

SENATE FINANCE COMMITTEE

April 5, 2014

12:08 p.m.

[12:08:31 PM](#)

CALL TO ORDER

Co-Chair Meyer called the Senate Finance Committee meeting to order at 12:08 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

Jomo Stewart, Fairbanks Economic Development Corporation (FEDC); Heather McCarty, Central Bering Sea Fisherman's Association, Juneau; Representative Doug Isaacson.

PRESENT VIA TELECONFERENCE

Glenn Juday, Professor, School of Natural Resources, University of Alaska Fairbanks, Fairbanks; Pete Lewis, Superintendent, Fairbanks North Star Borough School District, Fairbanks; Jan Dawe, Research Assistant Professor, School of Natural Resources, University of Alaska Fairbanks, Fairbanks; Paul Gill, Student, University of Alaska Fairbanks, Fairbanks; Michelle Simon, Student, University of Alaska Fairbanks, Fairbanks; Bryan Clemenz, Chair, University of Alaska Fairbanks College of Engineering and Mining Advisory and Development Council, Fairbanks; Karen Jensen, President, Alaska Library Association, Fairbanks; Roger Burggraf, Self, Fairbanks; Taber Rehbaum, CEO, Big Brothers Big Sisters of Alaska, Fairbanks; Alan Hoza, Self, Fairbanks; Dave Pelunis-

Messier, World Energy Coordinator, Tanana Chiefs Conference, Fairbanks; Stan Leaphart, Executive Director, Citizens Advisory Committee on Federal Areas, Fairbanks; Brenda Stanfill, Executive Director, Interior Alaska Center for Non-violent Living, Fairbanks; Peggy Burns, Salcha Fair Association, Fairbanks; Luke Hopkins, Mayor, Fairbanks North Star Borough, Fairbanks; Chuck Kaucic, District Manager, Wasilla Soil and Water Conservation District, Mat-Su; KJ Martin-Albright, Director, Wasilla Library, Wasilla; Doug Griffin, City Manager, City of Palmer; Roger Purcell, Houston Chamber of Commerce, Houston; Elizabeth Ripley, Executive Director, Mat-Su Health Foundation, Wasilla; Molly Wood, Board Member, Chase Community Council, Mat-Su; Beth Fread, Self, Mat-Su; Sam Brice, President, Brice Inc., Fairbanks; Barbara Johnson, Mayor's Office, Fairbanks; Larry DeVilbiss, Mat-Su Borough Mayor, Palmer; Gale Vick, Board Member, King Crab Project, Fairbanks; Joe Griffith, Matanuska Electric, Palmer; Jewel Jones, Anchorage Community Land Trust, Anchorage; Lance Wilber, Municipality of Anchorage, Anchorage; Lois Epstein, Civil Engineer, The Wilderness Society, Anchorage; Suzi Pearson, Executive Director, Abused Women's Aid in Crisis, Anchorage; Rebecca Piersch, Abused Women's Aid in Crisis, Anchorage; Steve Sumida, Tanadgusix Corporation (TDX), Anchorage; Cheryl Lovegreen, Anchorage Public Library, Anchorage; Mainon Schwartz, Anchorage Public Library, Anchorage; Shelly Morgan, Susitna Elementary School, Anchorage; Jacob, Olsen, Susitna Elementary School, Anchorage; Kim Bautista, Principal, Susitna Elementary School, Anchorage; Pete Stokes, University of Alaska, Anchorage; Gloria Manni, Self, Anchorage; Brian Saylor, Anchorage Lung Association, Anchorage; Trina Landlord, Executive Director, Alaska Native Arts Foundation, Anchorage; Don Rogers, Partners Re-Entry Center, Anchorage; Cathleen McLaughlin, Program Director, Partners Re-Entry Center, Anchorage; Anna Breuninger, Friends of the Library, Anchorage; Janice Jones, Partners Re-Entry Center, Anchorage; Cathy Gleason, Turnagain Community Council, Anchorage; Mike Abbott, Anchorage School District, Anchorage; Martin Lang, Anchorage School District, Principle, Eagle River; Brenda Bogowith, Self, Eagle River; Ron Long, Self, City of Seward; Diane Converse, Pratt Museum, Homer; Ryjil Christiansen, Pratt Museum, Homer; Terry Thompson, South Peninsula Haven House, Homer; Philip Alderfer, Pratt Museum, Homer; Hal Shepherd, Center of Water Advocacy, Homer; Patricia Phillips, Mayor of Pelican, Pelican; Dr. Alex Hills, Carnegie Mellon University, Palmer; Jeff

Stephan, United Fishermen's Marketing Association, Kodiak;
Karen Petersen, Friends of Thorne Bay Library, Thorne Bay;
Katya Kirsch, Self, Haines; Norman Eck, NW Arctic Borough
School District, Kotzebue; Becky Long, Self, Bald Mountain;
Dave Herbert, Superintendent, St. Mary's School, St.
Mary's; Craig Cottrel, City Administrator, Hoonah; Will
Prittie, Self, Sunshine; Doug Smith, Self, Talkeetna;
Conrad Douglas, Ambler, City of Ambler; Peg Foster, Self,
Talkeetna; Brian Okonek, self, Talkeetna; Robert Gerlack,
Self, Talkeetna; Sheryl Salasky, Self, Talkeetna; John
Strassenburgh, Self, Talkeetna; Dan Blair, Mayor, Whittier;
Ellen Wolf, Self, Talkeetna; Melis Coddy, Talkeetna
Community Council, Talkeetna; Ken Ray, Self, Wasilla; Jan
Wrentmore, Skagway Marine Access, Skagway; Cory Thole,
Self, Skagway; Elizabeth Lavoie, Self, Skagway; Ken Russo,
Self, Skagway; Deborah Potter, Self, Skagway; Tamar
Harrison, Self, Skagway; Sam Palmerson, Self, Skagway;
James Nolan, Self, Skagway; Jennifer Thuss Self, Skagway;
Dr. Bruce Weber, Self, Skagway.

SUMMARY

SB 119 BUDGET: CAPITAL

SB 119 was HEARD and HELD in committee for
further consideration.

PUBLIC TESTIMONY:

FAIRBANKS, MAT-SU
ANCHORAGE
GLENALLEN, SEWARD, HOMER,
STATEWIDE TELECONFERENCE OFFNET SITES

#sb119

SENATE BILL NO. 119

"An Act making appropriations, including capital
appropriations and other appropriations; making
appropriations to capitalize funds."

[12:08:31 PM](#)

^PUBLIC TESTIMONY: FAIRBANKS, MAT-SU

[12:09:31 PM](#)

GLENN JUDAY, PROFESSOR, SCHOOL OF NATURAL RESOURCES, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), testified in support of the \$700,000 to complete the Boil Alaska Learning, Adaptation, and Production (BAKLAP) project. He was the director of the program, and he explained that BAKLAP was launched in the 2012 capital budget to the Department of Revenue (DOR), through a reimbursable services agreement. The program was intended to carry out sustained yield force management and do innovative work in education through hands-on learning. He remarked that there were new wood-energy facilities under construction, with the support of the renewable energy loan program. He stressed that there was a new demand for enforced production in Alaska. There was a building that formerly housed 14 federal forestry scientists and 10 research professionals, but those positions had been eliminated. He pointed out that the School of Natural Resources had been reduced from 9 professors to 4 professors.

[12:11:53 PM](#)

PETE LEWIS, SUPERINTENDENT, FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT, FAIRBANKS (via teleconference), testified in support of funding for phase 4 of the Barnette Magnet School project, and the completion of the BAKLAP project. He explained that phase 4 was part of an \$11.2 million project that would replace a 50-year-old building. He stated that phase 4 would deal with severe seismic and structural deficiencies in the school. He announced that the funds could come from the capital budget or through funding of the Department of Education and Early Development (DEED) recommendations. He stressed the importance of completion of the project. The project began in 2006, and would provide a solid structure in a safe learning environment for 50 years. He also echoed Mr. Juday's comments regarding the importance of funding the BAKLAP project.

[12:14:06 PM](#)

JAN DAWE, RESEARCH ASSISTANT PROFESSOR, SCHOOL OF NATURAL RESOURCES, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), testified in support of the BAKLAP program funding. She echoed the comments of Mr. Juday and Mr. Lewis. She stated that there were six people in the Fairbanks Legislative Information Office (LIO) who were in

support of the program. Those individuals would not be testifying in the current meeting, but they had submitted letters of support (copies on file). She remarked that the educational component of BAKLAP was called "K-20", because the power of the university was used to work with K-12 schools. She stated that over the last 18 months, BAKLAP had worked with over 30 teachers in 12 Fairbanks North Star schools, and over 850 students. During the summer, BAKLAP offered K-12 teachers continuing education courses. She stated that the BAKLAP methodology included integrated curriculum, which included science, technology, engineering, and math (STEM) and art instruction. She stressed that the arts provided a gateway to integrated curriculum.

[12:16:51 PM](#)

PAUL GILL, STUDENT, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), testified in support of the engineering buildings at the University of Alaska Anchorage (UAA) and the University of Alaska Fairbanks (UAF). He stated that he was a graduate student in the Electrical Engineering Program at UAF. His research interest was power for the remote villages in Alaska. There was currently a shortage of power engineers, because the workforce was aging. Some of the lab equipment in the current UAF building dated back 1903, but technology was continually evolving, which required new lab equipment. He expressed gratitude for the actual lab equipment at UAF, rather than relying entirely on computer simulations. The number of buildings must increase, to fit the new lab equipment.

[12:18:09 PM](#)

MICHELLE SIMON, STUDENT, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), spoke in support of funding for the new engineering buildings at UAA and UAF. She stated that she was currently studying for her Masters in Electrical Engineering. She stressed that there were too many engineering students, but not enough room for them to learn.

[12:18:47 PM](#)

BRYAN CLEMENZ, CHAIR, UNIVERSITY OF ALASKA FAIRBANKS COLLEGE OF ENGINEERING AND MINING ADVISORY AND DEVELOPMENT COUNCIL, FAIRBANKS (via teleconference), testified in

support of funding for the completion of the engineering buildings at UAA and UAF. Economic diversity was an important component in Alaska, and he felt that the students who graduate from engineering programs in Alaska would remain in Alaska after graduation. He felt that the engineering students came from prominent families, so they would be innovative in diversifying Alaska. He felt that there was space in the market to hire and employ engineers, because there were many companies in the industry that were hiring engineers from outside of Alaska. He stressed that there were not enough educational facilities for the number of engineers.

[12:21:11 PM](#)

KAREN JENSEN, PRESIDENT, ALASKA LIBRARY ASSOCIATION, FAIRBANKS (via teleconference), testified in support of funding for the public library construction grants. She announced that the libraries that had received the grants were very appreciative, and would not have been able to complete their projects without those grants. She remarked that the communities were able to provide quality service. She stated that the libraries that were applying for the grants had carefully planned for the expansions; garnered local support and matching funds; and were ready to proceed with the construction projects. The applications were reviewed and ranked by the Department of Commerce, Community and Economic Development (DCCED) and were carefully vetted within the library community. She also spoke in support of funding the Statewide Library and Archives Museum (SLAM).

[12:23:22 PM](#)

ROGER BURGGRAF, SELF, FAIRBANKS (via teleconference) testified in support of funding for the new engineering buildings at UAA and UAF. He also spoke in support of the new power plant at UAF. He stated that he had a close relationship with UAA since 1959. He remarked that he had seen many changes over the years, and was privileged to work with the UAA students. He felt that the UAA graduates had a positive impact on Alaska and the nation. He remarked that ConocoPhillips had recently presented a need for another forty years of engineers from UA to work on the North Slope, therefore justifying the investment in the new engineering buildings.

[12:25:35 PM](#)

TABER REHBAUM, CEO, BIG BROTHERS BIG SISTERS OF ALASKA, FAIRBANKS (via teleconference), spoke in support of funding the Big Brothers Big Sisters request for the Mentoring for Educational Success Initiative. She understood that the state had limited resources, so the completion of projects was a priority. She hoped that the committee would consider the program as one that must be seen through completion. She stressed that the program was a powerful partnership between Big Brother Big Sisters, and five school districts across the state to target children who were at the highest academic risk. She remarked that the project was successful, but the request would expand the initiative to collect data to make the project sustainable.

[12:26:56 PM](#)

ALAN HOZA, SELF, FAIRBANKS (via teleconference), testified in support of funding for the Science, Technology, Engineering, and Math (STEM) program request number 62349. He stated that the STEM programs helped to encourage young people to strive for success in all endeavors. The STEM program directed students to become high contributors in society. He noted that the First Robotics Program within the STEM program had a positive impact on the participants. His son was a senior in mechanical engineering due his involvement with the First Robotics Program. He knew of a dozen other young men and women from Fairbanks who were currently studying engineering after participating in the First Robotics Program. He felt that the STEM programs were strategic in their focus toward skills such as critical thinking, communication, positive community interaction, team work, and problem solving. He remarked that the validity of the STEM programs were confirmed by the corporate sponsorship, which proved the programs provided the needs of employers.

[12:29:39 PM](#)

DAVE PELUNIS-MESSIER, WORLD ENERGY COORDINATOR, TANANA CHIEFS CONFERENCE, FAIRBANKS (via teleconference), spoke in support of funding for Village Energy Efficiency Program (VEEP), which was administered by the Alaska Energy Authority (AEA). He explained that VEEP was previously funded through the Alternative Energy and Energy Efficiency line item in the capital budget. In FY 13, VEEP received

\$4.8 million; in FY 14 it received \$2 million; and in FY 15 it was not included in the governor's budget. The VEEP program funded energy efficiency projects in Alaskan communities with populations of 8,000 or less. The average state contribution per community was \$100,000 to \$200,000, but the long-term benefits were far greater for the community and the state. Between 2010 and 2012, eight interior communities in his region received \$324,000 worth of funding to implement efficiency measures. The AEA reports on those eight projects showed a ten-year savings was over \$1.8 million.

[12:31:42 PM](#)

STAN LEAPHART, EXECUTIVE DIRECTOR, CITIZENS ADVISORY COMMITTEE ON FEDERAL AREAS, FAIRBANKS (via teleconference), testified in favor of funding for the Citizen Advisory Committee on Federal Areas. He stated that the commission had recently embarked on a federal over reach summit in Anchorage. He announced that the Alaska congressional delegation and governor participated in the federal over reach summit in Anchorage. He stated that the commission developed a series of recommendations that were included in the annual report that was submitted to the governor, which was the first step in the federal over reach effort. In order to implement those recommendations, the work must continue.

[12:33:42 PM](#)

BRENDA STANFILL, EXECUTIVE DIRECTOR, INTERIOR ALASKA CENTER FOR NON-VIOLENT LIVING, FAIRBANKS (via teleconference), testified in support of funding for domestic violence and sexual assault safe shelters. She specifically spoke to the \$2 million from the Alaska Housing Finance Corporation to assist domestic violence victims on where they can access quickly through the voucher program. She also spoke to the \$1 million for the Department of Public Safety (DPS) to repair and maintain domestic violence shelters. She stated that her agency locally provided emergency shelters and independent housing options for victims of domestic violence. Her agency also had two permanent supportive housing complexes and transition housing. She stressed that the ability to house these people was crucial to the survival of the victims and their families. She stated that the operating support was provided through DPS, but it was often only enough to operate, and not enough to adequately

maintain the buildings that were required in order to provide services. She stated that the Rasmussen Foundation had offered to match the \$1 million in the current budget, and she pointed out that the Rasmussen Foundation would match for another \$1 million. She pointed out that she had heard horrible stories from other shelter and agency directors from across the state, like mold, failing heating systems, sewer problems, and large enough floor holes that a person could fall through them.

[12:37:00 PM](#)

PEGGY BURNS, SALCHA FAIR ASSOCIATION, FAIRBANKS (via teleconference), testified in support of funding for a ball field and playground at the Salcha Fair which the City and Borough of Fairbanks had maintained for nearly 33 years. She remarked that the borough had to make some budget cuts, so the borough stopped maintaining the fairgrounds. She remarked that the grass on the fairgrounds was too thick for a lawn mower. She felt that the fairgrounds maintenance was important for the community.

Co-Chair Meyer noted that Representative Isaacson was present in the meeting.

[12:38:34 PM](#)

LUKE HOPKINS, MAYOR, FAIRBANKS NORTH STAR BOROUGH, FAIRBANKS (via teleconference), spoke in support of various economic development projects. He specifically spoke to \$11.2 million for phase 4 for the Barnett Magnet School. He encouraged support for the \$2 million for air quality mitigation. He urged support for the UAF power plant replacement funding. He also testified in support of funding the UAF engineering building completion. He stated that 40 percent of the economy in Fairbanks was based on the military, and he encouraged as much as \$250,000 to match the local contribution to military stabilization. He urged support of funding for BAKLAP, and educational opportunities through the STEM program. He urged the addition of \$400,000 for DCCED for economic development. He encouraged support of funding the statewide library construction grants.

[12:41:18 PM](#)

CHUCK KAUCIC, DISTRICT MANAGER, WASILLA SOIL AND WATER CONSERVATION DISTRICT, MAT-SU (via teleconference), spoke in support of the all-terrain vehicles (ATV) and off-road vehicle (ORV) Stream Crossing Project. That project's purpose was to assess, record, and rank salmon stream ATV crossing in the watersheds. He stated that the characteristics would evolve from physical, natural resources, and user characteristics. He felt that prioritizing 300 projects was vital to obtaining construction grants. He stated that there were various agencies that were involved in the project. He also urged support for the Alaska Association for Conservation District (AACD) funding. The AACD's mission was to support and operate the 12 consummation districts across Alaska. He stated that AACD was involved with many different agencies. He urged support of the \$3 billion cash infusion to the Public Employees Retirement System.

[12:44:10 PM](#)

KJ MARTIN-ALBRIGHT, DIRECTOR, WASILLA LIBRARY, WASILLA (via teleconference), testified in support \$12.2 million for matching construction funds for public library building projects for Wasilla, Coffman Cove, Nome, and Swan Bay. Since 2012, the legislative leadership approved over \$52 million in 50 percent matching construction funds for 14 public library projects across the state. She remarked that none of those projects returned to the legislature to ask for additional funding, and nine were completed. She announced that Wasilla had worked on a new library for almost 20 years. The library building project had participated in the Foracre Predevelopment Program which showed a documented need, and examined opportunities for collaboration.

[12:45:53 PM](#)

DOUG GRIFFIN, CITY MANAGER, CITY OF PALMER (via teleconference), testified in support of funding for various projects. He specifically voiced support for the capital projects that were submitted by the City of Palmer. He urged funding for the Veterans Pioneer Home, the Palmer Correctional Center, and the Palmer Courthouse. He encouraged funding for the Glenn Highway, the rail extension to Point Mackenzie, and the Knik Arm and Trust Authority (KABATA). He urged support of funding for roads and sidewalk improvements in Palmer.

12:48:29 PM

ROGER PURCELL, HOUSTON CHAMBER OF COMMERCE, HOUSTON (via teleconference), testified in support of fully funding the rail extension from Houston to Port Mackenzie. He felt that the rail extension would have a positive economic impact on the entire state. He urged support of \$75,000 to get the salmon back to the rivers in the Mat-Su. He stated that the funds would finish moisture incubation on the Little Susitna River. The first year would bring 500,000 Coho salmon into the river, and try for King salmon the following year. He urged support of funding requests that were submitted by the City of Houston. He remarked that there roads that needed to be replaced and bus routes that required upgrades. He felt that Houston had been historically neglected in the capital budget, but he felt that the requests were very small for the amount of people that use the bus routes. He also encouraged full funding for KABATA. He urged funding for the Senior Center in Talkeetna building. He felt that the project would not require additional funding from the state. He also urged funding for the Valley Performing Arts Theatre.

12:51:36 PM

ELIZABETH RIPLEY, EXECUTIVE DIRECTOR, MAT-SU HEALTH FOUNDATION, WASILLA (via teleconference), testified in support of four projects: 1) \$250,000 for the pre-development program; 2) \$500,000 for a Recover Alaska project to pilot a one-stop shop to access substance abuse services; 3) \$4 million for the Early Learning Projects; and 4) \$8.2 million for the Wasilla Public Library. She remarked that the library and early learning projects were administered by the Foracre Group, and ensured that capital projects were well-planned, right-sized, and sustainable. She announced that the Mat-Su Health Foundation had invested over \$500,000 in the Early Learning Project. If the \$4 million was not available, she encouraged a \$1 million appropriation for FY 15 to enable site prepping and utility completion.

12:53:25 PM

MOLLY WOOD, BOARD MEMBER, CHASE COMMUNITY COUNCIL, MAT-SU (via teleconference), spoke against all funding for the Susitna Dam. She announced that the entire community of

Chase was opposed to the dam. She felt that the project did not address Alaska's most urgent needs, and put local economies and salmon fisheries at risk. She urged the use of funds for other projects that would better meet the energy needs of Alaska like the Natural Gas Pipeline; funding for the return of a salmon fishery to the Susitna and upper Cook Inlet; and energy efficiency projects including those in rural villages.

[12:55:09 PM](#)

BETH FREAD, SELF, MAT-SU (via teleconference) testified in support of funding for KABATA and the rail extension to Port Mackenzie. She also voiced support of \$3 billion for PERS. She expressed concern regarding the airports in the Mat-Su Borough. She felt that the airports had been ignored, and defunded. She stressed that the deferred maintenance was costly and dangerous. She urged the scheduling of maintenance for the Mat-Su airports.

[12:56:49 PM](#)

SAM BRICE, PRESIDENT, BRICE INC., FAIRBANKS (via teleconference), spoke in support of additional funding for the Emmonak Port Project. He stated that his company worked on many road projects in Emmonak and was well aware of the acute need for the port improvement project. The project was shovel-ready with design and permitting work completed. He noted that Emmonak was one of the largest communities on the Lower Yukon River and served as a hub for marine and aviation transport.

[12:58:41 PM](#)

BARBARA JOHNSON, MAYOR'S OFFICE, FAIRBANKS (via teleconference), testified on behalf the Department of Commerce, Community and Economic Development's funding increment for economic development of \$400 thousand. She discussed projects benefitting the Fairbanks North Star Borough. She mentioned the statewide business strategy for unmanned aircraft systems initiated by the Department of Commerce, Community and Economic Development.

[1:00:42 PM](#)

LARRY DEVILBISS, MAT-SU BOROUGH MAYOR, PALMER (via teleconference), testified in support of transportation

items including the rail extension to Port Mackenzie and the KNIK Arm Bridge crossing. He pointed out road bonds passed last fall conditioned on the 50 percent state match. He added support for a road request for \$6 million and the completion of the road extension to Palmer.

[1:02:07 PM](#)

GALE VICK, BOARD MEMBER, KING CRAB PROJECT, FAIRBANKS (via teleconference), testified in support of funding for the king crab project to continue research on red and blue king crab for the purposes of developing healthy crab stock for establishment of dietary and habitat needs. She recalled a time of importance for the king crab industry in the state that crashed with stocks in the 1980s. She mentioned the Alaska King Crab Research Rehabilitation and Biology (AKCRRAB) program, which she served as a member of.

[1:04:16 PM](#)

JOE GRIFFITH, MATANUSKA ELECTRIC, PALMER (via teleconference), testified in favor of an Alaska Railbelt Cooperative Transmission and Energy Company's (ARCTEC) request of \$37.5 million for the Battle Creek Diversion. He noted that ARCTEC's accomplishments including reliability standards and open access. He spoke in favor of continuing the Battle Creek Diversion, which required an infusion of state funds. He advocated for transmission system repairs. He noted that the projects would provide economic development and were shovel-ready.

^PUBLIC TESTIMONY: ANCHORAGE

[1:06:15 PM](#)

JEWEL JONES, ANCHORAGE COMMUNITY LAND TRUST, ANCHORAGE (via teleconference), testified in favor of a request from the Anchorage Community Land Trust. She discussed the challenges faced by the community of Mountain View. She requested the additional grant to continue efforts with the removal of a blighted property and redevelopment and reinvestment in the community.

[1:08:11 PM](#)

LANCE WILBER, MUNICIPALITY OF ANCHORAGE, ANCHORAGE (via teleconference), spoke in favor of a matching program

championed by the Alaska Mobility Coalition benefiting Anchorage and other rural communities. He stated that the funds would be used to match those obtained from the federal program. The funds had been used to purchase busses and upgrade technology. He also spoke in support of funding for the Midtown transit center. He stated that Anchorage transit hub was located in downtown, but increasing development included a plan to relocate the hub.

[1:09:59 PM](#)

LOIS EPSTEIN, CIVIL ENGINEER, THE WILDERNESS SOCIETY, ANCHORAGE (via teleconference), discussed a report about studies that were currently incomplete including the study of the costs associated with SB 138. She stated that Alaska spent millions of dollars on roads, bridges and energy development studies without the financial resources to complete the projects. She noted that her submitted report detailed that state debt service would quadruple if all three megaprojects were pursued. She urged the legislature not to fund the proposed Ambler Road at \$8.5 million, the proposed Knik Arm Bridge at \$55 million and the proposed Juneau Access Road at \$35 million.

[1:14:10 PM](#)

SUZI PEARSON, EXECUTIVE DIRECTOR, ABUSED WOMEN'S AID IN CRISIS, ANCHORAGE (via teleconference), addressed the \$2 million request sponsored by Senator McGuire to expand the existing facility to meet demands. She explained that the shelter provided victims of domestic violence with support since 1977. The agency occupied the same building for approximately 35 years. She stated that the emergency shelter was the only one of its kind in a community of 290 thousand people. She stated that the 52 bed shelter operated at or over-capacity 50 percent of the time last year. She stated that services were limited due to lack of space to accommodate additional staff. She mentioned a separate request by the governor that was specific to repair and renovation.

[1:17:49 PM](#)

REBECCA PIERSCH, ABUSED WOMEN'S AID IN CRISIS, ANCHORAGE (via teleconference), testified in favor of the proposed funding of \$2 million for the Anchorage women's aid center that operated over-capacity. She stated that the shelter

was the only emergency facility offering specialized services for domestic violence victims and their families. She noted that women were often asked to sleep three to a bed with their children to accommodate the constant demand for safety of incoming families.

[1:20:32 PM](#)

STEVE SUMIDA, TANADGUSIX CORPORATION (TDX), ANCHORAGE (via teleconference), testified in support of a \$10 million renovation request for the Loussac Public Library. He spoke on behalf of the Tanadgusix Corporation and Loussac Public Library support to rural villages. He stated that the community of St. Paul was a beneficiary of the support. He mentioned bins provided for parents of young children allowing them to read to their children in many different formats. He mentioned the critical service of library start-up books.

[1:22:41 PM](#)

CHERYL LOVEGREEN, ANCHORAGE PUBLIC LIBRARY, ANCHORAGE (via teleconference), testified in favor of funding for a new Anchorage Public Library entrance. She stated that the new entrance would address the immediate building safety, energy efficiency and accessibility issues. The project would transform the building by extending it. She mentioned confusion with the bond and its inclusion of other projects. She stated that the library had community support.

[1:24:10 PM](#)

MAINON SCHWARTZ, ANCHORAGE PUBLIC LIBRARY, ANCHORAGE (via teleconference), testified in favor of funding request of \$10 million for a new entrance to the Loussac Public Library. She reflected on the use of the building and resources by members of the community. She noted that 72 thousand residents participated in programs at the library representing a double-digit increase from 2012.

[1:26:11 PM](#)

SHELLY MORGAN, SUSITNA ELEMENTARY SCHOOL, ANCHORAGE (via teleconference), testified in favor of funding requests for furniture and fixture replacement at her son's elementary school. She stated that tables in her son's classroom were

rickety and broken furniture would present an avoidably dangerous situation. She mentioned the need for adequate storage for personal materials and belongings.

[1:28:55 PM](#)

JACOB, OLSEN, SUSITNA ELEMENTARY SCHOOL, ANCHORAGE (via teleconference) advocated for the Susitna Elementary School and the replacement of storage and furniture needs for the school. He noted that the replacement of the furniture and storage areas would help to prepare students for their future. He added support for funding for the Science Technology Engineering and Mathematics (STEM) program.

[1:32:00 PM](#)

KIM BAUTISTA, PRINCIPAL, SUSITNA ELEMENTARY SCHOOL, ANCHORAGE (via teleconference), testified in favor of funding to replace antiquated furniture and fixtures in the school. She appreciated the support and visits from Vice-Chair Fairclough. She advocated for additional training for teachers in the STEM program.

[1:33:29 PM](#)

PETE STOKES, UNIVERSITY OF ALASKA, ANCHORAGE (via teleconference) testified as the chair of the University of Alaska Fairbanks College of Engineering and Mines Advisory and Development Council. He requested the funding required to complete construction of the engineering buildings at both UAA and UAF campuses. Total funding required was \$79 million.

[1:36:09 PM](#)

GLORIA MANNI, SELF, ANCHORAGE (via teleconference) testified in favor of funding for the Anchorage Public Library. She added support for funding for the ice arena in Anchorage.

[1:38:02 PM](#)

BRIAN SAYLOR, ANCHORAGE LUNG ASSOCIATION, ANCHORAGE (via teleconference) testified as a member of the Alaska Asthma Association. He advocated for the continuation of the asthma control program for one additional year. The federal funds were cut and the state funding was stretched over a

two-year period. The baseline plan would reduce Medicaid costs in Alaska.

[1:40:44 PM](#)

TRINA LANDLORD, EXECUTIVE DIRECTOR, ALASKA NATIVE ARTS FOUNDATION, ANCHORAGE (via teleconference), testified in favor of moving non-profit grants from the operating to the capital budget. The change would allow non-profits to reposition their role in economic development by assisting Alaska native artists in many sectors, including education, tourism, economic development and rural Alaska sustainability.

[1:42:07 PM](#)

DON ROGERS, PARTNERS RE-ENTRY CENTER, ANCHORAGE (via teleconference), discussed the re-entry center and the goal of reducing both recidivism and the budget for the Department of Corrections. He hoped to save the department \$3 million, with the experimental re-entry project. He believed that several years would provide a successful test period. He requested the reappropriation of \$600 thousand.

[1:43:34 PM](#)

CATHLEEN MCLAUGHLIN, PROGRAM DIRECTOR, PARTNERS RE-ENTRY CENTER, ANCHORAGE (via teleconference) testified about the re-entry program. She stated that the center served 580 individuals leaving incarceration in the seven months since opening. The center enabled one to two hires each day leading to collaborations with landlords that were willing to rent to and employ participants. She stated that community-based re-entry programs were effective in other states and Alaska's experiment was successful. She noted that most prisoners were released in Anchorage so the program served people statewide.

[1:45:12 PM](#)

ANNA BREUNINGER, FRIENDS OF THE LIBRARY, ANCHORAGE (via teleconference) testified for the requested \$10 million in funding for the Loussac Public Library.

[1:47:28 PM](#)

JANICE JONES, PARTNERS RE-ENTRY CENTER, ANCHORAGE (via teleconference), discussed the benefits of the re-entry program. She endorsed the \$600 thousand state contribution.

[1:48:34 PM](#)

CATHY GLEASON, TURNAGAIN COMMUNITY COUNCIL, ANCHORAGE (via teleconference), testified in favor of roads and drainage projects existing in the CAPSIS request for the Turnagain community. She noted that Turnagain Blvd was cursed with drainage issues that required attention.

[1:51:42 PM](#)

MIKE ABBOTT, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE (via teleconference), thanked the committee for many years of generous support for Anchorage School District capital projects. He spoke in favor of a consolidated grant between the municipality and the Anchorage School District for \$12 million for the Yosemite Road improvements and drainage reconstruction.

[1:53:34 PM](#)

MARTIN LANG, ANCHORAGE SCHOOL DISTRICT, PRINCIPLE, EAGLE RIVER (via teleconference), testified in favor of funding for the Anchorage Yosemite Drive drainage and road reconstruction project. He stated that the project affected his school directly. The design work for the project was funded and in process and the capital grant money would allow construction to move forward. The completion of the project would provide a roadway more appropriate to the volume of vehicle and pedestrian traffic experienced on Yosemite Drive each day.

[1:55:48 PM](#)

BRENDA BOGOWITH, SELF, EAGLE RIVER (via teleconference) testified in favor of \$200 thousand in funding for technology enhancements to improve outreach education and preventative efforts statewide.

[1:58:26 PM](#)

^PUBLIC TESTIMONY: GLENNALLEN, SEWARD, HOMER

[1:58:55 PM](#)

RON LONG, SELF, CITY OF SEWARD (via teleconference) testified in favor of funding for the Seward Marine Industrial Breakwater project. He noted that the city had achieved permitting and design with the money provided in the past. He mentioned cost-cutting measures employed by the city leading to a decreased request of \$5.9 million to move the regional and statewide project forward.

[2:00:24 PM](#)

DIANE CONVERSE, PRATT MUSEUM, HOMER (via teleconference), testified in favor of the funding for the Pratt Museum. The museum held historic works of art that required better storage and improved access. The new building would add classroom space, Americans with Disabilities Act (ADA) accessibility and energy efficiency. Design was complete and ready for the next step.

[2:01:47 PM](#)

RYJIL CHRISTIANSEN, PRATT MUSEUM, HOMER (via teleconference), testified in support of a new building for the Pratt Museum, which was in desperate need of replacement. She stated that state funding would ensure additional matching money from multiple sources.

[2:02:52 PM](#)

TERRY THOMPSON, SOUTH PENINSULA HAVEN HOUSE, HOMER (via teleconference), testified in favor of funding for \$1 million toward the facility needs for shelters statewide. He explained that Haven House empowered people impacted by domestic violence and sexual assault. The Rasmuson Foundation pledged to match state dollars up to \$2 million. He requested an additional \$1 million in capital funding to allow the advantage of the foundation's pledge.

[2:04:49 PM](#)

PHILIP ALDERFER, PRATT MUSEUM, HOMER (via teleconference), testified in favor of funding for the Pratt Museum. He stated the museum facility had reached the end of its useful life. He pointed out that state funding would release additional foundation funding from other donors to help move the project forward.

[2:06:43 PM](#)

HAL SHEPHERD, CENTER OF WATER ADVOCACY, HOMER (via teleconference), testified in opposition to funding for Susitna Dam Hydropower project. He opposed funding for the Road to Ambler, which would cut through a pristine watershed. He pointed out that much funding had been spent on roads in the Arctic that had not yet been built.

[2:09:05 PM](#)

^ PUBLIC TESTIMONY: JUNEAU

[2:09:37 PM](#)

JOMO STEWART, FAIRBANKS ECONOMIC DEVELOPMENT CORPORATION (FEDC), discussed investments made in the capital budget process. He endorsed the UAF combined heat and power plant along with funding for completion of the engineering buildings on Anchorage and Fairbanks campuses.

[2:12:03 PM](#)

HEATHER MCCARTY, CENTRAL BERING SEA FISHERMAN'S ASSOCIATION, JUNEAU, testified in favor of the \$500 thousand funding request for the Alutiiq Pride shellfish hatchery in Seward. She stated that she served as co-chair of the steering committee of AKCRRAB and the fisheries analyst for the city and borough of Kodiak.

[2:14:34 PM](#)

^PUBLIC TESTIMONY: STATEWIDE TELECONFERENCE OFFNET SITES

[2:14:59 PM](#)

PATRICIA PHILLIPS, MAYOR OF PELICAN, PELICAN (via teleconference), requested funding for two projects requested by the city of Pelican. The first project required \$300 thousand for the city's ice machine upgrades and the second request of \$300 thousand to renovate the Pelican Health Clinic.

[2:16:33 PM](#)

DR. ALEX HILLS, CARNEGIE MELLON UNIVERSITY, PALMER (via teleconference), testified in favor of funding for UAA and

UAF. He spoke in favor of funding for the completion of the engineering buildings in Anchorage and Fairbanks. He stated that other states placed a high value on engineering education as a key to economic development.

[2:18:05 PM](#)

JEFF STEPHAN, UNITED FISHERMEN'S MARKETING ASSOCIATION, KODIAK (via teleconference), testified in favor of the \$500 thousand request for the Chugiak Regional Resource Commission. The purpose of the grant was to continue with the red and blue king crab enhancement. The king crab levels were at low levels and showed very little evidence of recovery.

[2:20:48 PM](#)

KAREN PETERSEN, FRIENDS OF THORNE BAY LIBRARY, THORNE BAY (via teleconference), testified in favor of funding for public library projects. She stated support for the \$12.2 million request in the capital budget for construction funds for public library projects in the communities of Wasilla, Coffman Cove, Nome and Thorne Bay.

[2:23:10 PM](#)

KATYA KIRSCH, SELF, HAINES (via teleconference) testified in support of funding for education libraries and road maintenance. She advocated against spending for the Juneau Access Road project. She believed that the road would be unsafe with greater than 35 avalanche zones.

[2:24:59 PM](#)

NORMAN ECK, NW ARCTIC BOROUGH SCHOOL DISTRICT, KOTZEBUE (via teleconference), testified in favor of a Northwest magnet school in Kotzebue that would serve students in grades 11-14. The request was for an additional \$8 million to complete the construction of the residential dormitory. The request would allow for completion of the project.

[2:27:33 PM](#)

BECKY LONG, SELF, BALD MOUNTAIN (via teleconference), testified in opposition to Susitna-Watana hydroelectric project funding. She stated that \$30.9 million was previously allocated for the necessary work. The licensing

study efforts were on hold due to inability to fulfill the study schedule.

[2:28:55 PM](#)

DAVE HERBERT, SUPERINTENDENT, ST. MARY'S SCHOOL, ST. MARY'S (via teleconference), requested funding for the Department of Education and Early Development's number one construction project. He discussed the grant application process fulfilled by his district allowing St. Mary's the number one ranked project for new school construction.

[2:31:59 PM](#)

CRAIG COTTREL, CITY ADMINISTRATOR, HOONAH (via teleconference), testified in support of the completion of projects in Hoonah including a water line project and an [indecipherable] park project in phase three.

[2:33:40 PM](#)

WILL PRITTIE, SELF, SUNSHINE (via teleconference), testified in opposition to funding for the Susitna-Watana hydroelectric project. He strongly supported investment in future technologies as opposed to past problems. He wished to avoid mistakes seen in the Lower 48 related to dam projects.

[2:34:39 PM](#)

DOUG SMITH, SELF, TALKEETNA (via teleconference) testified in opposition to the Susitna-Watana hydroelectric project. He believed that the project was mismanaged and the river supported thousands of jobs. He stated that 80 percent of Alaska's energy use was for heating. He advocated for saving the proposed funding for another purpose.

[2:35:32 PM](#)

CONRAD DOUGLAS, AMBLER, CITY OF AMBLER (via teleconference), testified in support of \$1 million funding for the water main in Ambler. The water main in Ambler was eroded and exposed requiring repairs. If the water main washed out, the community would suffer without water. The project would protect the water main that would certainly be destroyed by the river in the next few years.

[2:37:40 PM](#)

PEG FOSTER, SELF, TALKEETNA (via teleconference) testified in opposition to funding the Susitna-Watana hydroelectric project.

[2:38:12 PM](#)

BRIAN OKONEK, SELF, TALKEETNA (via teleconference) testified in opposition to the Susitna-Watana hydroelectric project. He quoted an international study representing a sample of 245 dams worldwide. He stated that 2 out of every 10 large dams cost double the estimated cost, while 1 out of every 10 cost triple the estimated cost.

[2:40:35 PM](#)

ROBERT GERLACK, SELF, TALKEETNA (via teleconference) testified in opposition to funding for the Susitna-Watana hydroelectric project. He expressed support for an instate gasline.

[2:41:11 PM](#)

SHERYL SALASKY, SELF, TALKEETNA (via teleconference) testified in opposition to funding for the proposed Susitna-Watana hydroelectric project. She encouraged spending on future energy sources.

[2:42:57 PM](#)

JOHN STRASENBURGH, SELF, TALKEETNA (via teleconference) testified in opposition to the funding for the proposed Susitna-Watana hydroelectric project. He pointed out the lack of reasonable and reliable cost estimates.

[2:44:35 PM](#)

DAN BLAIR, MAYOR, WHITTIER (via teleconference), testified in favor of two projects for Whittier including \$2 million for the Shotgun Cove Road project and a \$2 million match for the Whittier Harbor matching grant program. The city was committed to the community's responsible growth. He stated that Whittier was the primary gateway to Prince William Sound and accommodated approximately 200 thousand visitors each summer.

[2:46:51 PM](#)

ELLEN WOLF, SELF, TALKEETNA (via teleconference), urged the committee to avoid allocation of funds for the proposed Susitna-Watana hydroelectric project. She stated that over 6000 Alaskans opposed the dam and provided concerns and frustrations regarding the projects that were left unfunded.

[2:48:03 PM](#)

MELIS CODDY, TALKEENTNA COMMUNITY COUNCIL, TALKEETNA (via teleconference), testified in opposition to funding for the Susitna-Watana hydroelectric project. She believed that the proposed \$5 billion was a poor investment in Alaska's energy future. She pointed out that the final cost could include an additional several billion dollars.

[2:48:54 PM](#)

KEN RAY, SELF, WASILLA (via teleconference) testified about transportation issues in the valley. He suggested parameters of performance on funding allocated for the Wasilla bypass. He opined that state projects sometimes languished. He suggested that the Department of Transportation and Public Facilities mismanaged projects and property assets might be used in a land bank to help seed the transportation fund.

[2:51:39 PM](#)

^PUBLIC TESTIMONY: SKAGWAY

[2:51:58 PM](#)

JAN WRENTMORE, SKAGWAY MARINE ACCESS, SKAGWAY (via teleconference) testified against funding the Juneau Access Road. She believed that the state spending was premature without good data regarding final costs. She mentioned the increased fiscal note from \$260 million to \$507 million. She understood that \$180 million had been appropriated to the project. She expressed confusion about the additional \$35 million in proposed funding. She added that the Juneau Access Road project was not construction ready.

[2:54:08 PM](#)

CORY THOLE, SELF, SKAGWAY (via teleconference) testified in opposition to the \$35 million contribution to the Juneau Access Road. He stated that the cost of the road including maintenance was excessive. He stated that if the road was extended, the community would be responsible for the cost of the emergency response in the event of landslide or avalanche. He suggested contributing the proposed funding to education.

[2:56:15 PM](#)

ELIZABETH LAVOIE, SELF, SKAGWAY (via teleconference) testified against the Juneau Access Road. She mentioned many reasons for her opposition including safety, maintenance, and the benefit of a select few in light of great community opposition.

[2:57:01 PM](#)

KEN RUSSO, SELF, SKAGWAY (via teleconference) testified in opposition to the \$35 million request for the Juneau Access Road. He stressed that the project did not meet the public needs or make environmental or economic sense. He mentioned other state projects in need of funding.

[2:58:25 PM](#)

DEBORAH POTTER, SELF, SKAGWAY (via teleconference) testified in opposition to the Juneau Access Road funding of \$35 million.

[2:59:26 PM](#)

TAMAR HARRISON, SELF, SKAGWAY (via teleconference) testified in opposition to the Juneau Access Road funding of \$35 million.

[2:59:43 PM](#)

SAM PALMERSON, SELF, SKAGWAY (via teleconference) testified in opposition to the Juneau Access Road funding of \$35 million.

[3:00:07 PM](#)

JAMES NOLAN, SELF, SKAGWAY (via teleconference) testified in opposition to the Juneau Access Road funding of \$35 million.

[3:01:52 PM](#)

JENNIFER THUSS SELF, SKAGWAY (via teleconference), testified in opposition to the Juneau Access Road funding of \$35 million.

[3:02:30 PM](#)

DR. BRUCE WEBER, SELF, SKAGWAY (via teleconference) testified in opposition to the Juneau Access Road funding of \$35 million. He wished for more information about potential maintenance and construction costs.

Co-Chair Meyer appreciated the committee members and testifiers alike.

[3:04:44 PM](#)

Co-Chair Meyer stated that the comments would be compiled into a CS ready by Monday morning or afternoon.

[3:05:45 PM](#)

ADJOURNMENT

[3:05:53 PM](#)

The meeting was adjourned at 3:05 p.m.