

SENATE FINANCE COMMITTEE  
March 14, 2012  
1:00 p.m.

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CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 1:00 p.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair  
Senator Bert Stedman, Co-Chair  
Senator Johnny Ellis  
Senator Dennis Egan  
Senator Donny Olson  
Senator Joe Thomas

MEMBERS ABSENT

None

ALSO PRESENT

Les Campbell, Director of Budget, Alaska Housing Finance Corporation, Department of Revenue; Stacy Schubert, Director, Governmental Relations and Public Affairs, Alaska Housing Finance Corporation, Department of Revenue; John Anderson, Weatherization Project Officer, Research and Rural Development, Alaska Housing Finance Corporation, Department of Revenue; Joseph Masters, Commissioner, Department of Public Safety; Dan Spencer, Director, Division of Administrative Services, Department of Public Safety.

SUMMARY

SB 160 BUDGET: CAPITAL

SB 160 was HEARD and HELD in committee for further consideration.

SENATE BILL NO. 160

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

DEPARTMENT OF REVENUE

RN 6347

AHFC Housing and Urban Development Federal HOME Grant  
\$4,050,000

LES CAMPBELL, DIRECTOR OF BUDGET, ALASKA HOUSING FINANCE CORPORATION, DEPARTMENT OF REVENUE, explained that this project utilizes Federal (HUD) and Corporate matching (AHFC) funds for the HOME Investment Partnership Program. The purpose of the HOME program is to expand the supply of affordable, low and moderate-income housing and to strengthen the state's ability to design and implement strategies to achieve an adequate supply of safe, energy-efficient, and affordable housing. The Municipality of Anchorage has their own separate HOME program.

RN 6342

AHFC Housing and Urban Development Capital Fund Program  
\$3,200,000

Mr. Campbell stated that the Federal (HUD) grant provides Public Housing Authorities (PHAs) with funds each year to help renovate and modernize public housing units. The annual Capital Fund Program (CFP) fund, including Replacement Housing Factor (RHF) funds, was approximately \$2.8 million this fiscal year. The current request is intended to cover the spending authority required for the amount of funds anticipated next year, including any other incentives that may be available as a high performing PHA. The Federal government, through the U.S. Department of Housing and Urban Development (HUD), provides PHAs with money each year to help renovate and modernize their public housing through the Capital Fund Program. To access this money, each PHA, with the active involvement of residents and local government officials, must develop a comprehensive (five-year) plan detailing modernization needs within the PHA's housing inventory and establishing a timetable for meeting those needs. The dollar amount of the annual grant is established by a formula using the number, configuration, and size of the PHA's low rent units. The annual grant also provides funds for administrative

expenses, tenant-education projects, drug-elimination/safety projects, and management improvements. Projects funded by this year's request include: a set aside for the San Roberto Redevelopment; renovation or replacement of various public housing units statewide; code compliance issues; and energy audits. Also included are funds to provide operation and management improvements, such as PHA staff training; resident training; training for low-income businesses; and upgrades to the information system and area-wide network enhancements at low rent developments.

RN 6348

AHFC Federal and Other Competitive Grants  
\$4,500,000

Mr. Campbell announced that this request is for Federal Housing and Urban Development (HUD) and Corporate match (AHFC) funds which allows AHFC to apply for HUD, other federal agency, and private foundation grants that target the housing needs of low-income and special needs groups such as: senior citizens, the mentally ill, disabled or the homeless. In cases where grants require a match, AHFC funds will be used to the extent necessary. Grant funds received are often passed through to local nonprofit organizations. The purpose of the program is to allow AHFC to apply for HUD, other federal agency, and private foundation grants that target the housing needs and supportive services of low-income and special needs groups such as: senior citizens, the mentally, physically, or developmentally disabled, or the homeless. AHFC will also apply for energy-related grants as they relate to housing. When required, AHFC will provide the needed matching funds. Some of the funds received will be passed through to local nonprofit sub-grantee organizations that deliver housing and/or services.

RN 6350

AHFC Competitive Grants for Public Housing  
\$1,000,000

Mr. Campbell declared that this request is for Federal Housing and Urban Development (HUD) and Corporate match (AHFC) grant funds. AHFC will apply for grants that target the housing needs of low income and special needs groups such as: senior citizens, the mentally ill, disabled or the homeless. AHFC will also apply for energy-related grants as

they relate to housing. When required, AHFC will provide the needed matching funds. Some of the grant funds received will be passed through to local nonprofit sub-grantee organizations that deliver housing and/or services. The request stated that AHFC will apply for grants and utilize those grant funds to target services to families and persons who are eligible for public and/or assisted housing. Grant funds within this category may be used to prevent and reduce crime and substance abuse in public housing and to aid PHD-assisted families to attain economic self-sufficiency. When required as a condition of funding, AHFC may provide the needed match. Examples of previous grantors include the Robert Wood Johnson Foundation, the Dept. of Education, U.S. Dept. of Housing and Urban Development, and the U.S. Dept. of Health and Human Services.

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RN 45389  
AHFC Statewide ADA Improvements  
\$500,000

Mr. Campbell stated that Corporate (AHFC) funds will be used to address accessibility upgrades identified by a HUD Fair Housing Inspection dated September 2006. The upgrades are to be made over a five-year period to comply with ADA and Section 504 requirements of a Voluntary Compliance Agreement (VCA) recently negotiated with HUD. This request will provide funding to continue the upgrades for accessibility to the AHFC Family Investment Centers, dwelling units, and common areas for family and senior/disabled housing to comply with the HUD Voluntary Compliance Agreement (VCA). AHFC was subjected to an inspection by HUD in September 2006 for accessibility for individuals with disabilities. A report dated October 2006 was received by AHFC on September 27, 2007, which details compliance issues at six specific residential properties chosen randomly in Anchorage and Fairbanks and their respective Family Investment Centers. The report details requirements to upgrade parking spaces, sidewalks, wheelchair ramps, kitchens, bathrooms, entry doors and appliances in AHFC offices, common areas, and dwelling units. A VCA has been negotiated with HUD to address the accessibility issues over the course of a five-year program where AHFC is expected to upgrade a minimum number of units to satisfy the terms of the VCA with HUD. Implementation of

these accessibility upgrades will increase accessibility for individuals with disabilities, allow for aging-in-place for seniors and allow AHFC to comply with all applicable federal regulations. Implementing these tasks will also allow AHFC to remain in compliance with HUD mandates to maintain accessibility.

RN 37918  
AHFC Housing Loan Program  
\$6,000,000

Mr. Campbell explained that this project will provide funds to supplement the Corporation's popular housing programs through gap funding. Funding will allow AHFC to continue current programs and expand business opportunities with new Teacher Housing, Health Professionals, Public Safety and Village Public Safety Officers housing programs. The purpose of this program is to provide gap funding to increase homeownership and/or rental units throughout the state. This program is designed to help retain desirable professionals in high-cost areas.

RN 49395  
AHFC Teacher, Health, and Public Safety Professionals Housing  
\$5,000,000

Mr. Campbell stated that this project will provide funds to supplement the Corporation's popular housing programs through gap funding. These funds will allow AHFC to continue current programs and expand business opportunities with new Teacher Housing, Health Professionals, and Public Safety housing programs. One million dollars are specifically set aside through an allocation for the Village Public Safety Officer's (VPSO) program.

RN 49369  
AHFC Village Public Safety Officers Housing  
\$1,000,000

Mr. Campbell explained that this project will provide funds to supplement the Corporation's popular housing programs through gap funding. These funds will allow AHFC to expand business opportunities with new housing programs specifically set aside for rural public safety personnel.

Co-Chair Stedman asked for a clarification on where there were problems in the Village Public Safety Officer housing. Mr. Campbell responded that there was a partnership with the Department of Public Safety (DPS), and provide funding to help DPS in some projects.

RN 52598  
AHFC Energy Programs  
\$51,500,000

Mr. Campbell stated that the AHFC Energy Program utilizes State General Funds (GF) Receipts and Federal U. S. Department of Energy (DOE) funds to assist low and moderate income families attain decent, safe and affordable housing through the weatherization and rehabilitation of existing homes. The Weatherization Program provides energy efficiency upgrades to homes using the latest building science tools to target heat loss areas and correct them. Installed measures must be cost effective. The Home Energy Rebate Program utilizes State General funds to provide rebates to homeowners for making energy efficient improvements to their homes to reduce energy costs or purchase newly constructed homes that achieve a 5 Star Plus rating.

RN 50683  
AHFC Weatherization Program  
\$31,500,000

Mr. Campbell declared that the Weatherization Program utilizes Federal U. S. Department of Energy (DOE) and State General Funds (GF) funds to assist low and moderate income families attain decent, safe, and affordable housing through cost effective weatherization and rehabilitation of existing homes. Weatherization provides energy efficiency upgrades to homes using the latest building science tools to target heat loss areas and correct them. Installed measures must be cost effective. The program addresses health and safety through tune-ups for heating systems, electrical and chimney repairs, and woodstove improvements.

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RN 51947  
AHFC Home Energy Rebate Program  
\$20,000,000

Mr. Campbell stated that AHFC Home Energy Rebate program utilizes State General Fund appropriation to rebate homeowners for making energy efficient improvements to their homes. The program began in April of 2008, with an appropriation of \$100 million from the Alaska State Legislature. By the fall of 2008 another \$60 million was appropriated to the program. In order to maintain the current pace established in FY08, FY09 and FY11 and eliminate the waiting list, new funding is required. Participants must own their homes and all improvements must be paid for up front by the homeowner.

STACY SCHUBERT, DIRECTOR, GOVERNMENTAL RELATIONS AND PUBLIC AFFAIRS, ALASKA HOUSING FINANCE CORPORATION, DEPARTMENT OF REVENUE, stated that a sample of 15,906 homeowners was conducted. The average amount of money spent in each home unit was \$11,009; and the average rebate was \$6,3076 with an additional state appropriation of \$500 that was provided for the as-is and post-rating for each home, totaling \$109 million. This resulted in an out-of-pocket expense for each homeowner who participated in the rebate program, on average, \$4,133; totaling the private sector contributions of over \$65 million.

Senator Thomas wondered how the money was split between the funding for the rebate and weatherization programs. Mr. Campbell responded that the weatherization program was \$30 million and the rebate program was \$20 million. He added that the weatherization program had \$1.5 million in federal funds.

Senator Thomas wondered if the wait list for the programs was long or short.

JOHN ANDERSON, WEATHERIZATION PROJECT OFFICER, RESEARCH AND RURAL DEVELOPMENT, ALASKA HOUSING FINANCE CORPORATION, DEPARTMENT OF REVENUE, replied that the rebate program wait list was below 1400 with a three-month wait limit; and the weatherization agencies used a year by year process for their wait list.

Co-Chair Hoffman stated in the prior year's budget, the administration had proposed \$25 million for both of the programs, and \$100 million was enacted. He wondered if those funds could be obligated, and if the program could sustain a level of \$100 million. Mr. Henderson replied that he felt the program could use the \$100 million, and there

was "ramped up capacity" for each program to \$100 million a year.

Ms. Shubert added that they had not the program had not been advertised since 2008, and felt that it was impressive that the wait list remained at three months.

RN 45390  
AHFC Homeless Assistance Program  
\$8,000,000

Mr. Campbell explained that the request was for State General Funds (GF), Mental Health Trust Authority Receipts (MHTAAR), and State General Funds/Mental Health (GF/MH), for grants to local communities/agencies to help develop programs to support programs designed to reduce homelessness by providing services that prevent housing displacement and assist the homeless to transition back to permanent housing. Corporate programs will be leveraged with the other funds. All funds will be combined and administered as one program by AHFC.

RN 6360  
AHFC Beneficiary and Special Needs Housing  
\$1,750,000

Mr. Campbell explained that State General Funds (GF) and Corporate (AHFC) funds will provide for a continuing program to serve populations with special housing needs. The program provides funds to Alaskan nonprofit service providers to increase housing opportunities for Alaska Mental Health Trust Authority (AMHTA) beneficiaries and other special needs populations throughout the state. The funds may be used for housing development and/or services designed to achieve long-term residential stability.

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Mr. Campbell stated that the total funding for the AHFC projects was \$121,628,400. Of that total funding, \$16,536,300 was corporate dividends, \$11,750,000 was federal funding, and \$93,342,000 was other state general funds.

Co-Chair Stedman expressed the need for a conversation with AHFC to discuss the issues regarding the changing capital

yields and refinancing of mortgages. Ms. Shubert agreed to participate in that discussion.

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DEPARTMENT OF PUBLIC SAFETY

JOSEPH MASTERS, COMMISSIONER, DEPARTMENT OF PUBLIC SAFETY (DPS), stated that most of the DPS budget requests were directly related to either maintenance of operation, prolonging equipment lifespan, and repairing facilities.

RN 54346

Alaska Public Safety information Network (APSIN) Contractor Support  
\$680,000

Commissioner Masters explained that The Alaska Public Safety Information Network (APSIN) contains criminal history information used by law enforcement agencies across Alaska. It is a major tool used in meeting the department's mission of protecting the public. This has been an ongoing, phased project to move APSIN from the State of Alaska legacy mainframe to a Microsoft and Intel server platform, and at the same time enhance the Alaska Public Safety Information Network's capability. This project will use contracted professional services to provide support during the transition from the mainframe and support new initiatives until skilled employees can be hired to maintain these systems.

RN 37774

Alaska State Troopers Law Enforcement Equipment  
\$500,000

Commissioner Masters stated that this project will purchase new and replacement law enforcement equipment for use by the Alaska State Troopers. The Alaska State Troopers rely upon capital improvement funding for equipment purchases for day-to-day operations in order to meet the department's mission of ensuring public safety and enforcing state laws by protecting lives, property and public peace.

RN 45300

Alaska Wildlife Troopers Law Enforcement Equipment  
\$500,000

Commissioner Masters explained that this project will purchase new and replacement law enforcement equipment for use by the Alaska Wildlife Troopers. The Alaska Wildlife Troopers rely upon capital improvement project funding for purchase of equipment used for day-to-day operations in order to meet the department's mission of ensuring public safety and enforcing state laws by protecting lives, public peace, and wildlife resources.

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RN 51707  
Village Public Safety Officer Equipment  
\$375,000

Commissioner Masters announced that this project will provide equipment replacement funding in support of the Village Public Safety Officer (VPSO) program. The VPSOs rely upon capital improvement project funding for equipment purchases for day-to-day operations in order to meet the department's mission of public safety and enforcing state laws by protecting lives, property and public peace in rural communities.

RN 54510  
Search and Rescue and Law Enforcement Helicopter  
\$3,000,000

Commissioner Masters explained that this capital request is for the purchase of a turbine helicopter for search and rescue missions and law enforcement activity, primarily in interior Alaska. The department purchased a turbine Bell Jet Ranger helicopter that was based in Fairbanks from 1982 to 1995. This first helicopter was used extensively but was destroyed by fire after a fuel line separated in flight. It was subsequently replaced by a used helicopter which was removed from service due to airframe fatigue. In 2001, the Department based a piston driven helicopter (R-44) in Fairbanks. This helicopter is meant to conduct wildlife patrols in Interior Alaska and is neither equipped nor performance-capable as a SAR platform. However, being the only Department helicopter available in the region, it is frequently utilized in SAR and routine law enforcement missions. As an example, the R-44 was used to transport the Specialized Emergency Reaction Team (SERT) personnel to the scene of a shooting of the Trans-Alaska Pipeline in October 2001 which required multiple round trips to ultimately get

all team members on-scene. Following this incident, the R-44 flew almost daily missions guarding the Trans-Alaska Pipeline; a nationally designated critical infrastructure. The R-44 has also conducted numerous searches for missing people, recovered bodies, and provided medical transport. There have been cases where the R-44 could not conduct missions because of its limitations; it was never meant to do these types of missions.

Commissioner Masters declared that this project will purchase a new turbine helicopter to meet the search and rescue and mission-critical operational needs in the Interior of Alaska. The Department of Public Safety is statutorily responsible to provide law enforcement to the citizens of Alaska. This duty includes search and rescue (SAR), emergency law enforcement response, crime detection and prevention, surveillance, narcotics interdiction, traffic management, and civil disorders/public events. Interior and Northern Alaska's geography and extreme weather conditions create enormous challenges for the Alaska State Troopers (AST) to quickly and effectively respond to emergencies and a lack of suitable equipment can put Alaskans living in this region at dire risk. It is critical for AST to have the capability to quickly access remote areas during adverse weather conditions with a helicopter that is adequately equipped and has the payload to fulfill its mission.

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Co-Chair Hoffman stated that he represented an area that was larger than the state of Washington. He noted that in this area, the primary mode of transportation in the winter was by snow machines. He wondered how the search and rescue requirements in that region compared to Fairbanks. Commissioner Masters replied that a number of different factors went into the selection of where to house the aircraft. He agreed to provide further information.

Co-Chair Hoffman understood that access to facilities was a criteria, but the number of people that will be served should be the main factor when deciding where to house a search and rescue aircraft.

Senator Olson wondered why a used helicopter could not be purchased. Commissioner Masters replied that it was a

significant investment, and they had tried to purchase a used aircraft but it had only lasted a few years.

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Senator Olson felt that it was odd to pull an aircraft offline, because it was an older aircraft. He wondered why there was a full-time crew employed for the search and rescue helicopter, when there was a focus on keeping the cost down. Commissioner Masters replied that there was a Fairbanks asset that had been redeployed, and was no longer available.

Senator Olson said he was concerned about getting another major aircraft that required maintenance and a 24-hour standby crew. He wondered what other jobs the helicopter crew would be doing besides search and rescue. Commissioner Masters responded that the asset request in Fairbanks included search and rescue, emergency law enforcement response, and wildlife protection and investigations. The top priority was always maintaining life, and aircraft would be utilized for a wide variety of DPS functions. There was a request for one full-time pilot position, and the support positions would be utilized depending on the aircraft's type of use.

Senator Olson noted that there were concerns that game wardens would scare the game away.

Senator Egan asked what DPS used for search and rescue helicopters in Southeast Alaska. Commissioner Masters replied that he would have to get back to the committee with that information. He stated that Southeast Alaska had the largest number of helicopters than any other area in the state.

Co-Chair Stedman asked how many miles outside of Fairbanks the helicopter would respond. Commissioner Masters stated that the effective range of the helicopter would be somewhere around 100 to 200 miles.

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Co-Chair Hoffman requested a statistical analysis for Districts A and C. Commissioner Masters agreed to provide that information.

Senator Olson stressed that if the aircraft was hauling a heavy load, it would decrease in fuel at a rapid rate.

RN 54512

P/V Woldstad- Engine Repower and Other Dry Dock Maintenance  
\$2,400,000

Commissioner Masters stated that the propulsion systems of the Patrol Vessel (P/V) Woldstad are overdue for replacement. The engines are several thousand hours overdue for overhaul and due to the antiquity of the engines, parts have to be manufactured and are very expensive. New engines will be approximately 25 percent more efficient and less expensive to maintain. The propeller and shafting system are also antiquated with parts and service being very difficult to find, making maintenance costs exorbitant. Other mechanical systems, such as generators for the boat are also beyond their useful life. Total cost for the mechanical replacement are estimated at \$2,200,000 and other shipyard costs are estimated at \$200,000.

Co-Chair Hoffman asked if vessel operated out of Kodiak. Commissioner Masters affirmed.

Co-Chair Hoffman declared that the House District should be changed to 36 instead of 37. Commissioner Masters agreed to examine that issue.

AMD 54924

Alaska Justice Advanced Exchange Program Development  
\$1,812,000

Commissioner Masters explained that this is a new project for FY2013 because additional review was completed after the release of the December 15th FY2013 Governor's budget. The Alaska Public Safety Information Network (APSIN) is the center of all criminal justice information systems in the State of Alaska. The Alaska Justice Advanced Exchange (AJAX) project is the culmination of the Department of Public Safety's (Department) APSIN redesign effort that interfaces all criminal justice systems and allows them to exchange information. With AJAX, the department will develop web services to enable integration with and in support of Multi-Agency Justice Information Exchange Consortium (MAJIC) members.

Co-Chair Stedman wondered if the system would allow a trooper to access an individual's criminal history. Commissioner Masters responded that the system allowed for that option, depending on how each department information systems were set up. He stressed that the project would allow DPS to share the criminal justice information with computerized systems of other entities, so the other entities could search and sort the data.

RN 6121

Aircraft and Vessel Repair and Maintenance  
\$869,800

Commissioner Masters explained that DPS annually requests repair and maintenance funds for department aircraft and vessels. These assets are crucial tools used to achieve the department's mission to ensure public safety and enforce fish and wildlife laws. These funds are for the repair and maintenance requirements of this department's aircraft and vessel fleet. For example, funds are used to rebuild vessel and aircraft engines and components when they reach the limits of safe useful life. Many other components of vessels and aircraft must be maintained or replaced routinely to ensure safe operating conditions and to comply with various safety regulations.

RN 49781

Public Safety Academy Dining Facility Construction  
\$200,000

Commissioner Masters stated that this project provides additional funds needed for construction of a dining facility as part of the Public Safety Academy in Sitka.

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DAN SPENCER, DIRECTOR, DIVISION OF ADMINISTRATIVE SERVICES, DEPARTMENT OF PUBLIC SAFETY, stated that the project was currently at 100 percent, and the project would go online at the end of the current week.

Co-Chair Stedman felt that the troopers should be well-fed.

Mr. Spencer stated that the completion of the project was timed to when the contract for food at the Academy runs out.

Co-Chair Hoffman wondered if any funds would be requested after FY 13.

Co-Chair Stedman responded that the request was an increment.

RN 35825

Marine Fisheries Patrol Improvements  
\$1,500,000

Commissioner Masters stated that this project is a part of a joint enforcement agreement with the National Marine Fisheries Service. Federally regulated marine fisheries occur on a year-round basis in the coastal and offshore waters of Alaska. Both the federal and state governments share an interest in ensuring these fisheries are protected. This request is for the federal fiscal year 2012 joint enforcement agreement that will help the department achieve its mission to ensure public safety and enforce fish and wildlife laws and protecting wildlife resources.

Co-Chair Stedman wondered if DPS was adequately supplied for fuel in the marine patrol units. Commissioner Masters replied that they were currently adequately fueled, and unanticipated increases in fuel prices were addressed in a different portion of the budget.

AMD 54927

Alaska Land Mobile Radio Emergency Response Narrowband Compliance  
\$1,470,000

Commissioner Masters stated that this is a new FY2013 capital project due to cost estimates that were finalized after the December 15th 2013 Governor's budget. The State of Alaska, the Department of Defense, other federal agencies in Alaska, and local municipalities have joined together in a consortium effort to design, build, operate and maintain a fully interoperable wireless communications system in Alaska, the Alaska Land Mobile Radio (ALMR) project. The primary objective of ALMR is to provide a reliable and secure emergency communications system for all emergency responders in Alaska. In order to accomplish this, the Federal Communications Commission (FCC) has mandated this narrowband conversion requirement by January 1, 2013.

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AMD 48989

Replacement Twin-Engine Turbine Aircraft  
\$7,600,000

Commissioner Masters explained that this project will replace the Department of Public Safety's (DPS) increasingly unreliable, 31 year-old twin-engine turbine powered aircraft, a King Air 200, which has been grounded for maintenance about one-third of the time over the past two years. Because of the age of the aircraft, finding parts is becoming more difficult, increasing down time and maintenance costs. This is a new FY13 capital project due to recent unplanned downtime from landing gear system failure.

Co-Chair Stedman queried the status of the King Air. Commissioner Masters responded that it was still used for VIP transport, primarily for transport of the governor.

Co-Chair Stedman asked where the airplane was kept. Commissioner Masters replied that the aircrafts were housed in Anchorage in a centralized facility.

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Senator Olson observed that the current year's capital budget was very large, and queried the beach craft landing gear issue. Commissioner Masters replied that the gear cycling were not operating safely.

Senator Olson stated that there were two King Airs flying out of Nome, providing medi-vac service. He wondered if DPS had considered getting a used aircraft. Commissioner Masters replied that the aircraft they were looking at would depend on particular landing strips. He stated that when he looked at the used aircrafts, they were mostly out of the country. He stressed that there was a cut over point on some of the older aircraft.

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Senator Olson wondered how many hours a year the aircraft would be used. Commissioner Masters responded that the King Air 200 was used around 400-500 hours a year. He felt that

the proposed aircraft would potentially be used for more than 500 hours.

Senator Olson stated that he done the calculation for leasing an aircraft at \$35,000. If DPS used the aircraft for \$35,000 a month for 12 months, it would cost the State \$420,000 a year. If it was flown 400 hours a year, the engine reserve would equal \$280,000 - which was roughly \$700,000 a year. It would take 10 years to use up the \$7.6 million request. He felt that a leasing option was a better option. Commissioner Masters responded that DPS felt it was better to make the investment outright, to save money for engine reserves.

Senator Olson wondered if the maintenance included the crew. Commissioner Masters agreed to provide that information.

RN 41788

Deferred maintenance, Renewal, Repair and Equipment  
\$1,350,000

Commissioner Masters stated that this project is for maintenance within the four DPS occupied state-owned buildings throughout Alaska. Without adequate funding to store evidence, protect department-owned equipment, and provide employees with good working conditions, the department cannot meet its mission or accomplish stated results.

Co-Chair Stedman asked for a brief update on the purchase of the property adjacent to the Academy in Sitka driving range. Commissioner Masters replied that DPS had signed an intent to purchase the property.

Mr. Spencer furthered that there was a signed agreement with the Baranof Island Housing Authority to purchase the property. A final plat needed to be filed by the City of Sitka, and after the survey was complete, the Corps of Engineers would be part of the planning. He hoped to complete the purchase by the end of the current month.

Co-Chair Stedman wondered there was money available for the design of the track. Mr. Spencer replied that DPS was working on finding someone to design a track. At that point, the Corps of Engineers would be approached with a potential plan.

Co-Chair Stedman surmised that they were waiting for the final purchase, so DPS would revisit that issue once they are ready.

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Co-Chair Hoffman wondered how 911 emergency calls were handled in Bethel, and other areas throughout the state. Mr. Spencer replied that there was not a 911 call standard for the entire state. He explained that there were a wide variety of ways the calls were handled in the rural areas. He noted the issue of where the 911 calls from cell phones were routed, and announced that DPS was working with GCI to fix that issue.

Co-Chair Hoffman recommended an exploration of how the 911 calls were being dispatched, and what kind of contracts were throughout the state. Mr. Spencer agreed to provide that information. Co-Chair Hoffman stressed that the information should be provided as soon as possible.

SB 160 was HEARD and HELD in committee for further consideration.

Co-Chair Stedman discussed the following day's agenda.

ADJOURNMENT

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The meeting was adjourned at 2:05 PM.