005 - 07/01/2009
To expand and improve access to polling places and voter participation by individuals with disabilities.

GAIL FENUMIAI, Assistant Administrative Director, Division of Administrative Services, Office of the Governor, spoke to this request.

2:22:00 PM

Department of Labor and Workforce Development

AVTEC Distance Training Network
\$750,000 Federal Receipts

\$329,000 General Fund (G/F) Match

Reference No.: 43038

Category: Education

Location: Seward

Election District: Homer/Seward

Estimated Project Dates: 07/01/2007 - 06/30/2008

AVTEC has received a federal Economic Development Administration (EDA) grant for distance training equipment. This grant will fund costs for providing video/teleconference equipment and network services that connect AVTEC with Regional Training Centers across Alaska for distance delivered training. As a result of this project five or six training centers in rural Alaska will receive distance technology equipment and staff training for its use. This will greatly improve access to vocational/technical training for rural Alaskans in these regions.

GUY BELL, Assistant Commissioner, Office of the Commissioner, Department of Labor and Workforce Development, reviewed this request, adding that the communities of Saint Mary's, Bethel, Galena, Fort Yukon, Dillingham, King Salmon, and Sitka would benefit from this program.

[2:23:06 PM](#)

King Career and Hutchison Center Construction Academy

\$2,000,000 General Fund

Reference No.: AMD43295

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

To provide an opportunity to 400 Alaskans (200 youth and 200 adults) to attend a construction academy focused on high demand high wage occupations in the construction industry. Commitments have been made through the Homebuilders Association and apprenticeship programs to select successful completers of the construction academy for employment and further apprenticeship opportunities.

Mr. Bell summarized this request. He informed that the Anchorage and Fairbanks school districts were participants in this program.

AT EASE [2:24:32 PM](#)/[2:27:57 PM](#)

Department of Health and Social Services

JANET CLARKE, Assistant Commissioner, Finance and Management Services, Department of Health and Social Services informed that the Department's capital requests would be accompanied by a slide show presentation and handout [copy on file].

Medicaid Management Information System Completion
\$10,836,800 Federal Receipts
\$1,204,100 G/F Match
Reference No.: 41501
Category: Health/Human Services
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
This request is for the replacement of the Department's current computerized Medicaid Management Information System.

Ms. Clarke overviewed this request.

[2:29:20 PM](#)

Deferred Maintenance, Renovation, Repair and Equipment
\$150,000 Federal Receipts
\$235,000 G/F Match
\$515,000 General Fund
Reference No.: AMD31862
Category: Health/Human Services
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
This request is for deferred maintenance projects for 33 facilities maintained by the Department including health centers, youth facilities and behavioral health facilities statewide with a combined replacement value of \$160.2 million. Funds would be used for immediate and critical renewal, repair, replacement and equipment needs in state-owned facilities along with selected leased facilities. This request does not include deferred maintenance needs for the Pioneer Homes or for recently constructed facilities including the Alaska Psychiatric Institute.

Ms. Clarke spoke to this request, and identified the Bethel Youth Facility as one of the 109 areas that would benefit from this appropriation.

2:30:07 PM

Pioneer Homes Deferred Maintenance, Renovation, Repair and Equipment

\$1,200,000 Alaska Housing Finance Corporation Dividend

Reference No.: AMD37934

Category: Health/Human Services

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2012

This request is for deferred maintenance projects for Pioneer Homes statewide, including immediate and critical renewal, repair, replacement and equipment. The Department is responsible for operating and maintaining the six Pioneer Homes throughout the state. Locations include Anchorage, Fairbanks, Juneau, Ketchikan, Palmer, and Sitka.

Ms. Clarke reviewed this request, noting that the needs addressed with this funding were prioritized in the supporting documentation.

2:30:58 PM

Safety and Support Equipment for Probation Officers, Social Workers, and Pioneer Home Residents and Staff

\$245,400 Federal Receipts

\$107,663 G/F Match

\$387,737 General Fund

Reference No.: AMD32446

Category: Health/Human Services

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2012

This project funds critical equipment needed by the Department to enhance security and program efficiency and replace aging equipment within division offices. There is an urgent need for this equipment to improve the quality of life of Alaska Pioneer Home residents and so that Alaska Pioneer Home workers, Juvenile Justice detention and probation officers and front line Public Assistance workers can perform their duties safely and effectively.

Ms. Clarke summarized this request, emphasizing that the funds would be utilized only in areas where employees interface directly with the public.

[2:32:11 PM](#)

Eligibility Information System Maintenance

\$154,800 Federal Receipts

\$154,800 G/F Match

\$103,200 General Fund

Reference No.: AMD42856

Category: Health/Human Services

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2012

This project is a request for programming support to assist department staff with a substantial backlog of Eligibility Information Systems work requests for the Division of Public Assistance. The work requests are a mix of changes required by federal or state regulation and updates needed to improve reporting, system accuracy and efficiency for management and field staff in determining initial and ongoing eligibility for public assistance programs. The backlog of work requests are prioritized by division and department management.

Ms. Clarke highlighted this request, noting that it represented improvements to the "old system".

[2:33:50 PM](#)

Evaluate Eligibility Information System Alternatives

\$248,400 Federal Receipts

\$248,400 G/F Match

\$165,600 General Fund

Reference No.: AMD42854

Category: Health/Human Services

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2012

The department seeks funding to acquire a professional services contractor to complete an evaluation of current and future business needs and alternatives for replacing or

upgrading the Eligibility Information System for the Division of Public Assistance.

The first phase of the project evaluation includes a gap assessment, requirements, feasibility and cost benefit analysis.

The second phase of the project will be dependent on the alternative chosen and will include development of a federal Advanced Planning Document and Implementation Request for Proposal.

Ms. Clarke spoke to this request.

[2:34:50 PM](#)

Mandatory Statewide Automated Child Welfare Information and Billing System Improvements
\$750,000 Federal Receipts
\$750,000 G/F Match
Reference No.: 6816
Category: Health/Human Services
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
Ongoing Alaska's Statewide Automated Child Welfare System development and enhancements as required by federal and state law and resulting changes in practice.

Ms. Clarke overviewed this funding request, noting the following six areas of contractual need: meeting federal requirements for independent living, adoption-related issues, federal disaster recovery requirements, implementation of new safety assessments, reporting development, data analysis and "clean-up".

[2:35:49 PM](#)

MH Southcentral Foundation Eklutna Residential Psychiatric Treatment Center - Match for Bring the Kids Home
\$7,000,000 General Fund/Mental Health (GF/MH)
Reference No.: 42847
Category: Health/Human Services
Location: Eklutna
Election District: Chugiak/Southern Mat-Su
Estimated Project Dates: 07/01/2007 - 06/30/2012
Southcentral Foundation Residential Psychiatric Treatment Facility.

Ms. Clarke summarized this request, informing that this and the following requests were related to Alaska Mental Health Trust Authority (AMHTA) funding. She commented that these funds would be matched by both the Denali Commission and the Southcentral Foundation.

[2:36:51 PM](#)

Co-Chair Hoffman asked if the aforementioned match funds were already secured from those entities and dedicated to the project.

Ms. Clarke understood they were.

Co-Chair Hoffman requested confirmation.

Ms. Clarke would provide that information.

[2:37:11 PM](#)

Senator Dyson requested a larger map of the location of the Eklutna facility.

Ms. Clarke would provide the requested information.

[2:37:43 PM](#)

Co-Chair Stedman reiterated the requests for additional information.

Ms. Clarke informed that each entity that participated in the Denali Commission process was required to provide a business plan, thus extensive documentation existed.

[2:38:17 PM](#)

Senator Huggins knew of a proposal to build gambling facilities on Eklutna, and opined the Committee should know the proximity of the gambling establishment to the treatment center.

[2:38:40 PM](#)

Co-Chair Hoffman inquired if the business plan required by the Denali Commission included operation costs.

Ms. Clarke affirmed.

[2:39:04 PM](#)

Emergency Medical Services Ambulances and Equipment
Statewide - Match for Code Blue Project
\$425,000 G/F Match
Reference No.: 42837
Category: Health/Human Services
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
Capital Equipment funds are needed to continue the work of the Code Blue Steering committee. This committee was formed to identify and purchase critical EMS equipment and ambulances for EMS agencies around the state, particularly in rural locations. Through several sources of funding much of the need has been satisfied, but funds are still required to continue the work. This year a total of \$425,000 in capital funds is required to match federal, local and private funds to be allocated for all 7 EMS regional offices for such needs as ambulances, heart monitors, training equipment, and communications equipment. One dollar in state general funds leverages more than 4 additional dollars in other funds.

Ms. Clarke reviewed this "annual" request, and informed that additional information on the project was available upon request.

[2:40:11 PM](#)

Senator Dyson asked to return to request number AMD32446, Safety and Support Equipment for Probation Officers, Social Workers, and Pioneer Home Residents and Staff. He asked why the equipment listed was so expensive.

[2:41:31 PM](#)

Ms. Clarke understood that the inquiry related to ergonomic work stations, and explained that the employer had an obligation to modify an employee's work station if it was not suitable to that employee. Failure to make these accommodations expose the employer to workers' compensation claims in the case of an

injury or condition brought about by a poorly designed work station.

[2:42:42 PM](#)

Senator Dyson considered these purchases "problematic luxury".

Ms. Clarke would provide additional information comparing the costs of ergonomic modifications and workers compensation claims.

[2:43:36 PM](#)

Co-Chair Stedman requested the referenced information.

[2:44:11 PM](#)

Pioneer Home Flooring Replacement
\$471,000 General Fund
Reference No.: AMD42840
Category: Health/Human Services
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
Flooring in areas of the Anchorage, Juneau, Ketchikan, Palmer, and Sitka Pioneer Homes needs replacement. The flooring is worn, stained, and inappropriate for the current resident population and results in safety and sanitation issues.

Ms. Clarke spoke to this request.

[2:45:35 PM](#)

Senator Olson asked when the floors were last replaced.

Ms. Clarke was unsure, but would provide that information.

[2:45:51 PM](#)

Pioneer Homes Storage Facilities Construction
\$648,000 General Fund
Reference No.: AMD42839
Category: Health/Human Services
Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2012

The Anchorage, Palmer and Fairbanks Pioneer Homes need storage space for cleaning, activity, physical therapy supplies, furnishings, fixtures and equipment. These items are currently stored in resident rooms eliminating the ability to fill that room and collect monthly receipts. In addition, equipment stored outside is subject to weather and moisture damage. The funds will purchase a prefabricated storage unit for the Anchorage and Palmer Homes and an addition to the existing Fairbanks Pioneer Home garage.

Ms. Clarke overviewed this request.

[2:47:05 PM](#)

Co-Chair Hoffman asked if a site had been identified for the storage units.

Ms. Clarke believed so, and would provide the requested information.

[2:47:29 PM](#)

Co-Chair Stedman asked if the funding would be used to build storage in Anchorage, Palmer and Fairbanks.

Ms. Clarke responded that those were the Homes with current identified storage needs.

[2:47:46 PM](#)

Senator Thomas asked the square footage of the proposed storage facilities.

Ms. Clarke did not have that information.

[2:48:08 PM](#)

ARNOLD LIEBELT, Facilities Manager, Finance and Management Services, Department of Health and Social Services informed that the square footage would vary depending on the amount of land available for storage purposes.

Ms. Clarke shared that the estimate the Department had received was for a 15,000 square foot building.

Senator Thomas asked for more information, as the requested funding seemed excessive for a small unheated storage building.

Co-Chair Stedman further requested a cost analysis.

[2:48:54 PM](#)

MH Cost Share Match for Bring the Kids Home

\$1,000,000 GF/MH

Reference No.: 38923

Category: Health/Human Services

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2012

This request will provide funding for construction and equipment grants for residential treatment alternatives for Severely Emotionally Disturbed (SED) youth that support the Department's Bring the Kids Home initiative. The Denali Commission has contributed more than \$5 million for this program. The Denali Commission funds require a 50% cost share match for all construction costs. This request will provide the required matching funds.

Ms. Clarke summarized this request, noting it was a "critical" component of the Bring the Kids Home initiative.

[2:50:05 PM](#)

MH Treatment and Recovery Based Special Needs Housing

\$250,000 Alaska Housing Finance Corporation Dividend

\$250,000 GF/MH

\$250,000 Mental Health Trust Authority Authorized Receipts (MHTAAR)

Reference No.: 37901

Category: Health/Human Services

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2012

This grant program provides funding to develop special needs housing for Trust beneficiaries that cannot be funded under AHFC because of statutory limitations.

Ms. Clarke reviewed this request.

[2:50:41 PM](#)

MH Home Modification and Upgrades to Retain Housing
\$250,000 MHTARR
Reference No.: 33671
Category: Health/Human Services
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
This project provides housing modification funds for people with special needs. This project increases the accessibility of current housing so that Trust beneficiaries and other special needs populations can move into or remain in their own homes.

Ms. Clarke overviewed this request, adding that the grants were administered to provide up to \$12,000 per home for modifications.

[2:51:34 PM](#)

MH Deferred Maintenance and Americans with Disabilities Act Improvement Grants to Service Providers and for Trust Beneficiaries
\$2,000,000 GF/MH
Reference No.: 33670
Category: Health/Human Services
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
This program makes capital funds available on a competitive basis to Mental Health Trust service provider agencies for deferred maintenance and accessibility improvements for program facilities.

Ms. Clarke spoke to this request.

[2:52:31 PM](#)

MH Essential Program Equipment
\$350,000 GF/MH
Reference No.: 33672
Category: Health/Human Services

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2012

This request will provide capital grants through the competitive process for agencies providing services, activities and programs for Mental Health beneficiaries.

Ms. Clarke highlighted this request, exemplifying therapeutic and medical equipment as expenditures that this request would fund.

AT EASE [2:53:40 PM](#)/[2:55:06 PM](#)

Department of Natural Resources

Statewide Digital Mapping Initiative Phase 2

\$4,000,000 Federal Receipts

\$2,000,000 General Fund

Reference No.: AMD42062

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2011

This project will develop a digital elevation and an ortho-imagary map of the entire State of Alaska. This project is a collaborative effort between the Department of Military and Veterans Affairs, the Department of Natural Resources, and the University of Alaska. Project oversight is provided by an Executive Steering group made up from the Department of Military and Veterans Affairs, the University of Alaska, and the Department of Natural Resources. This base map will be the foundation for many organizations to build their GIS data layers and assist in field operations. It does compliment the DMVA AK Aviation Safety Program.

NICO BUS, Director, Division of Support Services, Department of Natural Resources reviewed this request, informing that the current "base map" had not been updated for 40 years.

[2:56:55 PM](#)

Co-Chair Hoffman asked how many phases comprised the project, and what areas of the state would be included in Phase 2.

Mr. Bus spoke of differing estimates regarding the number of phases that would be needed, but the Department currently

anticipated the project would be completed in three phases. The first phase would inventory existing data.

Co-Chair Hoffman again asked what locations Phase 2 would encompass.

Mr. Bus responded that this request should fund mapping of the entire state, with the highest priority areas completed first.

[2:57:59 PM](#)

Senator Dyson informed that the National Oceanic and Atmospheric Administration (NOAA) and U.S. Geological Survey (USGS) have digitized maps available online at no charge, and asked if citizens would have access to the maps the Department was producing upon completion.

Mr. Bus assured that the maps would be accessible to the public online and at no cost.

[2:58:45 PM](#)

National Historic Preservation Fund Federal Grant Program
\$1,050,000 Federal Receipts
\$50,000 G/F Match
Reference No.: 6865
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 09/30/2009
The National Historic Preservation Fund (NHPPF) is a federal matching grant with a 60% federal and a 40% state match. It provides the state a basic historic preservation program including planning, survey, inventory, project review, tax credits, and public education. Cooperative agreements with federal agencies and grants from federal programs, which do not require match, fund cultural resource management projects. The historic preservation program contributes to the department's mission through the development, conservation and use of Alaska's heritage properties which is consistent with the public interest and the Alaska Historic Preservation Act.

Mr. Bus summarized this request.

[2:59:17 PM](#)

Senator Dyson asked for a list of the projects that were ongoing.

Mr. Bus would provide the information.

Co-Chair Stedman reiterated the request.

[2:59:42 PM](#)

South Denali State Park Planning and Design - Phase 1
\$1,000,000 Federal Receipts

Reference No.: 42887

Category: Development

Location: Matanuska-Susitna Borough (Rural Mat-Su)

Election District: Rural Mat-Su

Estimated Project Dates: 07/01/2007 - 06/30/2008

This project will start the planning and design of a South Denali Park visitor center complex with trails and amenities on Curry Ridge in Denali State Park, which will provide additional recreational opportunities for visitors and residents. Access roads, campgrounds, trails and waysides are also part of this multi-year project.

Mr. Bus overviewed this request.

[3:00:14 PM](#)

Federal and Local Government Funded Forest Resource and Fire Program Projects

\$1,500,000 Federal Receipts

\$1,300,000 Statutory Designated Program Receipts

Reference No.: AMD37769

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

This project provides receipt authority for federal and local government funds including federal National Fire Plan allocations to Alaska. Funding provides specific support including the ability of the State and local government to educate, mitigate, prepare for and respond to threats of wildland fire. This authority will allow state direction to cooperative forestry projects in which state, federal and

local governments have mutual interest to participate. Projects also include forest health initiatives, insect and disease examination, internships, and community and urban forest inventories; and, local government funding for hazard fuels reduction, fuels treatment, and forest stewardship projects.

Mr. Bus spoke to this "annual" request.

[3:01:03 PM](#)

Alaska Cadastral Project
\$250,000 Federal Receipts
Reference No.: 37768
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2008
The goal of this project 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 provide 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 highlighted this request.

[3:01:37 PM](#)

Remote Recreational Cabins Survey and Appraisals
\$618,200 State Land Fund
Reference No.: 38480
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2013
DNR appraises and contracts for surveys of Remote Recreational Cabin Site properties. This program contributes to the development of Alaska's land through the

transfer of land into private ownership. This CIP authorizes DNR to spend money already being collected from applicants. Remote Rec Cabin Sites is a stake-it-yourself land sale program. After applicants stake their parcels, DNR issues a lease and collects lessee's money to pay for surveys and appraisals. In addition, approximately 250 staking authorizations will be offered in FY08 through auction.

Mr. Bus reviewed this request, stressing that the funding was generated from the applicant fees and was not general fund dollars.

[3:02:29 PM](#)

Abandoned Mine Lands Reclamation Federal Program

\$3,525,000 Federal Receipts

Reference No.: AMD6855

Category: Public Protection

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2010

The Legislature enacted the Alaska Surface Coal Mining Control and Reclamation Act in 1983 (AS 27.21). One of the main purposes of the act was to promote the reclamation of areas mined and left without adequate reclamation before the enactment of the federal Surface Mining Control and Reclamation Act of 1977. These mined areas endanger public health and safety, substantially degrade the environment, and prevent the beneficial use of or cause damage to land and water resources. The RAMS program allows us to mitigate environmental and safety issues on non-coal sites at an accelerated pace. This program will employ up to 75 Alaskans in private sector jobs as part of the reclamation efforts.

Mr. Bus summarized this request, stating that a project was selected each year based on its importance.

[3:04:02 PM](#)

Cooperative Water Resource Program

\$545,000 Statutory Designated Program Receipts

Reference No.: 37762

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

This project funding allows DNR to accept funds from the private sector, and local governments and to pass those funds through to the US Geological Survey (USGS) and US Natural Resources Conservation Service (NRCS) as part of a funding agreement for cooperative water resource programs. Industry, and local government often requests and pays for the USGS and NRCS to install and operate equipment to obtain hydrologic data. The information is necessary for resource development and for permitting projects such as mining, hydroelectric, or public water supply. If gaging funding is passed through a state agency, the funds can be matched up to 100% by the federal government.

Mr. Bus overviewed this request, characterizing the State's participation as a "go between" for collecting funds to be matched by the federal government, which could not collect the funds itself.

[3:04:42 PM](#)

AK Costal Management Federal Pass Through Grants

\$1,360,000 Federal Receipts

Reference No.: 40082

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

NOAA provides the state an annual grant, and has done so since 1979. The Office of Project Management & Permitting, AK Coastal Management Program (OPMP/ACMP) is the designated state agency that receives these federal funds and shares them as pass-through grants to agencies participating in the ACMP. These pass-through grant funds support the implementation of the ACMP by the participating state agencies, coastal districts, and other grant recipients. Effective implementation of the ACMP by the grant recipients promotes responsible development of the state's coastal uses and resources, and improves the state's water use, water quality, aquatic habitat initiatives and grant programs.

Mr. Bus spoke to this request.

[3:05:20 PM](#)

Co-Chair Hoffman asked for a list of the grantees of the previous year.

Mr. Bus would provide that list to the Committee.

[3:05:34 PM](#)

Coastal Impact Assistance Federal Program (CIAP)

\$3,000,000 Federal Receipts

Reference No.: 41648

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 12/31/2011

The Office of Project Management and Permitting (OPMP) has been assigned the lead state agency to administer the approximately \$3 million annually in Coastal Impact Assistance Program (CIAP) funding disbursed by the Dept. of Interior under the Energy Policy Act of 2005 (R.R.6). As required by law, 35% of these funds will be paid to the coastal districts of the state, and the remaining 65% will be allocated as identified in the approved program.

Mr. Bus reviewed the request, and allowed that he could provide a listing of the distribution of those funds during the previous year.

[3:06:10 PM](#)

Potter Marsh Boardwalk Improvements Phase 3

\$1,500,000 Statutory Designated Program Receipts

Reference No.: AMD42019

Category: Natural Resources

Location: Anchorage Areawide

Election District: Anchorage Areawide

Estimated Project Dates: 07/01/2007 - 06/30/2010

These funds from the Conoco-Phillips Earth to Energy Program will be used for the construction of an ADA accessible elevated wooden boardwalk and viewing platforms and connection to future Bird Treatment and Learning Center location around Potter Marsh. This project is in coordination with the Alaska Department of Transportation

and Public Facilities, the Federal Highway Administration, and the Alaska Department of Fish & Game. The first two phases of this project were funded in cooperation with FWHA for access roads, parking lot, vaulted toilet, interpretation, habitat enhancement and construction of a caretaker cabin.

Mr. Bus highlighted this project, which would be funded with "industry money".

[3:06:38 PM](#)

Alaska Boating Safety Program
\$1,000,000 Federal Receipts
\$200,000 Vehicle Receipts
Reference No.: 32553
Category: Public Protection
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2009
The Alaska Boating Safety Program provides for boating education programs that promote safe, enjoyable boating in Alaska.

Mr. Bus reviewed this request.

[3:07:24 PM](#)

Co-Chair Hoffman asked the criteria employed in identifying areas with high rates of drowning accidents.

Mr. Bus responded that the areas were identified, and the details were provided in the back-up documents.

[3:07:53 PM](#)

Land and Water Conservation Fund Federal Grants
\$1,250,000 Federal Receipts
Reference No.: 32552
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2009
LWCF is a 50/50 matching grant program that provides funding for the development of outdoor recreation areas and

facilities. More than any other state in the union, Alaskans recreate outdoors. LWCF is consistent with DNR's mission in that, in terms of outdoor recreation, it develops, conserves and maximizes Alaska's natural [outdoor recreational] resources consistent with the public interest.

New or rehabilitated LWCF projects increase the number of park visits, furthering a desired end result. Privatizing the management of a LWCF assisted site is consistent with LWCF policy, addressing a second desired end result. LWCF program staff is responsible for monitoring compliance with LWCF regulation and policy.

Mr. Bus spoke to this request.

[3:08:24 PM](#)

National Recreational Trails Federal Program

\$850,000 Federal Receipts

Reference No.: 6854

Category: Transportation

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

Alaskans rely on trails for recreation, subsistence, and travel between communities. These trails need maintenance to ensure safe passage and to ensure that they remain open and available for use. Funds are distributed by 80-10 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, agencies and local governments.

Mr. Bus summarized this request, noting that the grant recipients from the previous year were listed in the supporting documentation.

[3:09:10 PM](#)

Snowmobile Trail Development and Program Grants

\$200,000 Vehicle Receipts

Reference No.: 33690

Category: Transportation

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

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.

Mr. Bus highlighted this request, pointing out that the grant funds were derived from snowmobile registration fees.

[3:09:41 PM](#)

Forest Legacy Federal Grant Program

\$50,000 Federal Receipts

Reference No.: AMD 34881

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2008

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 adjacent to, or within, existing conservation units (parks, refuges, etc.) that are primarily used for fish and wildlife habitat, outdoor recreation and traditional access that would be disrupted, destroyed, or degraded if the private properties use were to be converted. This allows State Parks to conserve the land for outdoor recreational opportunities and maximize the of use critical areas for all members of the public.

Mr. Bus overviewed the request, informing that no new grants would be issued this year but that the funds were needed to pay for existing activities.

[3:10:14 PM](#)

Coastal Wetlands Federal Grant

\$1,000,000 Federal Receipts

Reference No.: AMD39042

Category: Natural Resources

Location: Afognak

Election District: Kodiak

Estimated Project Dates: 07/01/2007 - 06/30/2009

There is one project for FY08, the Afognak Coastal Habitat Protection Project: Portage Drainage B. The Division of Parks and Outdoor Recreation will acquire 960 acres of wetlands in the Portage Lake and Portage River Drainage on the Northern Afognak Island.

Mr. Bus reviewed this request, stating that the goal of this project was to protect the vital salmon spawning habitat, as well as the brown bears, deer, elk and marine mammals that reside in the area.

3:11:00 PM

Recorder's Office - Digital Integration Wrap-up (Records for FY2008 Request: 1979-1990)

\$400,000 Receipt Supported Services

Reference No.: 42893

Category: General Government

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2008

One of the primary statutory functions of the Recorder's/UCC component is to provide customers with easy access to the public record of Alaska. This project accomplishes this requirement by completing the conversion of all historical remaining records to digital format. Most of the remaining records to convert are for the period 1979-1990 and a direct link will be established to the digitized image of the document upon project completion. This significantly improves document image retrieval time while creating efficiencies for staff, and more importantly for our customers performing research of the public record.

Mr. Bus spoke to this request.

3:11:29 PM

Mental Health Trust Land Development

\$650,000 MHTAAR

Reference No.: 6853

Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
The Trust Land Office (TLO) supported by funds derived from Trust Income, manages and develops Alaska Mental Health Trust lands on behalf of the Alaska Mental Health Trust Authority. Our mission is to protect and enhance values of and maximize revenues from Alaska Mental Health Trust land.

Mr. Bus summarized this request.

[3:11:56 PM](#)

Mental Health Trust Land Facilities Maintenance
\$350,000 MHTAAR
Reference No.: 40474
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2012
The Trust Land Office (TLO) manages facilities owned by the Alaska Mental Health Trust Authority. As part of our mission to protect and enhance values of and maximize revenues from Alaska Mental Health Trust Land, any improvements upon that land must be maintained accordingly.

Mr. Bus overviewed this request.

[3:12:22 PM](#)

Petroleum Systems Integrity Office Contracts
\$500,000 General Fund
Reference No.: AMD42881
Category: Natural Resources
Location: Statewide
Election District: Statewide
Estimated Project Dates: 07/01/2007 - 06/30/2008
This project is a direct response to the Prudhoe Bay Unit pipeline corrosion and production shutdown incidents and is integral to the state's overall commitment to the State of Alaska's oil and gas leases infrastructure oversight. Division staff with assistance from private sector experts in system integrity, quality control and quality assurance and risk analysis will conduct ongoing reviews and

appraisal of oil and gas lessees operations and facilities. It allows for contracted analysis and assessment of oil and gas system segments on an "on-demand as-needed" basis, where a critical assessment needs to be performed, or where the risk of a system failure has far-reaching consequences.

Mr. Bus highlighted this funding request, which would be used as needed to ensure pipeline integrity.

[3:13:10 PM](#)

Senator Elton understood the intent of the Department to request \$500,000 every second year for this "on-demand" program.

Mr. Bus explained that this was a new program, and the Department was unsure what the budget needs would be.

Senator Elton asked why this program was considered a capital expense rather than an operating cost.

[3:14:09 PM](#)

Mr. Bus responded that the operating budget funded staff positions to manage the project, while the funding of this request would pay for contracts with outside agencies. The capital request would avoid "inflating" the operating budget.

Senator Elton asked how the expenditure of these funds would be accounted for within the Department, and whether there existed a "reporting feature" to inform the legislature of the disbursement of monies.

Mr. Bus replied that the funds would be utilized in response to an "incident," and expenses would be reported to the legislature.

[3:15:24 PM](#)

Oil and Gas Royalty Settlement Agreements Reopener
Arbitration
\$500,000 General Fund
Reference No.: AMD31371
Category: Development
Location: Statewide
Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

This project will fund the cost of outside oil and gas experts and legal counsel, and the State's cost of reopening arbitrations as the State proceeds with the renegotiation and arbitration of royalty issues.

Mr. Bus reviewed this request, noting that a recent dispute resolution with Exxon Mobile resulted in an award to the State of "well over" \$20 million. These sorts of capital projects generated revenues of 20-30 times their cost.

[3:16:24 PM](#)

Co-Chair Hoffman remarked that if this funding would be returned 20 to 30-fold, the State should increase the appropriation.

[3:16:41 PM](#)

Unified Permitting Process Phase 4

\$800,000 General Fund

Reference No.: AMD38872

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2010

The Unified Permit Project delivers an interactive permit application system that guides individuals and businesses to the correct questions and helps them to supply answers and content. The project is designed to support and streamline the permit process, raising productivity and setting known response times for applicants. Leases, water rights, and related authorizations will follow permits. The system integrates mapping and documents to case related data. The long term goal is to modernize the entire DNR case management system - changing from a mainframe system to a Web based system.

Mr. Bus spoke to this request.

[3:17:31 PM](#)

State Park Emergency Repairs

\$400,000 General Fund

Reference No.: AMD6843

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2008

This project will fund emergency repairs to park units to protect visitor health and safety by providing safe, clean, and well maintained units. Projects will upgrade or replace the basic facilities at parks including latrines, drinking water systems, safe access roads & trails, safe shelter from harsh weather, and safe camping sites so that these items will not continue to put the health and safety of the recreating public at risk.

Mr. Bus summarized this request, and reported that the total amount of deferred maintenance needs within the State Parks was approximately \$50 million.

[3:18:03 PM](#)

BLM 2009 - State Support for Public Access Issues

\$300,000 General Fund

Reference No.: AMD41426

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2010

The BLM 2009 Conveyance Project is a federal effort with the goal of completing federal land transfers in Alaska by 2009 for the Statehood Entitlement. The general funds are needed to augment the federal funding and pay for work necessary to protection the State's interest in the area of public access and navigable water issues. No federal funding is available for this work and it is a very important part of this project.

Mr. Bus overviewed this request.

[3:18:47 PM](#)

Airborne Geophysical and Geological Mineral Inventory

\$850,000 General Fund

Reference No.: AMD6852

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

The Airborne Geophysical and Geological Mineral inventory project is a special multi-year investment to expand the knowledge base of Alaska's mineral resources and catalyze private-sector mineral development. The project seeks to delineate mineral zones on Alaskan state lands that: (1) have major economic potential; (2) can be developed in the short term to provide high quality jobs for Alaskans; and (3) will provide economic diversification beyond oil and gas. Mineral resources compose significant economic assets, yet the location and magnitude of these resources are largely unknown.

Mr. Bus highlighted the funding request for this "popular" project.

[3:19:30 PM](#)

Co-Chair Stedman asked the number of years the Department estimated would be required for completion of the State-wide project.

Mr. Bus deferred to Bob Swenson.

ROBERT SWENSON, Director, Division of Geological & Geophysical Surveys, Department of Natural Resources, responded that the program would likely not cover the entire state, but only those areas determined to have "high minerals potential". Approximately 40 million acres had been identified for this project, and approximately six million acres had been mapped thus far. At current funding levels, he estimated the project would take an additional ten years to complete.

[3:20:22 PM](#)

Senator Elton inquired if a multi-year appropriation request as opposed to annual funding would be "more efficient".

Mr. Swenson agreed, and shared that the Department had attempted to secure funding for five years to allow for long-term contracts and more proficient use of funds.

Senator Elton asked for cost estimates of the potential savings that could be achieved through long-term funding.

[3:21:30 PM](#)

Interior Alaska (Tanana Valley) Timber Inventory Update - Phase 2

\$250,000 General Fund

Reference No.: AMD41417

Category: Natural Resources

Location: Fairbanks Areawide

Election District: Fairbanks Areawide

Estimated Project Dates: 07/01/2007 - 06/30/2009

This would complete the update of the Tanana Valley inventory. The current inventory is seriously out-of-date due to changes in land ownership, changes in forest cover following the huge 2004-2005 wildfires, and the prior lack of ortho-rectified imagery to assure that timber volume data is accurately matched with vegetation classes.

Mr. Bus reviewed this request.

[3:22:10 PM](#)

Alaska Energy Inventory

\$500,000 General Fund

Reference No.: AMD43300

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - [completion date not provided]

Inventory and compile all available Alaska energy resource data suitable for electrical power generation and space heating needs including natural gas, coal, coalbed and shalebed methane, gas hydrates, geothermal, wind, hydro, and biomass into a searchable GIS format with quantitative attributes. This data will be accessible through a user-friendly web-based interactive map with scalable layers to display the location, type, and where applicable, a risk-weighted estimate of quantity for energy resources available in a given area or site. The data will be used to identify locations or regions where the most economic energy resource or combination of energy resources can be developed to meet local needs.

Mr. Bus spoke to this request, noting that this "cooperative" project would be completed in phases.

[3:23:44 PM](#)

Gas Pipeline Corridor Geologic Hazards and Resources -
Phase 2

\$600,000 General Fund

Reference No.: AMD41415

Category: Development

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2008

This is the continuation of a project to assess the geologic hazards and resource potential along the proposed natural gas pipeline corridor from Delta Junction to the Canadian border. In the first phase, DGGS conducted airborne geophysical surveys of the corridor to identify major geologic features and structures. The next phase will incorporate the geophysical data in high resolution geologic mapping for hazard assessment, construction materials identification, and resource evaluation. The resulting maps and reports will provide data for; 1) design and construction of the pipeline, 2) characterization of available construction materials, and 3) future developments such as the proposed Alaska Railroad extension.

Mr. Bus summarized this request, and told that the Phase 1 of the project, completed the prior year, was "very popular and very useful".

[3:24:34 PM](#)

DNR Fairbanks Office Building Repairs and System Upgrades

\$300,000 General Fund

Reference No.: AMD42878

Category: Natural Resources

Location: Fairbanks Areawide

Election District: Fairbanks Areawide

Estimated Project Dates: 07/01/2007 - 06/30/2009

Funding is requested to correct deficiencies in the Natural Resources office building and increase energy efficiency, safety, and ease of maintenance. These projects include reducting of the boiler room air handler, provide an air conditioning system for the central server room, upgrade and replace lighting and ventilation controls, replace almost 20-year-old carpet, contract for electrical capacity

engineering design and construction estimate for the building, and implement results of electrical capacity assessment. Currently the building is at maximum capacity for its electrical load - causing problems in day to day operations.

Mr. Bus highlighted this request.

[3:25:05 PM](#)

State Parks Deferred Maintenance

\$1,000,000 General Fund

Reference No.: AMD38878

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2009

The Div. of Parks and Outdoor Recreation's 10 Year Strategic Plan identified a number of strategies for improving the quality and safety of outdoor recreation for park visitors. The highest priority action strategy identified in the new plan recommends addressing the dire deferred maintenance condition of many of the parks. While the past two years' capital appropriations have, or are being implemented to address the most serious needs, much more is needed to provide for clean, safe and adequately maintained park facilities. This request identifies some of the most critical needs across the state to reduce to current \$49 million deferred maintenance backlog.

Mr. Bus overviewed this request, adding that the project details were included in the full request, and mostly related to sanitation issues. Totem Bight State Park totem pole restoration was also included in the request.

[3:25:55 PM](#)

State Parks Maintenance Projects

\$880,000 General Fund

Reference No.: AMD43321

Category: Natural Resources

Location: Statewide

Election District: Statewide

Estimated Project Dates: 07/01/2007 - 06/30/2008

This appropriation covers four allocations, all phased projects addressing specific Parks rehabilitation projects: Nancy Lake Campground Rehabilitation Phase 3; Harding Lake Campground Rehabilitation Phase 3; and Johnson Lake State Recreation Site Campground Rehabilitation Phase 2.

Nancy Lake Campground Rehabilitation Phase 3

\$350,000 General Fund

Reference No.: AMD40003

Category: Natural Resources

Location: Mat-Su Areawide

Election District: Matsu Areawide

Estimated Project Dates: 07/01/2007 - 06/30/2008

South Rolly Lake Campground and Nancy Lake SRS Campground are located in the 22,685 acre Nancy Lake State Recreation Area at the end of Nancy Lake Parkway, 6.5 miles from the MP 67.3 of the Parks Highway. South Rolly Lake Campground was constructed in the late 1970's and the Nancy Lake SRS campground was built in the late 1960's. Most facilities within these campgrounds have exceeded their life cycle. This project would refurbish the campsites, upgrade the campground roads, parking areas, and replace the toilets and water wells.

Harding Lake Campground Rehabilitation Phase 3

\$230,000 General Fund

Reference No.: AMD40004

Category: Natural Resources

Location: Harding Lake

Election District: Richardson/Glenn Highways

Estimated Project Dates: 07/01/2007 - 06/30/2008

Harding Lake Campground is located in the 169 acre Harding State Recreation Area, MP 321.4 of the Richardson Highway. Due to its proximity to Fairbanks and its association with the recreational opportunities at Harding Lake, the 81 unit campground is heavily used during the warm summer months. The late 1970, early 1980 vintage campground is in dire need of a major upgrade to replace worn facilities. The project would refurbish the campsites, upgrade the campground roads and parking areas, and replace the toilets and water wells.

Johnson Lake State Recreation Site Campground
Rehabilitation Phase 2

\$300,000 General Fund

Reference No.: AMD41421

Category: Natural Resources

Location: Kenai Areawide

Election District: Kenai Areawide

Estimated Project Dates: 07/01/2007 - 06/30/2008

Johnson Lake State Recreation Area's campground is located within a 332 acre recreation area near mile 111 of the Sterling Highway and near Kasilof, on the Kenai Peninsula. The campground is heavily used by families and others engaged in sport fishing on the nearby Kasilof River or clam digging at Clam Gulch, several miles away. The oldest section of the campground was constructed in the 1960's, with the most recent major rehabilitation done in the early 1980's. It is a much loved site in dire need of rehabilitation to make it safe, useable for park visitors using the large motor homes and trailers of today, and accessible to persons with physical disabilities.

Mr. Bus summarized these requests for funding of the phased projects within the State Parks.

[3:26:43 PM](#)

Juneau Subport Abatement Phase 2 - Mental Health Trust Settlement

\$725,000 General Fund

Reference No.: AMD42079

Category: Health/Human Services

Location: Juneau (Juneau/Downtown/Douglas)

Election District: Juneau/Downtown/Douglas

Estimated Project Dates: 07/01/2007 - 06/30/2008

Additional hazardous materials abatement and demolition of the Juneau Subport Building and Land require funding beyond that identified in the FY07 CIP request. We have subsequently learned that the required asbestos abatement will leave the building in a condition that necessitates demolition. Furthermore, in January 2006 two large fuel spills occurred within the Subport building following completion of the original Environmental Survey, which need to be abated.

Mr. Bus spoke to this request.

[3:27:17 PM](#)

#sb53

ADJOURNMENT

Co-Chair Bert Stedman adjourned the meeting at [3:27:16 PM](#)