

SENATE FINANCE COMMITTEE

April 1, 2013

6:14 p.m.

6:14:04 PM

CALL TO ORDER

Co-Chair Meyer called the Senate Finance Committee meeting to order at 6:14 p.m.

MEMBERS PRESENT

Senator Pete Kelly, Co-Chair
Senator Kevin Meyer, Co-Chair
Senator Anna Fairclough, Vice-Chair
Senator Click Bishop
Senator Mike Dunleavy
Senator Lyman Hoffman
Senator Donny Olson

MEMBERS ABSENT

None

ALSO PRESENT

Mary Ann Pease, Owner, Mach Consulting, Anchorage;

PRESENT VIA TELECONFERENCE

Janet Kennedy, President, Board of Directors, Valley Performing Arts, Mat-Su; Mark Lackey, Executive Director, CCS Early Learning, Mat-Su; Delena Johnson, Mayor, City of Palmer, Mat-Su; Dan Kennedy, Valley Performing Arts, Mat-Su; Donna Johnson, CCS Early Learning, Mat-Su; Anthony Waters, CCS Early Learning, Mat-Su; Kim Brown, CCS Early Learning, Mat-Su; Larry Devilbiss, Mayor, Mat-Su Borough, Mat-Su; Tim Veenstra, Airborne Technology, Mat-Su; Tammy Brehm, CCS Early Learning, Mat-Su; Gary Forrester, Executive Director, Valley Performing Arts, Mat-Su; Laura Wheeler, CCS Early Learning, Mat-Su; Luke Fulp, Chief Business Official, Mat-Su Borough School District, Mat-Su; John Moosey, Borough Manager, Mat-Su Borough; Susan Hale, CCS Early Learning, Mat-Su; Melanie Shaw, CCS Early Learning, Mat-Su; Joshua Miller, Alaska Center for Energy and Power, Fairbanks; Ron Inouye, President, Tanana Yukon

Historical Society, Fairbanks; Shellie Severa, Community of Kaltag, Fairbanks; Clarke Milne, Self, Fairbanks; Luke Hopkins, Mayor, Fairbanks North Star Borough, Fairbanks; Scott Bucher, Bucher Glass, Fairbanks; Reed Morisky, Self, Fairbanks; Terrence Cole, Self, Fairbanks; Dr. Lee O'Hare, Friends of UAF Museum of the North, Fairbanks; Taber Rehbaum, Big Brothers Big Sisters of Alaska, Fairbanks; Haley McIntyre, Self, Fairbanks; Najmus Saqib, Student, University of Alaska Fairbanks, Fairbanks; Caleb Smith, University of Alaska Fairbanks, Fairbanks; Ryan Cudo, Student, University of Alaska Fairbanks, Fairbanks; Andy Chamberlain, Student, University of Alaska Fairbanks, Fairbanks; Anne Hanley, Self, Fairbanks; Chandler Kemp, Self, Fairbanks; Larry Bennett, Engineer, Fairbanks; Lisa Stowell, Mechanical Engineering Graduate Student, UAF, Fairbanks; Joy Huntington, Tanana Chiefs Conference, Fairbanks; Jacob Monagle, UAF, Fairbanks; Roger Burggraf, Self, Fairbanks; Dominique Pride, Former Student Employee, ACEP, Fairbanks; Eric Johnson, Graduate Student, UA, Fairbanks; Bart LeBon, Board Member, Arctic Winter Games, Fairbanks; Joni Scharfenberg, Employee, Fairbanks Soil and Water Conservation District, Fairbanks; Gary Lewis, Midnight Sun Council, Boy Scouts, Fairbanks; Richard Green, Self, Fairbanks; Chris Miller, Vice President, Design Alaska, Fairbanks; Kirk Brown, CCS Early Learning, Mat-Su; Karl Lund, CCS Early Learning, Mat-Su; Elizabeth Ripley, Executive Director, Mat-Su Health Foundation, Mat-Su; Therese Tomasoski, CCS, Mat-Su; Cindy Bettine, Business Owner, Mat-Su; Janene Lovelace, Self, Mat-Su; Grant Baker, Self, Anchorage; Zachary Mannix, Self, Anchorage; Carmen Gutierrez, Prisoner Reentry Task Force, Anchorage; Mary Fisher, Executive Director, Alaska Prevention Against Litter, Anchorage; Chris Pallister, President, Gulf of Alaska Keeper, Anchorage; Jon Zasapa, Executive Director, Anchorage Neighborhood Health Center, Anchorage; Heather Arnett, Statewide Administrator, Association of Alaska Housing Authority, Anchorage; Orson Smith, Engineer, Seward; Rob Jordan, Executive Director, Alaska Craftsman Home Program (ACHP), Anchorage; Audrey Aanes, Executive Director, Arctic Access, Anchorage; Joe Perkins, Member, Anchorage Library Foundation, Anchorage; Christine Klein, Calista Southwest Alaska, Anchorage; Gail Schubert, Member, Alaska Retirement Management (ARM) Board, Anchorage; Bob Moore, Vice Chairman, Big Brothers Big Sisters, Anchorage; Sheri Burette, Chairman of the Board, Russian Orthodox Sacred Sites in Alaska, Eagle River; Ellen Kazary, Development Director, Rural Alaska Community Action Plan

(Rural CAP), Anchorage; Florian Borowski, Member, Alaska Workforce Investment Board, Anchorage; Chris Turletes, Self, Anchorage; John Crews, Chairman, Industrial Advisory Board, Alaska Vocational Technical Center (AVTEC), Anchorage; Kevin Waring, Vice President, Partners for Progress, Anchorage; Jedidiah Smith, Member, Anchorage Public Transit Advisory Board, Anchorage; Judy Caminer, Chair, Chugach State Park Citizen Board, Anchorage; Jay Dulany, Retired Public Employees of Alaska, Anchorage; Dale Nelson, Civil Engineer, Anchorage; Wade Roach, Teacher, Dimond High School, Anchorage; Peter Crimp, Self, Anchorage; Brooks Chandler, President, Friends of the Library, Anchorage; Bruce Parham, Board Member, Cook Inlet Historical Society, Anchorage; Charlene Nollner, Self, Gakona Village; Bruce Cain, Special Projects Manager, Ahtna Inc., Glennallen; Joe Bovee, Land and Resource Manager, Ahtna Inc., Glennallen; Ron Long, Assistant City Manager, Seward; Louie Bencardino, Self, Seward; Willard Dunham, Self, Seward; Patrick Chandler, International Coastal Cleanup Coordinator, State of Alaska, Homer; Randall Wiest, President, Kachemak Ski Club, Homer; Doug Malone, Board Member, Kachemak Ski Club, Homer; Katie Koester, Community and Economic Development Coordinator, City of Homer; Donna Stephens, Executive Director, Hospice of Anchorage, Anchorage; Mary Matthias, Mayor, Nightmute; Herman Morgan, Aniak, Mid Yukon Kuskokwim Soil and Water Conservation District, Aniak; Lester Lunceford, Mayor, Whittier; Layton Lockett, City Manager, Adak; Mike Grace, Self, Nenana; Michelle Nesbett, Board of Directors, Anchorage Neighborhood Health Center, Anchorage; Jacque Longpre, Mayor, Aniak; Chuck Kaucic, Self, Palmer; Charlene Arneson, Chair, Whittier Watershed Council, Whittier; Venus Woods, Alaska Native Justice Center, Anchorage; Julie Sandy, Board Chair, Ketchikan Medical Center, Ketchikan; Stanley Hawley, Self, Native Village of Kivalina; Dwayne Hopson, Sr., Mayor, Nuiqsut; Angie Gorn, President, Norton Sound Health Group, Nome; Joyce Brown-Rivers, Mayor, Mountain Village;

SUMMARY

SB 18 BUDGET: CAPITAL

SB 18 was HEARD and HELD in committee for further consideration.

#sb18

SENATE BILL NO. 18

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

Mat-Su

6:14:41 PM

JANET KENNEDY, PRESIDENT, BOARD OF DIRECTORS, VALLEY PERFORMING ARTS, MAT-SU (via teleconference), spoke in support of funding for Valley Performing Arts for the purchase and renovation of a new facility. She discussed an increasing need for additional space for Valley Performing Arts' performances and shared that the organization had over 14,000 patrons and over 500 volunteers the prior year. She shared that Valley Performing Arts was experiencing an increasing need for the community use of its facilities. She pointed out that Valley Performing Arts had identified a facility that could be purchased and converted into a performing arts facility and community room. She stated that Valley Performing Arts worked with the Mat-Su Borough School District and facilitated events for private and homeschooled children. She stated that Valley Performing Arts had the support of the Mat-Su Borough, as well as the Palmer and Wasilla city councils. She observed that Valley Performing Arts was a sustainable, nonprofit agency that would be contributing over \$250,000 of its own funds to the project. She concluded that the state would be providing about half of the funds for the facility. She urged the need to secure funding for the facility.

6:18:10 PM

MARK LACKEY, EXECUTIVE DIRECTOR, CCS EARLY LEARNING, MAT-SU (via teleconference), testified in support of funding for the CCS Early Learning facility project in Palmer. He related that CCS Early Learning needed to address issues with its facilities. He stated that CCS Early Learning wanted to combine the two leased facilities in Palmer into one owned facility in order to save on operating costs. He pointed out that CCS Early Learning had identified property in Palmer, gone through the pre-development planning process, and had formulated a project that was expected to save the organization between \$50,000 and \$100,000 per year. He concluded that the project was important to CCS

Early Learning and the services that it would provide in the future.

[6:20:01 PM](#)

DELENA JOHNSON, MAYOR, CITY OF PALMER, MAT-SU (via teleconference), expressed support of funding for the City of Palmer's Bogard waterline extension project and Well #2 improvements, as well as a ladder truck for the fire department. She related that there would be a 25 percent cost savings in building the waterline during the Bogard Road construction. She pointed out that there had been several devastating fires in Palmer recently and that the city was trying to upgrade its equipment.

[6:21:50 PM](#)

DAN KENNEDY, VALLEY PERFORMING ARTS, MAT-SU (via teleconference), spoke in support of funding for Valley Performing Arts to purchase and renovate a new facility. He shared that the Valley Performing Arts project would be an economic engine for the valley. He related that Valley Performing Arts had found a location for the new facility and was asking for one-time funding request. He warned that there was a degree of urgency and that if Valley Performing Arts was unable to secure the funding for the location within the next several months, it could lose the opportunity.

[6:23:12 PM](#)

DONNA JOHNSON, CCS EARLY LEARNING, MAT-SU (via teleconference), urged funding for the CCS Early Learning building project in Palmer and noted that her granddaughter had gained a lot of benefit from the Head Start Program.

[6:23:49 PM](#)

ANTHONY WATERS, CCS EARLY LEARNING, MAT-SU (via teleconference), spoke in support of funding the CCS Early Learning building project in Palmer and shared that his three children had shown tremendous improvement in the Head Start Program.

[6:24:31 PM](#)

KIM BROWN, CCS EARLY LEARNING, MAT-SU (via teleconference), urged funding for the CCS Early Learning building project in Palmer. She related that CCS Early Learning and the Head Start Program had a positive effect in the community. She added that the Head Start Program offered a helping hand for parents to make a positive difference in the lives of their children.

[6:25:11 PM](#)

LARRY DEVILBISS, MAYOR, MAT-SU BOROUGH, MAT-SU (via teleconference), spoke in support of the Mat-Su Borough's funding requests for the rail extension, port protection, and fisheries. In particular, he testified in support of funding for the Knik Arm Bridge and Toll Authority (KABATA) and the Bogard Road Extension East. He shared that the Mat-Su Borough had a great need for road infrastructure and recalled a Department of Transportation and Public Facilities' statistic that three of the five highway safety corridors were in the Mat-Su Borough. He stated that the Sterling Highway and the Seward Highway had 13 fatalities or major injures per 100,000 miles; However the Knik-Goose Bay (KGB) Road had 22.4 fatalities or major injures per 100,000 miles, the Parks Highway corridor had 17.3 fatalities or major injures per 100,000 miles, and the Palmer-Wasilla Highway had 12.22 fatalities or major injures per 100,000 miles. He stated that the KABATA project would help with the problem on KGB and that the Bogard Road extension would provide another corridor, both east and west, in order to cross the borough.

Co-Chair Meyer expressed appreciation for the testimony and noted that Senator Huggins and Senator Dunleavy had brought to his attention the need for more roads in the valley.

[6:27:46 PM](#)

TIM VEENSTRA, AIRBORNE TECHNOLOGY, MAT-SU (via teleconference), spoke in support of funding for the Japanese tsunami debris cleanup efforts. He recalled that the prior summer, the Department of Environmental Conservation had contracted with Airborne Technology to fly an aerial costal survey of the Gulf of Alaska in order to establish a baseline for assessing the expected future debris from the Japanese tsunami of 2011. He stated that the survey had revealed that the debris had already heavily impacted the Alaska coastline far ahead of the predicted

timeline. He stated that 8,000 high resolution images had been processed for debris density and composition, and discussed the damage that the tsunami would cause to Alaska's oceans, beaches, and wildlife. He discussed the different types of debris that the survey had identified and related that the quantity of debris that was surveyed was unprecedented. He offered that the current debris only represented the "leading edge" of what was coming and urged the need to address tsunami debris. He opined that the tsunami debris would exceed the Exxon Valdez regarding its long-lasting impact.

[6:30:41 PM](#)

TAMMY BREHM, CCS EARLY LEARNING, MAT-SU (via teleconference), testified in support of funding for the CCS Early Learning building project in Palmer. She stated that parents' testimony had shown that the Head Start Program helped children advance and prepare for kindergarten. She concluded that CCS Early Learning's staff also assisted people in how become good parents.

[6:31:17 PM](#)

GARY FORRESTER, EXECUTIVE DIRECTOR, VALLEY PERFORMING ARTS, MAT-SU (via teleconference), spoke in support of funding for Valley Performing Arts for the purchase and renovation of a new facility. He related that the request for \$4.7 million would cover about half of Valley Performing Arts' project needs. He shared that the site, which had been arrived at after an exhaustive study, was an abandoned theatre. He related that the project had been vetted and was fiscally sound. He pointed out that the project was supported by the Mat-Su Borough, with support from the City of Wasilla and the City of Palmer. He pointed out that the City of Wasilla had put funds in the project to show its support and related that Valley Performing Arts had over 500 volunteers annually; there were also about 14,000 people that enjoyed Valley Performing Arts' services each year. He stated that Valley Performing Arts generated about \$500,000 in revenue each year in the borough.

[6:33:32 PM](#)

LAURA WHEELER, CCS EARLY LEARNING, MAT-SU (via teleconference), testified in support of funding for the CCS Early Learning building project in Palmer. She related

that the funding would be used to build a new school for the Palmer Head Start Program combined with CC Early Learning's administration office; she opined that this would save the agency approximately \$100,000. She stated that she had two of her own children go through the Head Start Program and related how the program had benefitted her kids.

[6:34:34 PM](#)

LUKE FULP, CHIEF BUSINESS OFFICIAL, MAT-SU BOROUGH SCHOOL DISTRICT, MAT-SU (via teleconference), testified in support of the Mat-Su Borough's capital requests. He related that the Mat-Su Borough School District was the second largest school district in the state and that it believed in public choice and innovation. He observed that Senator Dunleavy, as well as the area's other legislators, had the borough's capital requests and expressed appreciation for the work of the committee regarding education.

[6:35:42 PM](#)

JOHN MOOSEY, BOROUGH MANAGER, MAT-SU BOROUGH (via teleconference), expressed support of funding for additional fish passage projects and studies in the Mat-Su Borough. He also testified in support of funding for the Hatcher Pass ski area, funding that would allow motorized use of the back of Hatcher Pass, as well as funding for the South Denali Visitors Center and the South Gateway Tourism Center. He shared that the borough was having a difficult time getting fish to return to the Matanuska, Susitna, and Talkeetna Rivers. He pointed out that the lack of fish returning had curtailed the growth and revenue to the area's families. He concluded that the above projects were important for small businesses and tourism in the Mat-Su Valley.

[6:37:39 PM](#)

SUSAN HALE, CCS EARLY LEARNING, MAT-SU (via teleconference), spoke in support of funding for the CCS Early Learning building project in Palmer.

[6:38:06 PM](#)

MELANIE SHAW, CCS EARLY LEARNING, MAT-SU (via teleconference), testified in support of the CCS Early Learning building project in Palmer.

FAIRBANKS

6:38:58 PM

JOSHUA MILLER, ALASKA CENTER FOR ENERGY AND POWER, FAIRBANKS (via teleconference), spoke in support of the funding request by the University Alaska Board of Regents for the Alaska Center for Energy and Power. He related that the Alaska Center for Energy and Powers was an applied energy research program that focused on several statewide projects that benefited the residents of Alaska by addressing energy related issues. He stated that the Alaska Center for Energy and Power had given him opportunities that he would not have had otherwise. He discussed the work he had done as a geology student through the center, which included a trip to Iceland. He pointed out that the experience he had gained through the Alaska Center for Energy and Power had made him a more marketable graduate student and had resulted in an internship with BP Alaska.

6:40:57 PM

RON INOUE, PRESIDENT, TANANA YUKON HISTORICAL SOCIETY, FAIRBANKS (via teleconference), urged for funding the completion of the State Library, Archives, and Museum Project (SLAM). He related that a new facility would save the 140-year collection of Alaska's records and artifacts, which were being put in danger by the current facility. He offered that the state museum staff deserved a more adequate facility in order to provide statewide service.

6:42:02 PM

SHELLIE SEVERA, COMMUNITY OF KALTAG, FAIRBANKS (via teleconference), spoke in support of funding for Kaltag's seafood processing plant upgrade and renovation project. She pointed out that the past summer, the unemployment rate in Kaltag had gone from 68 percent to 0 percent and added that about 130 jobs had been created during the seasonal employment. She stated the plant upgrades could be completed in the current year and would allow year-long employment for Kaltag residents. She shared that the Kaltag's seafood processing plant had been in operation

since 2007 and had made significant progress every year in production and employment; the renovation would increase employment to 200 seasonal jobs and 25 permanent jobs in the current year. She related that the time was right for funding and that the creation and retention of jobs was very important for Kaltag.

CLARKE MILNE, SELF, FAIRBANKS (via teleconference), testified in support of funding for the Engineering Expansion Initiative at the University of Alaska Fairbanks (UAF) and the University of Alaska Anchorage (UAA). He pointed out that both of the facilities were necessary for modern engineering education. He shared his experience as an engineering student at UAF and related that the current labs and facility space in Fairbanks and Anchorage were inadequate for modern work. He stated that the design for the Fairbanks facilities had been thoroughly planned and vetted and was ready for practical and efficient use. He urged for the second half of the funding for UAF's and UAA's engineering expansion.

[6:46:02 PM](#)

LUKE HOPKINS, MAYOR, FAIRBANKS NORTH STAR BOROUGH, FAIRBANKS (via teleconference), expressed support for \$25 million in one-time energy relief funding on behalf of the Alaska Conference of Mayors. He also testified in support of funding for the Arctic Winter Games, the borough's facility energy efficiency projects, artificial turf fields, new restrooms at Pioneer Park, the Engineering Expansion Initiative at the University of Alaska Fairbanks, and funding for the Fairbanks campus power plant.

[6:48:32 PM](#)

SCOTT BUCHER, BUCHER GLASS, FAIRBANKS (via teleconference), spoke in support of final funding for the Juneau State Library, Archives, and Museum (SLAM) Project and the Engineering Expansion Initiative at the University of Alaska Fairbanks (UAF) and the University of Alaska Anchorage (UAA). He related that Bucher Glass had been awarded contracts for the Juneau SLAM and the UAF engineering project, which had allowed the business to start a manufacturing facility in Fairbanks; the manufacturing facility would add an additional 15 to 20 jobs to Fairbanks in the next year. He shared that the Juneau SLAM Project and the UAF engineering project would

provide work that would allow Bucher Glass to keep the 15 to 20 jobs going for an additional 6 months. He stated that a strong engineering program would allow his business to hire local engineers in the future.

[6:50:15 PM](#)

REED MORISKY, SELF, FAIRBANKS (via teleconference), testified in support of full funding for completing the Engineering Expansion Initiative at the University of Alaska Fairbanks (UAF) and The University of Alaska Anchorage (UAA). He stated that the completion of the two buildings would greatly increase the number of engineering graduates.

[6:50:47 PM](#)

TERRENCE COLE, SELF, FAIRBANKS (via teleconference), spoke in support of funding for the Juneau State Library Archives and Museum Project (SLAM), as well as funding for completing the Engineering Expansion Initiative at the University of Alaska Fairbanks (UAF) and the University of Alaska Anchorage (UAA). He urged the state to invest in its past and its future.

[6:51:23 PM](#)

DR. LEE O'HARE, FRIENDS OF UAF MUSEUM OF THE NORTH, FAIRBANKS (via teleconference), testified in support of full funding for the Juneau State Library Archives and Museum Project (SLAM). She related that the museum in Juneau was a statewide museum and urged for full funding of the facility.

[6:52:12 PM](#)

TABER REHBAUM, BIG BROTHERS BIG SISTERS OF ALASKA, FAIRBANKS (via teleconference), spoke in support of the one-time capital request for the Mentoring for Educational Success Initiative. She related that she had seen thousands of children turn their lives around, improve their scholastic performance, and become productive citizens through Big Brother Big Sisters and, discussed the effectiveness of the program. She stated that the Mentoring for Educational Success Initiative was a partnership with school districts across the state to provide mentoring for children who were struggling academically; she offered that

these children were the most at risk for academic failure, dropping out of school, and involvement in the justice system. She shared that the initiative would use students' scores to target which students needed help. She stated that statistics showed that high school graduates earned 75 percent more money in their lifetime than non-graduates did, which meant more resources in Alaska. She shared the high cost of incarcerating juveniles in Alaska and stated that the Mentoring for Educational Success Initiative was an investment in the state's future that would lead to a 90 percent graduation rate by the year 2020. She urged the investment in Alaska's children.

[6:54:20 PM](#)

HALEY MCINTYRE, SELF, FAIRBANKS (via teleconference), testified in support of funding for the Alaska Center for Energy and Power. She stated that the Alaska Center for Energy and Power offered an environment for students to learn from experts, brought together creative minds from diverse fields, and helped students gain real world experience that employers wanted on the resumes of college graduates. She acknowledged the need to investment in infrastructure, but stated that it was equally important to invest in the human capital that was necessary for the state's future.

[6:55:12 PM](#)

NAJMUS SAQIB, STUDENT, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), spoke in support of full funding for completing the Engineering Expansion Initiative at the University of Alaska Fairbanks (UAF) and the University of Alaska Anchorage (UAA). He pointed out that Alaska needed more engineers and that the state needed to better its universities in order to get more engineers. He pointed out that Alaskan employers liked to hire engineers from the state and that the engineering facilities needed to be expanded in order to produce more engineers.

[6:56:03 PM](#)

CALEB SMITH, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), testified in support of completing the Engineering Expansion Initiative at the University of Alaska Fairbanks (UAF) and the University of Alaska Anchorage (UAA).

[6:56:48 PM](#)

RYAN CUDO, STUDENT, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), testified in support of full funding for completing the Engineering Expansion Initiative at the University of Alaska Fairbanks (UAF) and the University of Alaska Anchorage (UAA). He stated that engineering was important to the economy and the nation, and offered that Alaskan employers wanted to hire Alaskan graduates. He concluded that funding the other half of the university's engineering facilities would improve the quality of education of the students and would benefit the state.

Co-Chair Meyer noted that there was a lot of interest in the University of Alaska's engineering college.

[6:57:27 PM](#)

ANDY CHAMBERLAIN, STUDENT, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), urged funding for completing the Engineering Expansion Initiative at the University of Alaska Fairbanks (UAF) and the University of Alaska Anchorage (UAA). He shared that he was due to graduate in the fall from UAF and was planning to attend graduate studies at UAA. He related that his decision to attend UAA for graduate studies was based, in part, by the expectation of the construction of new engineering facilities.

[6:58:14 PM](#)

ANNE HANLEY, SELF, FAIRBANKS (via teleconference), spoke in support of funding for the Winter Bear Project. She stated that the Winter Bear Project was intended to help change the climate of fear and hopelessness that bred suicide, especially among Alaskan Native men in rural areas. The project offered a play and community discussions following the play, as well as behavioral health support and outreach. She related that the communities had donated housing, venues, and meals to the project. She concluded that the Winter Bear Project sought to change statistics that were a blight on the state.

[6:59:23 PM](#)

CHANDLER KEMP, SELF, FAIRBANKS (via teleconference), testified in support of funding for the Alaska Center for Energy and Power. He stated that the Alaska Center for Energy and Power provided opportunities for students and young people to get involved in projects that were valuable to the state. He pointed out that he was attracted to come back to Alaska after graduating college, in large part, because of the opportunities that the Alaska Center for Energy and Power offered.

[7:00:35 PM](#)

LARRY BENNETT, ENGINEER, FAIRBANKS (via teleconference), testified in support of the university regent's building priorities: the completion of the two engineering buildings at UAA and UAF. He stated that there were a number of new and replacement jobs for engineers in the state. He pointed out the dramatic increases in engineering enrollments and degrees over the several years prior. He also voiced support of the request from the Midnight Sun Council of the Boy Scouts. He pointed out that the Boy Scouts request was less than half of the request for UAA and UAF engineering, but the funds would support continuing development of the Boy Scout Camp at Lost Lake. He stated that the camp continued to be the only developed camp in the Interior, and served the Boy Scouts and many other groups. He pointed out the camp was the only accredited American Camping Association camp in the Interior. He stated that the funds would be leveraged by money from private individuals and foundations.

[7:02:14 PM](#)

LISA STOWELL, MECHANICAL ENGINEERING GRADUATE STUDENT, UAF, FAIRBANKS (via teleconference), testified in support of funding for the Alaska Center for Energy and Power (ACEP). She stated that she was grateful for the ability to work in the engineering field to gain experience and knowledge that makes it more probable that she get a job and remain in Alaska. She added that she was able to participate on projects that had the potential to currently enhance Alaska's future energy needs. She pointed out that she had always been interested in alternative energy for the state. She remarked that ACEP had increased her interest by finding alternative energy, and improving energy costs for Alaskans. She felt that the goal could be achieved by learning about Alaska's unique challenges, land, economics, and available resources. She remarked that geo thermal

energy was site-specific, so a complete assessment of the geo thermal area was necessary to determine the type of resource that was available. She stated that her experience with ACEP had helped with many job interviews; because many employers were impressed that she had experience on a drill rig, logging wells, and long days in the field. She also voiced support of funding for the engineering buildings at UAA and UAF.

[7:04:37 PM](#)

JOY HUNTINGTON, TANANA CHIEFS CONFERENCE, FAIRBANKS (via teleconference), voiced support of funding the requests put forth by the Tanana Chiefs Conference (TCC). She pointed out that TCC worked hard to leverage federal dollars with state dollars. She shared that TCC had leveraged over \$15 million non-state dollars with \$2 million in state dollars. She remarked that TCC was continually creative in how funds were utilized, in order to burden the State of Alaska. She also voiced support of the requests from the Council of Athabascan Tribal Governments in Fort Yukon, which was a health care providing organization. She specifically urged support of the \$150,000 for provider housing for medical providers. She thanked the committee for taking the time to hear all of the small communities throughout the state.

[7:07:07 PM](#)

JACOB MONAGLE, UAF, FAIRBANKS (via teleconference), testified in support of the new UAA engineering building. He stated that engineering companies were looking for employees from Alaska. He stated that the companies were seeking people who understood the unique challenges that Alaska presented. He stated that the engineering companies were eager to hire Alaskans who wanted to improve the state. He stressed that the engineering programs at UA provided quality and affordable education to Alaskans; and the construction of the new engineering buildings would provide the education that the companies were seeking. He stated that the current building was lacking size and ventilation; which often hindered lab work that was required. He stressed that the new engineering buildings would greatly enhance the potential and prospects of Alaskan engineers; and would greatly enhance the competitiveness and would be appealing to both instate and out of state students.

7:08:15 PM

ROGER BURGGRAF, SELF, FAIRBANKS (via teleconference), testified in support of Department of Education and Early Development funding and the UA engineering buildings in Fairbanks and Anchorage. He felt that education and training was the key to the future success of the state. He remarked that the funding for the proposed engineering buildings were beneficial to the entire state. He stressed that it was necessary for the state to take a proactive stance in developing its resources by training for the jobs needed to build the economy. He remarked that education and training were keys to the future of Alaska's producers. He shared that China produces 400,000 engineers per year, and the United States produces 1,000 to 2,000 engineers per year.

7:10:32 PM

DOMINIQUE PRIDE, FORMER STUDENT EMPLOYEE, ACEP, FAIRBANKS (via teleconference), testified in support of the UA funding for ACEP. She shared that her time at ACEP gave her the opportunity to apply what she had learned in the classroom to real world projects. She shared that she had worked on carbon sequestration; hydro kinetics; ground source heat pumps; and other various energy technologies. She stressed the importance of funding applied energy research, in order to determine what works best for Alaska. She remarked that many renewable energy technologies were not currently economically competitive; so if the research does not get funding, those technologies will never become competitive. She shared that ACEP had many students that would be working on energy issues well into the future after graduation.

7:12:02 PM

ERIC JOHNSON, GRADUATE STUDENT, UA, FAIRBANKS (via teleconference), testified in support of funding for ACEP. He shared that ACEP provided the opportunity for students to apply classroom knowledge to a real world environment. He stated that he had personally worked on many field projects. He announced that ACEP had given him the opportunity to work on the Alaska Energy Wiki, which was a website that ACEP had created to spread the knowledge of energy projects that were occurring across Alaska. He stated that ACEP provided the chance to work and make

connections with the energy industry. He pointed out that many former ACEP students had advanced to energy-related jobs in Alaska. He remarked that ACEP involves students with energy issues; and builds interest towards working in energy-related fields.

7:13:52 PM

BART LEBON, BOARD MEMBER, ARCTIC WINTER GAMES, FAIRBANKS (via teleconference), testified in support of \$1 million for the Arctic Winter Games. He felt that the 2014 Arctic Winter Games would be an economic benefit to the State of Alaska. He stated that the last time that Alaska hosted the Arctic Winter Games was 2006. He explained that Alaska would not have the opportunity to host the Arctic Winter Games for another ten years after the 2014 games. He explained that the Arctic Winter Games would result in an economic impact of over \$10 million in direct visitor spending and event operations. He shared that he was anticipating approximately 2,000 coaches and participants. He stated that the Arctic Winter Games supports the State's mission to promote economic activity and provide for strong community involvement. He also urged support for the engineering buildings at UAF and UAA.

7:15:15 PM

JONI SCHARFENBERG, EMPLOYEE, FAIRBANKS SOIL AND WATER CONSERVATION DISTRICT, FAIRBANKS (via teleconference), spoke in support of funding for the Fairbanks Soil and Water Conservation District. She stated that the Fairbanks Soil and Water Conservation District was part of the Alaska Association of Conservation Districts, and was locally lead by an elected board of supervisors. She stated that the district strived to meet the natural resource technical and educational request of private land owners and community partners. She shared that work was done in waterways, soils, agriculture, forestry, trails, mining reclamation, affordable energy, and natural resource education. She stated that the conservation districts were mandated by state statute to approve the Division of Agriculture State Agriculture land sales conservation plans. She stressed that the buyer could not be approved to work land without the district's approval. She remarked that the Fairbanks district and other districts searched to obtain private and federal dollars, but the funding request was necessary to

match private and federal funds; and cover basic operations like payroll and rent.

7:17:02 PM

GARY LEWIS, MIDNIGHT SUN COUNCIL, BOY SCOUTS, FAIRBANKS (via teleconference), testified in support of funding for the Midnight Sun Council Boy Scout camp budget request. He remarked that the camp was used by the Boy Scouts, Girl Scouts, churches, and many state agencies. He pointed out that the Midnight Sun Council Boy Scouts did not frequently request money, and pointed out that the Boy Scouts in Anchorage often received money for their camps. He pointed out that there were some funds that were already raised, but it was difficult to raise money for nonprofit entities. He explained that the Midnight Sun Council had approximately 700 volunteers, and approximately 9,500 youth in the Midnight Sun Council Boy Scout program in the Interior.

7:18:56 PM

RICHARD GREEN, SELF, FAIRBANKS (via teleconference), testified in support of the Weatherization, Cold Climate Housing Research, and the Alaska Craftsman Home programs. He remarked that the Cold Climate Housing Research Center was working to validate and move forward with its current weatherization program, related to rebate and income based program.

7:21:07 PM

CHRIS MILLER, VICE PRESIDENT, DESIGN ALASKA, FAIRBANKS (via teleconference), testified in support of funding the engineering program request for UAA and UAF. He shared that he hired the students that testified for ACEP earlier in the meeting. He pointed out that he loved to hire Alaskan engineers, because they understood the difference between "cold" and Fairbanks; and the difference between the largest temperature spread in the world. He stressed that Alaska was a unique place, and needed unique engineers that come from unique facilities to train them.

7:22:07 PM

KIRK BROWN, CCS EARLY LEARNING, MAT-SU (via teleconference), testified in support of the CCS Early

Learning program that would allow the building of a new school in Palmer for its Head Start program. He felt that the CCS Early Learning Heat Start program made a positive difference on the community. He felt that CCS provided a beginning journey for the future engineers and Alaska workforce. He remarked that CCS gave students a well-rounded beginning for school, and teaches and supports parents for their children's futures. He also urged support of the Boy Scout camp at Lost Lake budget request.

[7:23:11 PM](#)

KARL LUND, CCS EARLY LEARNING, MAT-SU (via teleconference), spoke in support of CCS Early Learning programs. He shared that the church that houses the Head Start program in his community was expanding in order to accommodate the growing and successful school. He urged support of a one-time grant from the State of Alaska, to construct a new site.

[7:24:52 PM](#)

ELIZABETH RIPLEY, EXECUTIVE DIRECTOR, MAT-SU HEALTH FOUNDATION, MAT-SU (via teleconference), testified in support of She stated that the Mat-Su Health Foundation invested revenues from the local hospital into grants to make measurable improvements to the health status of Mat-Su residents. She stated that private and public funders wanted to ensure that the dollars were used prudently, to maximize administrative efficiency, and the dollars produce the desired health outcome of return. She remarked that the Mat-Su Health Foundation was a partner in the pre-development program with Rasmussen, the trust, and Denali Commission to ensure that capital projects were well-planned, right-sized, and sustainable.

[7:27:21 PM](#)

THERESE TOMASOSKI, CCS, MAT-SU (via teleconference), encouraged funding for the new CCS Early Learning building in Palmer. She felt that CCS improved the development, education, and health of young children. She stated that the project would yield high returns in State dollars, because the education of the young children could result in future leaders.

[7:28:04 PM](#)

CINDY BETTINE, BUSINESS OWNER, MAT-SU (via teleconference), testified in support of community revenue sharing. She announced that she had recently served on the Mat-Su Assembly, at a time when there was zero revenue sharing. She remarked that it was important for the overall economic climate for the Mat-Su to receive the full funding of the revenue sharing. She stated that revenue sharing allowed for small businesses to invest in their own business. She stated that the borough could reduce and stabilize property taxes through the revenue sharing. She urged the addition of the \$25 million, matching past levels of \$85 million. She thanked the committee for allowing the public to complete their testimony.

[7:29:46 PM](#)

JANENE LOVELACE, SELF, MAT-SU (via teleconference), spoke in support of funding for a new CCS Early Learning building in Palmer. She remarked that she had observed hundreds of families grow and strengthen due to the efforts of CCS and Head Start. She remarked that the investment in the new building would be an investment in children's futures by building a foundation of education in Alaska.

ANCHORAGE

[7:31:00 PM](#)

MARY ANN PEASE, OWNER, MACH CONSULTING, ANCHORAGE, spoke in support of the Alaska Children Services request for the Statewide Behavioral Health Distance Training and Delivery System. She shared that the program would be self-sustaining, and would reduce the cost of long-term children's mental health care. She pointed out that Alaska Children Services had been the state's premiere provider of mental health services for disabled and behaviorally impaired children. She stated that the services included community based and full institutionalization in the most severe cases. She shared that the children in Alaska Children Services, ages 6 to 16, came from all area of the state. The children were challenged by a range of conditions including genetic defects, fetal alcohol syndrome, suicide risk, substance abuse, and an array of psychological disorders. She stressed that there needed to be an optimization of expertise already available in the state for the betterment of the children. She pointed out that one of the critical components of the request was the

training module that would recognize potentially violent mentally ill children; and focus on the training, remediation, and intervention before the violence occurs or escalates. She explained that Alaska Children Services would provide all maintenance and operational costs of the facility; and also contribute the land for the expansion.

[7:33:38 PM](#)

GRANT BAKER, SELF, ANCHORAGE (via teleconference), testified in support of the engineering building at UAA and UAF. He also voiced support for the Alaska Engineering Academies at the middle and high schools across the state. He shared that he was an engineering professor for 24 years, and he helped to create and build the UAA engineering programs. He stressed that there was a severe shortage of building space, and students were leaving Alaska to participate in engineering programs elsewhere. He shared that for 8 years he had worked with the middle and high schools to develop engineering academies throughout Alaska. He stressed that engineering academies were cost effective programs that attract students to take engineering and technology courses, and would prepare them for college.

[7:34:47 PM](#)

ZACHARY MANNIX, SELF, ANCHORAGE (via teleconference), voiced support of the Alaska Engineering Academy's initiative of \$4.9 million to develop and enhance engineering and science, technology, engineering, and mathematics (STEM) academies throughout Alaska. He stressed that Alaska was currently facing a massive shortage of qualified science, technology, engineering, and mathematics professionals. He stated that Alaska would face a STEM workforce shortage of approximately 8100 people by 2018. He stated that the Alaska Process Industry Careers Consortium (APICC), worked with the University of Alaska system and reached an agreement to collaborate with Department of Education and Early Development and the Department of Labor and Workforce Development to develop and support access to engineering academies for all of Alaska's public secondary education students. He remarked that the academies offered students career pathways in STEM related industries. The academies were backed by a thorough implementation plan; an industry and education backed advisory board; and were held

accountable by national standard tests. He shared that State

7:36:45 PM

CARMEN GUTIERREZ, PRISONER REENTRY TASK FORCE, ANCHORAGE (via teleconference), testified in support of the Partners for Progress Joint Recidivism Reduction Plan funding. She shared that Alaskans had the opportunity to spend limited State resources in a more proactive fashion, when the rate of criminal recidivism was reduced. She stated that Alaska's prison population was growing at 3 percent per year. She announced that if that growth was not a halted, the prisons would be at full capacity. She felt that the Partners for Progress Joint Recidivism Reduction Plan for FY 14 had demonstrated radical reduction in recidivism. She shared that the project would fund transitional rental housing and related reentry assistance to probationers who were referred by Department of Corrections (DOC). She announced that Anchorage received the vast majority of newly released prisoners. She shared that the number of convicted felons released to the Anchorage area was over 1700 individuals in the year 2009. She stated that the recidivism rate for those individuals was high, and it was estimated that 25 percent of those individuals had no resources. She explained that those individuals were supervised by probation officers in Anchorage that had case loads of 100 probationers per each probation officer. She explained that the project would allow the Partners for Progress would work with the Alaska Native Justice Resource Center and Nine Star Educational and Employment Services to provide limited housing assistance and case management services that provide stable housing and employment training skills. She felt that the project would give individuals a better chance of succeeding upon release into the community. She remarked that the Alaska Native Justice Center no longer received federal funding, so they would have no funding available to provide services in FY 14.

7:40:25 PM

MARY FISHER, EXECUTIVE DIRECTOR, ALASKA PREVENTION AGAINST LITTER, ANCHORAGE (via teleconference), testified in support of \$5 million for cleanup of Alaska's coastline and beaches impacted by debris from the Japan Tsunami. She shared that studies by the National Oceanic and Atmospheric Administration (NOAA) and the Department of Environmental

Conservation (DEC) confirmed that Alaska was significantly more impacted by the debris than other west coast states and Hawaii. She announced that the cost of cleaning the remote and high energy beaches was much more expensive than it would be in the other west coast states and Hawaii. She stated that the Alaska Prevention Against Litter had provided funding and assisted in litter cleanup for Alaska's communities since the year 1982. She announced that the Alaska Prevention Against Litter had never faced a litter and debris pollution issue of this magnitude, so the State needed to act quickly to mitigate the negative impacts of fish and wildlife.

Co-Chair Meyer handed the gavel to Vice-Chair Fairclough.

[7:42:03 PM](#)

CHRIS PALLISTER, PRESIDENT, GULF OF ALASKA KEEPER, ANCHORAGE (via teleconference), spoke in support of \$5 million for cleanup of Alaska's coastline and beaches impacted by debris from the Japan Tsunami. He remarked that the tsunami greatly exacerbated preexisting marine debris problem in the Gulf of Alaska, and more than double the amount of plastic debris on the beaches. He stated that Washington Sea Grant predicted that between 30 million and 375 million pounds of tsunami debris would wash up onto Alaska's shore. He explained that most of the debris was plastic items and drums of chemicals. He stated that the tsunami debris was lodged on state-owned tide lands, so the fish and wildlife resources were impacted. He remarked that the tsunami debris was much worse than normal plastic marine debris; because much of the debris was comprised of Styrofoam and urethane foam insulation from crushed buildings. He explained that the foam deteriorates, gets broken down into small pieces, and is eventually eaten by fish and wildlife. He shared that plastic bottles full of various substances like condiments and cleaning agents were flooding the coast. He explained that most of the bottles quickly deteriorate, because of the battering water on the shores, which results in animals ingesting the substances and get passed up the food chain.

[7:44:36 PM](#)

JON ZASAPA, EXECUTIVE DIRECTOR, ANCHORAGE NEIGHBORHOOD HEALTH CENTER, ANCHORAGE (via teleconference), urged support of \$90,000 for a shuttle to the Anchorage

Neighborhood Health Center, which would connect the new health center on C Street with the downtown shuttle center in Anchorage. He stated that the shuttle was a partnership between the municipality of Anchorage and the Health Center. He explained that the shuttle provided access to some of most vulnerable patients like the homeless, elderly, and children. He shared that the shuttle was growing by approximately 10 percent per month. He remarked that the shuttle served almost 33 patients per day. He shared that the total cost of the shuttle service from September 2013 to December 2014 was \$226,000. He felt that the additional funding could support the shuttle's continued operation. He pointed out that the request was an interim step while work with the municipality continued to identify funding for a permanent route to the Health Center.

[7:47:16 PM](#)

HEATHER ARNETT, STATEWIDE ADMINISTRATOR, ASSOCIATION OF ALASKA HOUSING AUTHORITY, ANCHORAGE (via teleconference), testified in support of an increase of funding to the Weatherization and Energy Rebate Programs. She felt that those programs were extremely effective in reducing home energy costs for Alaskans. She shared that families who participated in the programs experienced a 30 to 40 percent reduction in energy costs. She alleged that if the program was funded at \$31.5 million, funding for the program would be cut in half in the next grant cycle. She urged support of full operational funding of the programs in the amount of \$101.5 million.

[7:49:46 PM](#)

ORSON SMITH, ENGINEER, SEWARD (via teleconference), testified in support of funding for Alaska Vocational Technical Center (AVTEC), and the engineering building funding requests at UAA and UAF. He shared that the new buildings would provide expanded laboratories and classrooms based on team-based learning. He stated that the current building had no classrooms, because all of the classrooms needed to be converted to labs in order to be consistent with the Americans with Disabilities Act (ADA) requirements. He felt that UA's engineering accreditation would be threatened without the promise of a new building. He also specifically spoke to the funding request for the ship simulator at AVTEC. He explained that the ship

simulator AVTEC was a world class and unique facility for training Alaska mariners in Alaska conditions.

Vice-Chair Fairclough handed the gavel to Co-Chair Meyer.

[7:51:44 PM](#)

ROB JORDAN, EXECUTIVE DIRECTOR, ALASKA CRAFTSMAN HOME PROGRAM (ACHP), ANCHORAGE (via teleconference), reiterated Mr. Green's testimony related to funding for the Statewide Energy Efficiency Education program. He remarked that energy costs were prohibitive in many parts of the state; and many homes were not built with efficiency or safety as a priority. He explained that the program would address the need for education and awareness; provide tools for Alaskans that were struggling with high energy costs; and would deliver solutions to communities throughout the state based on the need in the community. He felt that energy efficiency education was an immediate solution to a statewide problem. The program would provide 200 how-to workshops for homeowners; 50 workshops for commercial building owners and commercial building users; training seminars on valuing energy efficiency improvements; and a comprehensive statewide awareness and outreach campaign. He emphasized that energy efficiency education would reduce heating costs; reduce health risks in homes; and increased value of Alaska's housing stock.

[7:53:22 PM](#)

AUDREY AANES, EXECUTIVE DIRECTOR, ARCTIC ACCESS, ANCHORAGE (via teleconference), urged support of funding the request for adaptive equipment for elders and people with disabilities in Northwest Alaska. She stressed that the need for assisted devices was substantial in the Arctic Access service area of Nome and Northwest Arctic regions including Point Hope. She shared that the 2000 census indicated a total population of over 3500 who experience a disability in the Northwest Alaska service region. She pointed out that, in a recent survey, the communities indicated their need for grab bars; showering and toileting equipment; and many other adaptive devices for those that do not have other resources. She shared that Arctic Access received regular requests for step stools, walkers, canes, reading devices, hearing devices, and durable medical equipment. She stressed that the items were necessary to

basic health and safety; and were critical during hospital to home transitions.

[7:56:16 PM](#)

JOE PERKINS, MEMBER, ANCHORAGE LIBRARY FOUNDATION, ANCHORAGE (via teleconference), testified in support of funding for \$8 million for the funds to renovate the entrance to Loussac Library. He explained that the funding would cover phase 1 of the Loussac Library renovation. He felt that the \$8 million would allow for future renovations to occur in a non-wasteful manner. He remarked that the funding was an investment that would pay dividends into the future. He remarked that the request would solve two public safety issues: the current entrance to the library was deteriorating; and the exterior book drop would be replaced with a book drop that allows books to go directly into the library, in order to avoid the possibility of an employee injuring themselves on ice outdoors.

[7:58:57 PM](#)

CHRISTINE KLEIN, CALISTA SOUTHWEST ALASKA, ANCHORAGE (via teleconference), testified in support of funding \$8 million for Martional Barge Stocking facility and access road. This project would mobilize quality rocks; and would assist with public projects funded by state and federal governments. She also voiced support of funding the New Vista Co-op project for a feasibility assessment to continue the Denali Commission's work on distributing Alaska's power. She pointed out that there would be an examination of the inter-tie feasibility between villages. She also urged support funding for the Yukon Kuskokwim Freight and Energy Corridor. She felt that the project would help reduce transportation costs; provide alternative energy access; and enable a road in the road-less region.

[8:01:28 PM](#)

GAIL SCHUBERT, MEMBER, ALASKA RETIREMENT MANAGEMENT (ARM) BOARD, ANCHORAGE (via teleconference), urged support of a special appropriation of \$150 million for the unfunded liability, and \$500 million for the retirement unfunded liability of the Public Employees Retirement System (PERS) and Teachers Retirement System (TRS). She also voiced support for a special annual appropriation of \$500 million for FY 15, FY 16, and FY 17 toward retirement of the

unfunded liabilities. She explained that the PERS and TRS liabilities grew from approximately \$6.9 million in 2005 to approximately \$11.9 million by June 2012. She stated that it was anticipated that the States' annual appropriation to pay down the combined unfunded liabilities of the two retirement systems would soon exceed \$1 billion. She stressed that it was not sustainable, and would create a financial hardship for the State and local government employers. She announced that the ARM Board's actuaries had estimated that contributing and additional \$500 million each year, for four years, would result in state and local government employers would realize a total savings of \$2.5 billion. The estimated savings would be approximately \$1.5 billion for PERS and approximately \$1.133 billion for TRS. She explained that the savings was possible because full funding of the retirement systems would be reached almost two years earlier than projected, because of the special annual appropriation. She felt that local government employers would realize \$1 billion in reduced employer contributions; and the State would realize \$1.5 billion in reduced State assistance.

[8:04:53 PM](#)

BOB MOORE, VICE CHAIRMAN, BIG BROTHERS BIG SISTERS, ANCHORAGE (via teleconference), testified in support of funding for the Mentoring for Educational Success Initiative. He shared that there were thousands of cases at Big Brothers Big Sisters of Alaska of youth that improved school performance and became productive citizens. He stressed that the initiative was a partnership with school districts to provide mentoring for students who were struggling academically based on their scores of the third grade standards based assessment test. He stressed that the children in the program were the most at risk of academic failure. He explained that census figures reflected that high school graduates received 75 percent more in their lifetime than non-graduates; translating into more economic resources for the state. He remarked that the cost to incarcerate a juvenile in Alaska was \$140,000 a year; and furthered that Big Brothers and Big Sisters could provide and at-risk child with support that could reduce the child's delinquency and ensure that the child graduates on time for only \$2,000 a year.

[8:07:07 PM](#)

SHERI BURETTE, CHAIRMAN OF THE BOARD, RUSSIAN ORTHODOX SACRED SITES IN ALASKA, EAGLE RIVER (via teleconference), urged support of funding for maintaining the historic Russian Orthodox churches. She stressed that the churches were an important part of Alaska's history. She stated that many of the churches were in dire need of historic maintenance and renovation. She shared that Alaska had a vibrant Russian Orthodox history, and Alaskans needed to experience the Russian Orthodox churches in their original, historic architecture. Maintenance of the churches was an important part of Alaska's mission and constitution.

[8:09:24 PM](#)

ELLEN KAZARY, DEVELOPMENT DIRECTOR, RURAL ALASKA COMMUNITY ACTION PLAN (RURAL CAP), ANCHORAGE (via teleconference), spoke in support of the funding for the Rural CAP request for the Energy Wise program. She appreciated Senator Olson's letter of support for the request. She explained that Energy Wise hired and trained local workers to provide energy efficiency upgrades in homes and energy efficiency education in rural Alaska. She shared that independent evaluators had determined that the program worked, and had a three year return on investment due to sustained reduction of energy use including reduced kilowatt hours resulting in lower energy bills for residents. She stated that the program had been successfully implemented into 22 villages with over 240 local workers serving over 2000 households.

[8:10:52 PM](#)

FLORIAN BOROWSKI, MEMBER, ALASKA WORKFORCE INVESTMENT BOARD, ANCHORAGE (via teleconference), voiced support of AVTEC capital budget requests. He specifically urged support of funding for the Heavy Equipment Diesel Shop; the Maritime Simulator Ice Navigation; and deferred maintenance. He stated that he was part of an organization that employed over 120 heavy duty mechanics he was especially directing his support toward AVTEC's need for a heavy equipment shop. He remarked that it was continually difficult to find the proper number of qualified Alaskans to fill the need for qualified mechanics; and he felt that funding these items in AVTEC's budget would ease that pressure.

[8:12:01 PM](#)

CHRIS TURLETES, SELF, ANCHORAGE (via teleconference), testified in support of funding for the engineering facilities at UAA and UAF. He shared that he had a daughter who had recently graduated from the engineering program at UAA, and currently worked at an Anchorage engineering firm. He stated that the funding for the facilities was already at half of what was needed to complete the project. He stressed that Alaska was facing a shortage of qualified engineers. He stated that Alaska employers preferred to hire UA graduates, because of their understanding of cold regions and their likelihood of remaining in Alaska. He recognized that it was a substantial investment, but investing in engineers for Alaska was vital to Alaska's future.

[8:14:49 PM](#)

JOHN CREWS, CHAIRMAN, INDUSTRIAL ADVISORY BOARD, ALASKA VOCATIONAL TECHNICAL CENTER (AVTEC), ANCHORAGE (via teleconference), testified in support of funding for AVTEC. He stressed that the training programs at AVTEC were the foundational building blocks of the state. He specifically highlighted the \$6 million for phase 1 of the Heavy Equipment Diesel Pipe Welding Facility Relocation. He shared that the current facility had numerous structural and safety issues. He also voiced support of \$968,000 for deferred maintenance. He stated that the maintenance supported by the funding included some life safety improvements to the Student Center, which was used by both the residents of Seward and the students of AVTEC. He additionally spoke in support of funding the energy efficiency upgrades, and improvements to the building trade shop environment. He stressed the importance of a training shop that mirrored shops of private employers. He supported funding for installing digital controls to increase heating system efficiency. He also voiced support of an engineering study of the fire alarm system on campus, to determine needed upgrades and costs to the out-of-date system. He voice support of the \$375,000 for phase 1 of the Ice Navigation Upgrade of the Marine Simulator. He explained that the simulator was very advanced; and was utilized by both state and private pilots.

[8:18:25 PM](#)

KEVIN WARING, VICE PRESIDENT, PARTNERS FOR PROGRESS, ANCHORAGE (via teleconference), testified in support of \$600,000 for Partners for Progress's partnership to reduce criminal recidivism. He specifically echoed Ms. Gutierrez's comments. He shared that, for three years, Partners for Progress, the Alaska Native Justice Center, and Nine Star Employment Services had collaborated with (DOC) to provide temporary housing, case management, and employment services to a limited number of newly released offenders. He remarked that 80 percent of participating offenders had succeeding in the program by staying out of prison; compared to 34 percent of non-participants. He shared that this recidivism reduction program cost approximately \$2,000 per participant. Each participant who does not reoffend, immediately saves the state \$85,000, which was the cost of six months incarceration.

[8:20:29 PM](#)

JEDIDIAH SMITH, MEMBER, ANCHORAGE PUBLIC TRANSIT ADVISORY BOARD, ANCHORAGE (via teleconference), testified in support of the Alaska Mobility Coalition's request for community transit system funding. He felt that the funding was fundamental to addressing the transportation needs of urban and rural communities throughout the state. He stated that a \$3 million investment in public and community transportation would leverage up to \$15 million in federal, state, and local funding. He remarked that public and community transportation provided reliable access to jobs and services; improves mobility; reduces congestion and energy consumption; and improves safety in the community. He shared that People Mover delivered over 4 million rides to Anchorage residents and visitors in 2012. He explained that state funding had previously helped People Mover implement a new fare box system that made fare correction and tracking ridership more accurate.

Co-Chair Meyer handed the gavel to Vice-Chair Fairclough.

[8:22:39 PM](#)

JUDY CAMINER, CHAIR, CHUGACH STATE PARK CITIZEN BOARD, ANCHORAGE (via teleconference), testified in support of the Chugach State Park Access and Trail Rehabilitation funding initiative. She shared that the Chugach State Park was a great resource for Alaskans and visitors. She explained that the project was a compilation of access improvements;

interpretative finds; and trail rehabilitation needs. She stated that the request was created using public input that was received during the development of the management plan, trail plan, and access plan. She felt that the improvements would promote public health, safety, and enjoyment; it would reduce trail erosion and maintenance costs; it would provide for enhanced public education; and it would help stem conflicts private property owners near the park access points. She shared that an estimated 1.3 million people visited the park in 2012.

[8:24:53 PM](#)

JAY DULANY, RETIRED PUBLIC EMPLOYEES OF ALASKA, ANCHORAGE (via teleconference), mirrored Ms. Schubert's testimony related to the PERS and TRS unfunded liability. He understood that the crisis was not imminent, but if investment was made momentarily, it would save billions of future dollars.

[8:25:47 PM](#)

DALE NELSON, CIVIL ENGINEER, ANCHORAGE (via teleconference), testified in support of Alaska Professional Design Council project requests. He shared that his organization represented 5,000 registered professionals. He specifically urged support of funding for UAF and UAA engineering buildings funding. He stressed the importance of an engineering building in Alaska, in order to create strong Alaskan workforce for future construction projects.

Vice-Chair Fairclough reminded the testifiers to keep their remarks to two minutes.

[8:28:42 PM](#)

WADE ROACH, TEACHER, DIMOND HIGH SCHOOL, ANCHORAGE (via teleconference), testified in support of the Alaska Process Industry Careers Consortium Alaska Engineering Initiative. He announced that Dimond High School was one of two engineering academies that were initiated in 2008, as a response to a call to action from Siemens Building Technologies and other engineering firms in Alaska. He disclosed that he had been involved in designing the curriculum and academy. He stated that he had taught high school in Alaska for fifteen years, and was at the front

line of STEM education. He shared that he was a science teacher, robotics coach, and a department leader in career and technical education. He felt that Alaska Engineering Academies utilize Project Lead the Way, which was a nonprofit curriculum and professional development provider, to understand the current educational environment.

8:30:46 PM

PETER CRIMP, SELF, ANCHORAGE (via teleconference), spoke in support of funding for the Alaska Center for Energy and Power at UA. He stated that he had worked in an energy-related field for twenty years, and understood that there were no absolute solutions for the energy crisis in Alaska. He stressed the importance of a strong university to test technologies that hold promise for Alaska like converting river flow to power; wind turbine systems suited to Alaska's cold climate; and fuel additives that may deliver more efficient electrical power and reduce air emissions. He urged support of funding the replacement of the UAF heating system. He stated that by generating both heat and power, the system could extract the maximum amount of energy from a given amount of fuel.

8:32:05 PM

BROOKS CHANDLER, PRESIDENT, FRIENDS OF THE LIBRARY, ANCHORAGE (via teleconference), testified in support of funding for the renovation of the Loussac Public Library. He aligned his testimony Mr. Perkins' comments.

8:33:10 PM

BRUCE PARHAM, BOARD MEMBER, COOK INLET HISTORICAL SOCIETY, ANCHORAGE (via teleconference), strongly urged support of SLAM funding, and urged additional \$30 million to fully fund construction of the building. He felt that a total of \$50 million was needed in the current year to avoid possible cost increases over the upcoming two years of final construction. He felt that the addition of the \$30 million would save money on rising costs of materials and labor; added rent and utilities; and recurring operation and maintenance budget for SLAM. He stressed that the purpose of the project was to preserve and protect Alaska's historical records.

GLENALLEN, SEWARD, HOMER

[8:35:32 PM](#)

CHARLENE NOLLNER, SELF, GAKONA VILLAGE (via teleconference), urged support of funding the Gakona Gathering Place. She stated that the funding would be used to expand the facility. She shared that the foundation and radiant floor tubing was complete, so the funding would be used towards complete the building. She stated that the boiler system was built to support the expansion.

[8:36:27 PM](#)

BRUCE CAIN, SPECIAL PROJECTS MANAGER, AHTNA INC., GLENNALLEN (via teleconference), testified in support of funding for the Mentasta Village Council Clinic Replacement Matching funds in the amount of \$300,000. He explained that the clinic was over 20 years old, and had outgrown its capacity. The funding could also be used to match a Community Development Block Grant. He voiced support \$250,000 for a cost estimate of the Tazlina River pedestrian bridge. He explained that the bridge was currently a high speed highway bridge, but did not have a designated pedestrian zone. He also aligned his comments with Ms. Nollner's testimony.

[8:38:38 PM](#)

JOE BOVEE, LAND AND RESOURCE MANAGER, AHTNA INC., GLENNALLEN (via teleconference), urged support of funding the Gokana and State of Alaska land trade. He explained that the trade would trade Ahtna Inc. land for State of Alaska. He furthered that the State of Alaska land was the former site of the historic native village of Gokana.

[8:40:07 PM](#)

RON LONG, ASSISTANT CITY MANAGER, SEWARD (via teleconference), testified in support of funding for the city's marine industrial center expansion. The project had been the city's top priority project for the past three years. He shared the history of the project concept. He discussed that the legislature had provided \$400,000 to conduct a feasibility study in the past; the study had identified 132 different business types that would be spread across the state. The city was working with the Department of Labor and Workforce Development, regional

economic development organizations, and other on a project development agreement. The project had \$10 million in transportation bond funding that would complete the engineering and permitting work for the project and would fund the beginning construction phase. He supported a request for funding that would go towards the completion of a breakwater expansion. The expansion would allow the city to moor vessels and begin generating revenue.

[8:43:57 PM](#)

LOUIE BENCARDINO, SELF, SEWARD (via teleconference), testified in support of funding for the Alaska Vocational Technical Center (AVTEC). He supported funding for a building that would enable continued heavy equipment and welding training. He spoke to a need for workers in the welding boating industries. He stressed that maintenance needs were becoming critical. He asked for legislative support.

[8:46:56 PM](#)

WILLARD DUNHAM, SELF, SEWARD (via teleconference), testified in support of funding projects for AVTEC. He shared that the marine program was expanding; student growth had been phenomenal. He spoke to the importance of AVTEC's role in providing Alaskan workers to compete for jobs in the oil industry and other. He complemented Senator Bishop on a recent interview about the need to be competitive in the job market. He stressed that the state engineer building was in disrepair. He relayed that there were 16 state-owned buildings on the Seward campus that were in need of maintenance. He emphasized the importance of the funds.

[8:49:57 PM](#)

PATRICK CHANDLER, INTERNATIONAL COASTAL CLEANUP COORDINATOR, STATE OF ALASKA, HOMER (via teleconference), testified in support of funding for the cleanup of debris resulting from the 2011 Japanese tsunami. He communicated that Alaskan beaches collected thousands of pounds of plastic annually from numerous sources. He stressed that the issue should be of great concern to those who valued Alaska's fisheries and critical habitats. He spoke to the negative impacts the debris had on the coastal zones. He shared that dangerous levels of chemicals from plastics had

been found in juvenile salmon from Elizabeth Island Lake. He emphasized that debris from the tsunami had compounded the problem. He urged the committee to fund the cleanup effort.

8:52:00 PM

RANDALL WIEST, PRESIDENT, KACHEMAK SKI CLUB, HOMER (via teleconference), testified in support of the purchase of needed equipment to improve safety and accessibility for skiers and snowboarders. He provided information about the ski area. The club currently had no designated vehicle or sled to assist in transport to meet emergency services on the road. He emphasized the importance of timely transport of injured patients. The funds would allow the club to purchase a snow machine and a towable sled to meet the safety need.

8:54:25 PM

DOUG MALONE, BOARD MEMBER, KACHEMAK SKI CLUB, HOMER (via teleconference), encouraged funding for road safety improvements to the Kachemak Ski Club. He shared information about the history of the rope-tow ski area. He stressed the importance of being prepared for accidents. He detailed that a wide track snow machine would greatly increase public safety and would provide a safer venue for recreationists. The machine would also enable the club to groom the tow path and ski hill and to transport equipment throughout the site.

8:56:14 PM

KATIE KOESTER, COMMUNITY AND ECONOMIC DEVELOPMENT COORDINATOR, CITY OF HOMER (via teleconference), spoke in support of Homer's \$4.2 million portion of the harbor facility grant program funds. She shared that the state had transferred the responsibility of harbors to municipalities years back; municipalities had inherited major maintenance and replacement needs. The legislature had responded with a harbor facility grant program. She provided detail related to the program. The increment would enable the community to replace 4,000 feet of float, a ramp, and would provide power and water to the transient vessel float. She shared that the city council had increased user rates in order to raise the required matching funds for the grant. She added

that there was no opposition to the request. She encouraged the committee to fund the request.

OFFNET

8:58:53 PM

DONNA STEPHENS, EXECUTIVE DIRECTOR, HOSPICE OF ANCHORAGE, ANCHORAGE (via teleconference), testified in support of a \$600,000 Hospice of Anchorage request for the Talking About It project. She shared that project focused on the difficult topic of dying. She pointed to countless families that did not learn about choices they would be faced with during serious illness. She stressed that making a person's wishes known protected their freedom, autonomy, dignity, and comfort; it also saved money. The increment was a one-time request for a three-year project; the project would bring together consumers, volunteers, and professionals to improve the ability to learn, plan, and talk about care in the event of life threatening illness.

9:01:28 PM

MARY MATTHIAS, MAYOR, NIGHTMUTE (via teleconference), remarked that she had testified earlier in the day, but had additional comments to share. She asked for support of public health and safety. She spoke in favor of fuel efficiency and relayed that the community was \$80,000 behind on fuel sales, which made fuel run shorter every year. She pointed to tax penalties. She shared that children in the community had limited positive influences, which meant they were dropping out of school and turning to drug and alcohol use. She mentioned landfill problems.

Co-Chair Meyer asked Ms. Matthias to provide her additional testimony to her state senator. Ms. Matthias asked the committee to support funds for the community. She thanked the committee for hearing her testimony.

9:05:49 PM

HERMAN MORGAN, ANIAK, MID YUKON KUSKOKWIM SOIL AND WATER CONSERVATION DISTRICT, ANIAK (via teleconference), testified in support of funding for the Mid-Yukon/Kuskokwim Soil and Water Conservation District. He provided information on the benefits provided by the entity. He discussed different agricultural crops grown. He pointed to

an invasive species eradication program. He spoke to surveys conducted by the conservation district.

[9:09:32 PM](#)

LESTER LUNCEFORD, MAYOR, WHITTIER (via teleconference), testified in support of funding for Whittier's public works building and roof repair. He detailed that the building held the city's public safety and works equipment and was the emergency center for Prince William Sound. He asked for continued funding for road construction.

[9:10:47 PM](#)

LAYTON LOCKETT, CITY MANAGER, ADAK (via teleconference), urged support of supplemental revenue sharing. He shared that power constituted one-third of Adak's total municipal budget. He stressed that there was a limit to the cuts the city could make to public safety and welfare. He noted that the city was conducting a hydropower study. He spoke in support of capital funds for the study. He pointed to other funding sources. He asked for support of a \$15 million request for the harbor; construction was underway and had been paused. He relayed that the city was heavily reliant on state and other funds.

[9:13:06 PM](#)

MIKE GRACE, SELF, NENANA (via teleconference), testified against the Nenana bridge and road project funding. He stated that the city had requested approximately \$6.5 million for the project that was estimated to cost an additional \$10.5 million in the future. He believed the project was a premature expenditure and possibly a waste of taxpayers' money. He furthered that there had been no proven gas or oil resource in the area to date, which was the most recent justification for the bridge project. He did not believe the state would recover the expense of the project. He opined that if the project continued it should be managed by the state and not the City of Nenana; the city had trouble plowing its own roads during the winter. He expounded that timber had been cited as a reason for the project; however, a forest fire had wiped out much of the local timber acreage.

[9:16:12 PM](#)

MICHELLE NESBETT, BOARD OF DIRECTORS, ANCHORAGE NEIGHBORHOOD HEALTH CENTER, ANCHORAGE (via teleconference), spoke in support of the \$90,000 Anchorage Neighborhood Health Center request that would finance a shuttle to transport patients from the downtown transit center to the facility. She outlined that the center provided primary care to more than 13,000 patients; it was growing by 500 new patients per month. She detailed that 72 percent of the patients were at or below the poverty line and were some of the community's most vulnerable citizens. The shuttle would enable citizens to maintain better health and would provide access to preventative care, which would reduce emergency room visits.

[9:17:41 PM](#)

JACQUE LONGPRE, MAYOR, ANIAK (via teleconference), urged support for supplemental revenue sharing. He shared that Aniak had a new sewer system that had been plagued by problems and represented a significant portion of the community's budget. He stated that the sewer system did not pay for itself and took funds away from road and dump maintenance and other city functions. He stressed that reducing funds to past revenue sharing amounts would be the nail in the coffin to the community. He stated that the community was in a slow downward spiral as costs increased each year.

Co-Chair Meyer handed the gavel to Co-Chair Kelly.

[9:19:32 PM](#)

CHUCK KAUCIC, SELF, PALMER (via teleconference), spoke in support of base operations for Soil and Water Conservation Districts throughout the state. He detailed that the conservation districts were foundational organizations in communities; for example, the Wasilla organization had been founded in 1948 to serve neighbors and residents. He discussed services provided by the entities including soil sampling services, private water-well testing services, salmon stream bank restoration habitat enhancement projects, invasive weeds, stream water quality testing, public outreach to school students, and other. He shared that the entities taught residents how to grow their own food.

[9:22:23 PM](#)

CHARLENE ARNESON, CHAIR, WHITTIER WATERSHED COUNCIL, WHITTIER (via teleconference), testified in support of a one-time matching increment of \$500,000 for the repair of the Whittier Creek levy. She shared information about the creek; a leak in the levy was worsening each year. She pointed to numerous buildings located in the creek's flood path. She discussed tourism in the town and disruptions that would occur if the creek overflowed. She relayed that the U.S. Army Corps of Engineers agreed that the council's concerns were valid; subsequently the corps had proposed a levy repair plan. The current damage equaled approximately \$1.2 million.

[9:27:38 PM](#)

VENUS WOODS, ALASKA NATIVE JUSTICE CENTER, ANCHORAGE (via teleconference), spoke in support of funding for Progress for Progress, Alaska Native Justice Center, and Nine Star. She shared a personal story about how the justice center had saved her life. She communicated that she had graduated from the reentry program after being released from a correctional facility; after graduation she had become a peer mentor. The program had helped her reunite with her children. She currently worked for the organization, which taught ex-offenders how to turn their lives around. The programs collaborated to provide guidance for successful return to into the community. She stated that the justice center received more than 300 applications annually. She urged the committee to support the programs.

[9:30:20 PM](#)

JULIE SANDY, BOARD CHAIR, KETCHIKAN MEDICAL CENTER, KETCHIKAN (via teleconference), testified in support of full funding for the Ketchikan Medical Center. She stated that the project had a direct impact on the economic development of the region and was vital in the ability to provide quality healthcare. She believed that strong industry and families were the backbone of the state; without good healthcare it was not possible to have either.

[9:31:22 PM](#)

STANLEY HAWLEY, SELF, NATIVE VILLAGE OF KIVALINA (via teleconference), urged support for a \$2.5 million request to fund feasibility studies for the Kivalina evacuation

road. He expounded that the road's primary purpose was to provide a safety route to higher ground for community residents in the event of wind-driven storm surges. He furthered that storm surges had become more frequent as a result of climate change. He asked for support of a new school at the evacuation terminal. The road would require between \$3 million and \$6 million in planning funds; the \$2.5 million increment would contribute significantly to the ultimate goal. He relayed that the road had high regional support.

[9:33:32 PM](#)

DWAYNE HOPSON, SR., MAYOR, NUIQSUT (via teleconference), testified in support of funding for a community center roof renovation to address water damage. He stated that the facility housed city hall and provided space for community meetings. The community had more than 70 meetings per year that were hosted by industry and government agencies. He stressed that the ceiling was collapsing and the electrical system was drenched. The project was estimated to cost \$500,000 or more.

[9:35:49 PM](#)

ANGIE GORN, PRESIDENT, NORTON SOUND HEALTH GROUP, NOME (via teleconference), spoke in favor a \$400,000 request for the Norton Sound Health Group. She detailed that the group had opened a new hospital and long-term care facility. She furthered that the nursing home scored as one of the best 39 nursing homes in the nation. She discussed the need for an assisted living facility for elders in the region. She pointed to a long waiting list of elders in need of care. She shared that the state would benefit from receiving 100 percent of the Medicaid dollars through the Indian Health Service. She thanked Senator Olson for his strong support and invited committee members to visit the facilities in Nome.

[9:38:17 PM](#)

JOYCE BROWN-RIVERS, MAYOR, MOUNTAIN VILLAGE (via teleconference), testified in support of the supplemental revenue sharing funds. She emphasized that the funds were needed in the city. She communicated that a cut in funds meant that the city was overspending on city operations. She pointed to the needs of a local water/sewer system;

half of the town had not had running water since Christmastime. She stressed that funds would help with health and other items in the region.

[9:40:53 PM](#)

Co-Chair Meyer CLOSED public testimony.

Vice-Chair Fairclough disclosed that she worked for Hospice during the interim.

Co-Chair Meyer observed that there was a high interest in funding engineering programs at the university; he hoped to be able to fund multiple requests, but noted that \$109 million was a substantial cost.

Senator Bishop pointed to the significant testimony on the importance of revenue sharing.

SB 18 was HEARD and HELD in committee for further consideration.

ADJOURNMENT

[9:42:32 PM](#)

The meeting was adjourned at 9:42 p.m.