



Alaska State Legislature Legislative Council Minutes

JULY 9, 2014
9:08 AM

MEMBERS PRESENT

Representative Mike Hawker, Chair
Representative Max Gruenberg
Representative Craig Johnson
Representative Lance Pruitt
Senator John Coghill
Senator Dennis Egan
Senator Kevin Meyer
Senator Gary Stevens

MEMBERS ON TELECONFERENCE

Senator Peter Micciche, Vice Chair
Representative Mike Chenault
Representative Bill Stoltze
Representative Peggy Wilson
Senator Mike Dunleavy

MEMBERS ABSENT

Senator Charlie Huggins

AGENDA

EXECUTIVE SESSION
APPROVAL OF MINUTES
OTHER COMMITTEE BUSINESS

SPEAKER REGISTER

Tina Strong, Procurement Officer, Legislative Affairs Agency
Curtis Clothier, Manager, Information Services, Legislative
Affairs Agency
Juli Lucky, Staff to Representative Mike Hawker and Committee
Aide to Legislative Council
Doug Gardner, Legal Services Director, Legislative Affairs Agency
Pam Varni, Executive Director, Legislative Affairs Agency

9:08:56 AM

I. CHAIR MIKE HAWKER called the Legislative Council meeting to order at 9:08 a.m. in room 105 of the Anchorage Legislative Office Building located at 733 W 4th Avenue. Present at the call were Representatives Hawker, Gruenberg, and Johnson, as well as Senators Meyer and Stevens; available via teleconference were Representatives Chenault, Stoltze and P. Wilson, and Senators Coghill and Dunleavy. Senator Egan joined the meeting via teleconference during discussion of *Item IV. Other Committee Business, a. Microsoft Enterprise Agreement Renewal*. Senator Huggins was absent.

Chair Hawker noted an addendum to the published agenda of a ratification of a charitable event, the 25th Anniversary Gala benefitting the Anchorage Youth Court, which would be added to the end of the agenda as *Item f*.

II. EXECUTIVE SESSION

a. RFP 606: the Purchase of Audiovisual Equipment and Installation Services

CHAIR HAWKER said that since this is an RFP, the first evaluation needed to be done in executive session and asked for a motion.

9:11:16 AM

SENATOR MEYER moved that Legislative Council go into executive session under Uniform Rule 22 (b) for the discussion of a matter that is, by law, required to be confidential.

CHAIR HAWKER said that the following staff would stay for executive session: Curtis Clothier, Information Services Manager; Tim Powers, Media Services (via teleconference); Debbie Higgins, staff to Rep. Johnson; Pam Varni, LAA Executive Director; Tina Strong, Procurement Officer (via teleconference); Andy Weiss, KPB Architects; Juli Lucky, staff to Legislative Council; Katrina Matheny, staff to Sen. Stevens; Deborah Grundmann, staff to Sen. Huggins (via teleconference); and Rynnieva Moss, staff to Sen. Coghill (via teleconference).

9:12:33 AM

The Council went into executive session.

9:48:32 AM

The Council came out of executive session.

The following members were present after executive session: Representatives Gruenberg, Hawker, Johnson, and Pruitt, and Senators Stevens and Meyer; on teleconference were Senators

Micciche, Coghill and Dunleavy, and Representatives Chenault, Stoltze, and P. Wilson.

CHAIR HAWKER said that in executive session, Council evaluated responses to RFP 606; the scoring, the qualifications of the vendors, and the recommendations made by the evaluation committee to Council, which was to take the vendor with the highest score on the response. The score is based on a weighting of price, understanding of the project and, of course, qualifications, ability to perform, history, etc. At this point, of the two offers, the recommendation is that the Council take the offer from The Chariot Group, Inc., for an amount not to exceed \$343,246. That would provide all of the audio/visual equipment, installation, training and follow-up services for what's needed to bring new technology required into the LIO project, recognizing that the Legislature is utilizing a tremendous amount of existing equipment and technology that will be relocated into the newly renovated building.

9:50:55 AM

SENATOR MEYER moved that Legislative Council approve the award of RFP 606: the Purchase of Audiovisual Equipment and Installation Services to The Chariot Group, Inc. and the expenditure of an amount not to exceed \$343,246.

CHAIR HAWKER objected for discussion. He noted that the amount was a "not to exceed" amount and that the number would be refined. As orders are put together, members of Council will have the opportunity to work with Information Services before an order was placed. Those members who are interested in doing so should work through the Chair's office to schedule that. The Chair will ensure members are informed about what orders are being placed and incorporate any concerns of Council members, if any.

SENATOR STEVENS commented that his constituents expect to be included in government, to know what is going on, as well as transparency in government, and this technology will take us into this new century and allow the public to be as involved as they care to be. He said it's a good process and a good bid, and he supported it.

REPRESENTATIVE STOLTZE said given that we don't have physical proximity to the Capital, he does support technology. The only problem he has, which is ongoing, is that there should be a stronger look at the lower bidders. He said he understands some of the things that were discussed in executive session and concurs with some but overall has stronger deference to the lower bidders.

REPRESENTATIVE WILSON said in her personal experience, sometimes being required to take the low bid has resulted in a lawsuit with the vendor that got that bid to do something else. She said she appreciates the way this has been done and that we are looking at several different criteria before the decision is made so that it's not just on the low bid. She said she thinks that is to the benefit of the state.

CHAIR HAWKER said that, again, this has been a process conducted completely in accordance with state and legislative procurement law, statute, policy and procedure. He asked Ms. Strong, as the state procurement officer, to affirm that the procurement process and the scoring was done in a technically correct and appropriate manner.

TINA STRONG, Procurement Officer for the Legislative Affairs Agency, affirmed that the RFP was conducted per all of the procurement procedures and statutes; the evaluation committee followed all of the evaluation criteria and it was done in a correct manner. Responding to a follow-up question by Chair Hawker, Ms. Strong assured Council that The Chariot Group, Inc., was the highest scorer as a result of that process.

SENATOR DUNLEAVY said he concurred with what folks were saying and that he didn't have an issue with process or with the need for technology. He said he heard a concern over the spread between the high and low bidder with regard to cost.

CHAIR HAWKER, in response to a request to call the question, repeated the motion before members.

A roll call vote was taken.

YEAS: Chenault, Gruenberg, Johnson, Pruitt, Wilson, Coghill, Meyer, Stevens, Micciche, Hawker

NAYS: Stoltze, Dunleavy

The motion passed 10-2.

III. APPROVAL OF MINUTES

a. June 2, 2014

9:57:25 AM

SENATOR MEYER moved that the minutes from the Legislative Council meeting on June 2, 2014 be approved as presented.

The motion passed with no objections. There was no roll call vote.

IV. OTHER COMMITTEE BUSINESS

a. 2015 Microsoft Enterprise Agreement Renewal

CURTIS CLOTHIER, Information Services Manager for the Legislative Affairs Agency, said this is an annual renewal of an 'Enterprise Agreement' between En Pointe Technologies and all three branches of government of the State of Alaska for Microsoft products for all of the software we use on our desktop machines as well as many of the servers. The software includes Windows 7 or 8, Office 2010 or 2013, the server software for running the email system, web servers, and databases (BASIS); this is the software that helps us operate. This year's Agreement is the same amount as last year's (\$111,118.64) and is the Legislative Branch's portion of the Agreement; the Executive Branch and the Judicial Branch also contribute. This will last for one year at which point the State of Alaska will enter into a new agreement with Microsoft.

REPRESENTATIVE GRUENBERG asked if, during the renewal, one must to go through the procurement process.

MR. CLOTHIER responded that the Executive Branch is the lead negotiator that works for the State of Alaska. We currently have an agreement with En Pointe Technologies who is the vendor for Microsoft. In response to a follow-up question by Rep. Gruenberg, Mr. Clothier said this renewal is the third year of a three year agreement and, at that point, it will go through the procurement process which may result in a new vendor for Microsoft products.

10:01:06 AM

SENATOR MEYER moved that Legislative Council approve the expenditure of \$111,118.64 to En Pointe Technologies for the Legislature's portion of the annual Microsoft Enterprise Agreement.

A roll call vote was taken.

YEAS: Chenault, Gruenberg, Johnson, Pruitt, Stoltze, Wilson, Coghill, Dunleavy, Meyer, Stevens, Micciche, Hawker

NAYS: None

Senator Egan interrupted to say he was on teleconference and voted yes as well.

The motion passed 13-0.

MR. CLOTHIER added that Information Services plans to upgrade Microsoft Office from 2010 to 2013 on all legislative desktop computers, which is no cost through this Agreement.

b. Information Services 2014 Hardware Refresh Recommendations

MR. CLOTHIER said that every year Legislative Council approves a hardware refresh for the computers, printers and other technology equipment in the Legislature. The IT Subcommittee, comprised of approximately 12 members, representing many from leadership offices and those interested in technology in general, completes a general survey and review of aging equipment; additionally, this year a survey of all legislative offices inquired about technology needs, all of which is the basis for this year's request.

He said this year Council is being asked to approve 110 computers, 40 laptops and some additional monitors. As many are aware, the general life cycle of a computer is four to five years. We have managed to keep models as old as 2005 and 2007 in operation and they need to be replaced this year. This is more desktops than usual, which is seen as a course correction. Next year, we expect that less computers overall will need replacement. Fairly old laptops, some as old as 2006, are being replaced as well. With this purchase, we will upgrade computers throughout the state which will mean faster, easier-to-maintain computers.

SENATOR MEYER asked about the impact of moving the computers every year between Anchorage and Juneau for session and interim offices.

MR. CLOTHIER responded that there are a lot of components. Looking at hardware repair records over the last year, during the move, a few computers may be damaged during transit, but it isn't any more than would break just sitting in an office. Generally, the older ones have more problems anyway and the move may push them over the edge. Hardware failures due to the move really aren't an issue. Another point is that whenever a new computer is purchased, software is necessarily purchased to be installed on that computer. For instance, the Enterprise Agreement that was just approved is for 550 computers throughout the state. If we upped that number to 750 or 800, that cost would rise as well for additional licenses and copies of Microsoft. He said we use something called LANDESK to remote into computers, web filters, back-up software and all these systems are based on 550 computers. If we increase the number of computers, all those costs rise as well. That's not necessarily good or bad, but it is something to consider. With more equipment, there are more

repairs needed and the hardware refresh would get a little higher as well. He said these are all valid notes; where we can, we are happy to, for instance, add an additional computer in an interim office if approved by leadership.

Mr. Clothier said with regard to the move of computer equipment to Juneau for session, including the travel, shipping, and containers, etc., the cost is approximately \$37,000; double that amount for the year to include the move out of Juneau after session, that amount will buy approximately 75 computers. There will still be moving expenses for file boxes and other legislative gear. The total cost includes printers and scanners as well.

SENATOR MEYER followed up to say it's clear that these costs have been considered.

REPRESENTATIVE WILSON asked if the personnel costs were figured into the move cost.

MR. CLOTHIER said that the staff that is doing the packing is on payroll anyway; any loss of productivity is not factored in; any extra staff hired for the move is included in the total cost. Where costs can be reduced is through the use of laptops and tablets so that folks can stay in contact while the move is occurring. However leadership and the offices prefer to proceed, for instance forcing offices to use laptops as opposed to desktops, may reduce the productivity loss.

REPRESENTATIVE PRUITT said he thinks the Legislature needs to get away from using desktops altogether and move toward laptops. This is part of the costs; it's easier to move the laptops back and forth.

MR. CLOTHIER added that surveys have been done every year for the last six or seven years and it's been a slow move toward laptops but it is happening. This year, approximately 30% of respondents said they wanted a laptop; previous years, that response has been in the low 20% area.

REPRESENTATIVE PRUITT said that there is the opportunity to give new staff the "choice" of a laptop or a laptop. There will be no transition away from desktops if we don't encourage the transition. Representative Johnson agreed.

REPRESENTATIVE GRUENBERG noted there were no requests for updated printers and asked if it was incumbent upon the individual offices to make a request.

MR. CLOTHIER responded that the IT Subcommittee, in working with the hardware staff, believes the current fleet of printers are sufficient and fairly new. There have been no significant requests for new printers. In response to a follow-up question from Rep. Gruenberg, he said that requests from individual offices are always welcome and, along with approval from the leadership offices, I.S. will try and take care of the request.

10:15:24 AM

SENATOR MEYER moved that Legislative Council approve the expenditure of not to exceed \$177,000 for computer, laptop, and monitor upgrades for the Legislative Affairs Agency from capital funds.

YEAS: Chenault, Gruenberg, Johnson, Pruitt, Stoltze, Wilson, Coghill, Dunleavy, Egan, Meyer, Stevens, Micciche, Hawker

NAYS: None

The motion passed 13-0.

c. Three Year Technology Plan

MR. CLOTHIER said the Alaska Legislature Three Year Technology Plan is a document that the IT Subcommittee has worked on over the years and this is the latest version. This plan was a complete re-write from the plan of three years ago; technology has changed so much it is easier to create a new document than to revise the old one. The document itself contains different sections dealing with technology as it relates to the Legislature. One section of particular importance regards projections in the annual hardware refresh. This section assumes replacement of approximately 20% of computers every four to five years. By having this document available, one can see where the Legislature is at with hardware refreshes, software and cloud services, social media, security, and how the Information Services section of LAA is configured for help desks and programming. It covers a lot of issues that are faced daily as well as for the next three to four years. It is a non-binding document that is meant to be a guideline for what we anticipate occurring over the short to medium term for technology in the Legislature and a starting place for conversations. He said the IT Subcommittee presented this to Legislative Council and welcomed comments. It is a living document.

CHAIR HAWKER noted that a draft copy of the Three Year Technology Plan was distributed to every member some time ago.

REPRESENTATIVE WILSON said that for the Legislators that use Apple computers, it's always been a trial to use them, to connect to the internet and to the network itself. She asked if there was any work being done on that to make sure those Legislators have the same access as everybody else.

MR. CLOTHIER responded that I.S. has been working to integrate Apple products into the Microsoft environment as much as possible. With regard to Legislators' personal computers, I.S. does everything they can to allow their devices to sync with the network services and computer systems as much as possible. The technology field today has several huge issues; mobility and the popularity of Apple products has changed the marketplace. There are businesses who make a living trying to integrate these different platforms. There are areas of improvement; for instance, the Enterprise Agreement allows for the downloading of inexpensive copies of Microsoft Office for staff and versions of the software can be either Microsoft or Apple; Microsoft has just released a version of Office for iPads. He said there are still some hurdles and the intention is to make these different platforms work and work well for everybody.

SENATOR MEYER said Council should look at the Social Media Policy again at some point in time.

CHAIR HAWKER reminded members that he said at the time that the policy was voted on by the current Legislative Council that it would stand as long as he was Chair and could be taken up again by the next Chair of Legislative Council.

SENATOR STEVENS asked if the older (longer) domain name of @legis.state.ak.us would still work or was there an end date.

MR. CLOTHIER said I.S. appreciates the difficulties in making the former address go away. The staff who manage the email system can run reports to see what addresses are being used; they use that information to alert Legislators and staff that they are receiving a high volume of messages to the old email address and then try to assist them in moving over to the newer domain name of @akleg.gov. There is no plan to cut off the old address any time soon; not until they can get the old address down to a bare minimum of email. Legislators and staff can help by working to update email addresses wherever and whenever possible. The old one is safe and I.S. appreciates the efforts to update to the new one.

REPRESENTATIVE JOHNSON said it is important to maintain the old domain so someone can't use the old email addresses to pose as a Legislator. It is important to maintain them even if we don't use

them. Mr. Clothier confirmed that the Legislature owns the domain name "legis.state.ak.us"; the phrase "retire" means it would not be published or advertised but it will not be released for anyone else to use.

10:25:28 AM

SENATOR MEYER moved that Legislative Council adopt the Alaska State Legislature's Three Year Technology Plan as presented.

YEAS: Chenault, Gruenberg, Johnson, Pruitt, Stoltze, Wilson, Coghill, Dunleavy, Egan, Meyer, Stevens, Micciche, Hawker

NAYS: None

The motion passed 13-0.

d. Anchorage LIO Furniture Subcommittee Report

CHAIR HAWKER provided a recap of this old business item. He said KPB Architects assisted the Legislature in developing a detailed RFP for furnishings required in the remodeled LIO. That RFP had been issued and managed through the same state processes as RFP 606 discussed earlier in this meeting. It was discussed in detail at the last Legislative Council meeting in executive session. Nothing has changed with that RFP. The Council, at that time, declined to accept the RFP including the top line amount which had been identified by the architects as a not-to-exceed amount. He said that subsequent to that, his staff had been working on an ad-hoc basis with some other selected staff, to go through in detail, now that the detail is available, and refine what the cost estimate would be under that RFP. In order to make sure everyone had a chance to weigh in on the process, making sure everyone was comfortable with where Council was going, Representative Stoltze was appointed chair of a subcommittee to review and make a proposal regarding the furnishings.

REPRESENTATIVE STOLTZE said he was appointed by the Chair subsequent to the failure of the Council to award the RFP. He said he took on the duty with diligence along with his staff Daniel George who did a very exhaustive process of examining existing inventories; many offices had recently purchased new furniture. There was an overlying concern that there be public accommodations of good quality and adequate number for seating and access to the public. There were informal discussions with vendors to determine prices using the inventory list and information from the previous RFP. He said that much of the information from the previous RFP was not able to be considered because it was discussed in executive session and that they were diligent about not talking about that in the very brief

recommendation, which was approved unanimously to proceed using existing furniture and to allocate up to \$100,000 for the public accommodations. That was their good faith, diligent effort to try to reflect some concerns, including his own, that where the public interfaces for discussion of legislation, public hearings, that there be adequate furniture and that should be the highest goal and that was their recommendation in good faith. This was approved unanimously by himself, as well as Senate President Huggins and Speaker Chenault. This was their good faith effort to contain costs and it reflects the values of those three members and some of his ongoing concerns. He said he appreciated the ability to be involved in this process.

CHAIR HAWKER noted that going through the bullet points itemized in the subcommittee's recommendations, the subcommittee's recommendation truly endorsed the process that had previously been underway. For instance, Item 1 about utilizing furniture with the significant functional use remaining was absolutely in accordance with the process that has been undertaken from the beginning; furnishing legislative offices with existing furniture available through the Legislative Affairs Agency and practical Juneau inventory transported back to Anchorage was also taken into consideration by LAA and the staff who had been working through the proposal. "Surplus furniture from other state agencies should be utilized as well" hadn't been looked at as much but is certainly being considered in the revised proposal here. Simply prioritizing the furnishings necessary for public participation which would primarily be for the public spaces - the conference rooms, the legislative meetings rooms, the hearing rooms, the session rooms that would accommodate special sessions and such things as the Legislature operates have absolutely been a priority.

He said the last point, which is a practical point, is that Item 6 states that if additional furniture is needed, the recommendation is that it comes back through Legislative Council. Furnishings are historically a responsibility of Presiding Officers, so it would be the choice of the Presiding Officers in the next legislative session to accept the recommendation of Item 6. Traditionally, all furnishings have been purchased through the sole direction of the Presiding Officers in the House and the Senate.

Chair Hawker said that using approximate numbers, if Council accepts the RFP, it will require approximately \$240,000 to furnish the first floor public meeting rooms, which are the major hearing rooms in their various configurations so they can be used for legislative meetings, they can be used for all the interim meetings like what is occurring now, and that they can be used to

accommodate a special legislative session with a chamber for the House and the Senate as well as a chamber that would accommodate 60 Legislators as needed. The work that was done by staff to winnow down the amount required maximized the use of all existing furnishings to what they believe is the maximum extent possible.

Chair Hawker said the proposal he would like considered is based on the ad-hoc work done by his staff along with other leadership staff around the building, working with a philosophy as follows: the intent is to furnish all of the LIO operations office staff, which is consistent with previous conversations on the record, and all other common areas of the facility with as much surplus furnishings as possible. The conference rooms, meeting and public hearing rooms do require new furnishings and that's a necessity here. As far as Legislator offices, he said all of the non-Anchorage resident Legislator offices could be filled out of surplus inventory. He said that Ms. Lucky of his staff had been doing the detailed analysis and she would keep him on track. He continued to say that all of the individual offices of the Legislators from Anchorage would be furnished out of surplus property from around the state. There would be no new furnishings at this juncture placed into individual Legislator offices. The one proposal that is a judgment call is to furnish the staff-only portion of Anchorage-based Legislators only, occupied by people who have full-time positions with the Legislature, with a consistent suite of simple furnishings, basically desks, work stations and storage as necessary. He asked Ms. Lucky to confirm that this would be 27 offices total.

MS. LUCKY testified that, unfortunately, since the RFP wasn't awarded, the ad-hoc group of staff couldn't go over the actual details of the responses. What did occur was to go through the public information of the RFP, which set up all of what are called the kit-of-parts and the floor plans. The recommendation of the ad-hoc group was to do only the Anchorage-based legislative offices, which, as of the next redistricting would be 21 offices; the staff for the four leadership offices that are primarily in Anchorage and also the non-partisan staff that is in Anchorage year round, excepting the LIO which has a full suite of existing furniture. That would be the Information Services staff and the Ethics Office, which would be utilizing some existing furniture. She said they took what was specified in the RFP, reduced that amount by items that are in inventory for these offices and also reduced the number of offices that would be furnished to the 21 Anchorage-based legislative offices, the staff portions of the four leadership offices and the non-partisan year-round staff that did not have existing furniture.

CHAIR HAKWER said the budget proposal for those 21 offices of legislative staff works out to \$8,000 per office. He contrasted that to when the Eagle River LIO was refurnished and those offices ran over \$20,000 per office. He said this proposal was quite a value. Noting that what is required that is new, in addition to existing inventory, there is \$240,000 for public spaces; \$35,000 for non-partisan staff offices (I.S. and Ethics); \$175,000 for the staff-only offices of Anchorage-based Legislators only (\$8,000/office); and then the staff-only portion of leadership offices is \$46,000 because there are additional desks required for additional staffing in those offices (\$12,000/office); the total is \$496,000. Following the subcommittee's recommendations literally 100% down the line, he said the number to really accommodate this is \$500,000 not \$100,000. He then asked if there was further discussion.

REPRESENTATIVE STOLTZE said the subcommittee did their best effort and if things have transpired since the last meeting and you've got the votes, there is no need to pound it in. He said he will live with whatever recommendation and just vote accordingly.

CHAIR HAWKER said he wanted to emphasize that it is an issue of what does it take to do what is needed to fill these spaces. It's hard to buy half a conference room and say we've accommodated the public when what comes out of the RFP is that it will take \$240,000 to accommodate that. Again, it was a properly ranked, properly evaluated RFP process.

SENATOR STEVENS apologized for missing the last meeting. He said we have to be realistic here. When he was Senate President, he approved the office equipment for the Eagle River LIO and it was \$100,000 and that was just for Eagle River which has, he believes, five Legislators. He said he doesn't have any office space in Anchorage, so this isn't about him personally. He said he thinks it is about the legislative process and \$100,000 is just unrealistic. He supports a request for \$500,000.

SENATOR EGAN said he agreed with the purchase and the Chair's figures; however, he said he was very upset that there is talk about holding special sessions in the Anchorage LIO. That was never the intention of Legislative Council to hold special sessions at the Anchorage LIO. Special sessions should be held in the Capitol.

REPRESENTATIVE GRUENBERG, speaking to the point raised by Senator Egan and what was mentioned by the Chair, said he hoped the Chair was talking about very brief special sessions, the one-day kind, of which there have been at least two. He said he didn't think

anybody on this committee is intending to have regular sessions in Anchorage.

CHAIR HAWKER said he didn't want to digress to a Capitol Move discussion, this is not a disguised Capitol Move, which he said he was stating for certain for himself. He said that the committee should keep in mind that Legislative Council also approved the beginning of a \$35 million renovation and seismic retrofit of the Juneau Capitol Building. He said that would be a three year project and anyone that has been down in Juneau this year knows that the contractors are literally taking the entire exterior brick cladding off the building and replacing the exterior walls, all the windows and a lot of all the exterior structural as well as the architectural elements. He told members that it would be nigh onto impossible to hold any legislative session activities in that building over the interim for the next two years. He said there would likely be a need for a special session to deal with the gas line and was simply saying that there would be an ability to accommodate that in the new Anchorage building since the State Capitol is undergoing its \$35 million restoration so it can accommodate these things at any time and at any length.

SENATOR EGAN said he agreed that there are major renovations happening to the Capitol. He urged the Chair not to even bring that subject up. It doesn't work well with his community and other communities outside of the rail belt and we ought to just let it alone. He said when he voted for renovations to the Anchorage LIO, he was assured that there was no way that they would be holding special sessions at the Anchorage LIO.

REPRESENTATIVE STOLTZE said he didn't want to get into the debate but said he wanted to distance himself from the comment that Representative Gruenberg made that no one on the committee would favor having legislative special sessions other than in Juneau. He said that's not the case with him and he suspects others and he didn't want the public to assume that. He said he didn't want to exacerbate this debate but didn't want on the record that the committee is unanimous.

CHAIR HAWKER said this wasn't the first time this committee has heard this debate and that he appreciates both sides of the conversation.

REPRESENTATIVE WILSON commented that when Legislators are in special session, they really need to have their own office available to them. She said something like three days is fine, but being away from the office makes a huge difference. There are many Legislators who don't have an office in Anchorage. When a

Legislator is in special session, they need their office. She said that's why it's important to plan so that it can be done in Juneau, where everyone has their own office. It's important to keep up with constituent work. She said it's important to put on the record that this is not intended for any lengthy special session at all.

VICE CHAIR MICCICHE asked if the Council really needed to have the discussion today about where special sessions need to occur. He said it depends so much on the purpose, the length, and many other factors for where the session should be held.

CHAIR HAWKER said it appeared that the discussion was happening.

VICE CHAIR MICCICHE followed up to say that without getting into details on length, purpose and the economics of each individual case, it's a difficult conversation to have on the fly.

CHAIR HAWKER said he appreciated that and said he took the Vice Chair's counsel to wind down this element. He went on to say he respected Senator Egan's concerns, the positions of every individual Legislator representing their district and their district's concerns, but the real question before Council today is providing adequate and appropriate furnishings in the renovated and restored Anchorage LIO, which is a statewide legislative information office facility with all of the Legislators that use it, all of the various committee meetings that occur during both interim and regular session. He said that question was divorced from the question of where and how special sessions are held, which are leadership questions whenever such things arise.

SENATOR EGAN said his concern was that the issue of special session was even brought up. It has nothing to do with furniture or anything regarding the Anchorage LIO, at least that's what he was led to believe. He said he wished Council would not even discuss this.

REPRESENTATIVE GRUENBERG said he didn't intent to fan the flames and was sorry Council went down the rabbit hole.

SENATOR STEVENS said that as a historical footnote, very briefly, before there was an Anchorage, before there was a Juneau and before there was a Sitka, the capital and the governor were in Kodiak. He added that they didn't want them coming back.

REPRESENTATIVE JOHNSON said he wanted to add that it is not the decision of Legislative Council where special sessions will be held. He said it was his understanding that the governor calls a

special session, names the place or the legislature votes on it and calls the place, which requires a vote of the entire body or the governor. This committee really shouldn't be dealing with special sessions or anything like that; we don't have the power to call one and he wanted that on the record.

SENATOR MEYER said that there appears to be a compromise here. The last time Council was looking at not exceeding \$1 million for furnishings; the subcommittee recommended \$100,000; the Chair's recommendation is \$500,000. He said that Anchorage Legislators and staff spend most of their time working and meeting with constituents in Anchorage and there needs to be adequate furniture and equipment; not necessarily first class and new, but adequate for constituent meetings and staff who are at their desks eight hours a day. He said he wanted to hear more discussion on the \$500,000 and if that is that right number versus where the Capitol is going to be.

CHAIR HAWKER said that he wanted Ms. Lucky of his staff to further reiterate the process. He went on to say that when Council met a month ago, he and his staff had just received the RFP response, so they were just beginning to go through it. The RFP was designed as a piece price, so you figure out what you need and that becomes your number. He said they had taken the architects' big picture, which did not include utilizing any of the surplus furnishings, with the exception of the office of the LIO specifically. Subsequently, they have had a month to work on this, which is how they have been able to refine it down to a much more accurate not-to-exceed price. He then asked Ms. Lucky to give additional input.

JULI LUCKY, staff to Legislative Council and Representative Mike Hawker, stated that, while she didn't want to put words in the subcommittee's mouth, they did work with the staff of the subcommittee and the subcommittee was extremely hampered for their not-to-exceed amount because the RFP information and pricing was still confidential. Therefore, the subcommittee couldn't really look at how much the respondents had said anything would cost in order to come up with their not-to-exceed price. The not-to-exceed price for the RFP award was initially close to \$1 million, which was based on what the architects had specified. Ms. Lucky said they had taken out rooms that could be furnished with existing furniture; these spaces included all of the break and coffee rooms where existing furniture could be used; all of the non-Anchorage legislative spaces, i.e., visiting Legislators, out-of-town Legislators that have offices in Anchorage; additional staff such as leadership staff and finance staff where Anchorage is not the primary office. That left the leadership suites and the Anchorage-based Legislator offices. The

intent all along was, if the RFP was awarded, to have a furniture selection committee to really take a close look at all of the objects specified in the RFP and determine whether people like them, whether there was a utility, if there was too much furniture in the room, or if the furniture didn't quite match up to the what the use was. The plan was to get a robust group of people to participate in that process and winnow down the number.

Ms. Lucky said that, in the absence of the RFP approval, she worked to get as much input from as much staff as possible to figure out what we had and what was needed; for instance, she confirmed there were plenty of end tables, side tables and side chairs and asked whether there really was a need for coat racks or those sort of things that were proposed in the RFP. From that process, she said a ballpark figure was arrived at, since technically the information is still confidential, of roughly \$650,000. That would have done all of the Anchorage offices, including the Legislator portion and the staff portion in addition to the public areas and the non-partisan areas. The proposal for the \$500,000 ballpark figure would furnish just the staff portion of the 21 Anchorage-based Legislator offices and anticipates not putting any new furniture into the Legislator's office. She said that from her understanding of what is in storage, there may be a need for a few of the small conference tables that Legislators prefer in their office, but there are enough desks and file cabinets, etc.

She said the \$500,000 was seen as a good compromise position. This furniture will be installed at the end of this calendar year and Legislators will not be moving back into their offices until the end of the 2015 session. With this compromise position, they felt that all of the public spaces would be available and ready; when the gavel goes down, the public would be able to come in, go to conference rooms. The technology portion will be in place so they can participate in the legislative process from the Anchorage LIO. She added that when it was anticipated going to standardized furniture, one of the goals was that furniture wouldn't be moved back and forth as people change district numbers or change positions, which traditionally involves a lot of movement of furniture. By standardizing the staff portion, the idea was to minimize the moving of furniture which does get broken during these moves. It would also provide all staff that were in Anchorage full time, regardless of minority or majority status, a consistent suite of furniture, resulting in everyone being treated the same. She said the office furniture was more expensive than she had anticipated, having never done something like this before but feels that the \$500,000 proposal is a good compromise position once we looked at recent furniture purchases for legislative offices around the state and after the exercise

of winnowing down the initial proposal as much as they thought they could.

CHAIR HAWKER said there has been a lot of effort by the staff involved in working up this proposed number. This is a very refined number.

SENATOR STEVENS asked if it was true that in the dismantling of the old building, things were lost, i.e., built-ins that, when they are torn out are almost impossible to reinstall later.

MS. LUCKY confirmed that a lot of the furniture, especially in the conference rooms and the public areas, were built-ins, i.e., specifically built for that space and put together in the room. It came down to the fact that once the pieces were dismantled, they were essentially pieces of plywood. Even the table Council is currently sitting at was custom-built for the second floor conference room, and there is a portion missing because there was no way to adjust the angle for the current room. Unfortunately, as far as those built-ins, they were not salvageable when they came out. There was also damage during the move which resulted in some loss, despite the fact that it was commercial grade furniture; furniture isn't built to be moved several times and after two or three moves, there was some loss of furniture. She said that she has to give kudos to the LIO staff who work really hard to try and repair the furniture as much as they can. This is one of the reasons that standardized furniture was recommended so there is less movement and hopefully less loss and breakage of furniture.

CHAIR HAWKER said that a lot of the damage had been done to those furnishings prior to this last move having been in that building for years and shuffled around from office to office and were pretty fragile pieces of furniture regardless.

MS. LUCKY said she wanted to note that she didn't understand until she was staff to Legislative Council that when Legislators and staff move back every two years and reassign offices, a lot of the furniture moves with the Legislator; so Desk A was being moved from the fifth floor down to the third floor and that breakage would happen every year. Two or three things just didn't make it through the various moves.

CHAIR HAWKER said that fact is partially behind the proposal to standardize a suite of furnishings for the staff areas; that suite would remain in one office for the next 20 years.

Chair Hawker said he would like a motion to support accepting RFP 603 in an amount not to exceed \$500,000 with the indication that

this is truly in absolute alignment with the furniture subcommittee's recommendations with the exception of the price which has been determined based upon a very empirical study of the requirements while maximizing the utilization of existing inventories of furniture.

Chair Hawker, responding to a comment by Senator Meyer, reminded members that since the motion to adopt RFP 603 failed in the previous Legislative Council meeting, Council first needs to rescind that action. In addition, he formally accepted the report of the furniture subcommittee and that subcommittee was discharged from further duties with the Council's gratitude. He said it really affirmed the process and provided a far better opportunity to refine the proposal and understand exactly what it will cost to provide an adequate kit of furniture for the whole facility. He asked for a motion to rescind the action in failing to make the award.

11:04:23 AM

SENATOR MEYER moved that Legislative Council rescind its action of failing to award RFP 603: Furniture for the Anchorage Legislative Information Office on June 2, 2014.

YEAS: Chenault, Gruenberg, Johnson, Pruitt, Stoltze, Wilson, Coghill, Egan, Meyer, Stevens, Micciche, Hawker

NAYS: None

The motion passed 12-0.

11:05:41 AM

SENATOR MEYER moved that Legislative Council approve the award of RFP 603: Furniture Purchase and Installation Services for the Anchorage Legislative Information Office and Legislators' District Offices at Anchorage, Alaska to Think Office, LLC, for furniture to be used in the public areas and Anchorage-based legislative staff offices only, and the expenditure of an amount not to exceed \$500,000.

YEAS: Chenault, Johnson, Pruitt, Wilson, Coghill, Egan, Meyer, Stevens, Micciche, Hawker

NAYS: Gruenberg, Stoltze

The motion passed 10-2.

CHAIR HAWKER noted that anyone on the Council who wished to be involved in the details of that purchase should contact Ms. Lucky.

REPRESENTATIVE GRUENBERG asked that he be included in the group that looks at the furniture. Chair Hawker responded that Ms. Lucky had noted his request.

e. Legislative Council Moving and Travel Policy

CHAIR HAWKER said this item had been brought to his attention as Chair about the need to make some changes to the policy that underlies Legislators shipping goods to Juneau for the legislative session. He said Doug Gardner, legislative legal counsel, would explain the need for this and the proposed remedy.

DOUG GARDNER, Director of Legal Services, put himself on the record and asked the Chair's preference if the subject should begin in executive session in case some of the information he shared might fall under the heading of legal advice.

CHAIR HAWKER said he preferred the conversation to happen on the record. He said he believed it was an open matter of discussion and if a border was crossed, he would guide Council into executive session since it is a discussion of legal matters.

CHAIR HAWKER interrupted the discussion on this item to note that Andy Weiss of KPB Architects was available to take people on a tour of the current renovations of the LIO in the afternoon. Interested parties should contact Ms. Lucky to go on a walk-through of the building.

MR. GARDNER said the issue is how items are shipped. An issue occurred in 2013 with an air shipment of a Legislator's household goods. Inadvertently, several items were included in an Alaska Airlines package that fell under the FAA definition of haz-mat, hazardous materials. Chair Hawker interrupted to say it might be an item like a Bic lighter or a can of Static-Guard. Mr. Gardner agreed that some of items that are in the spirit of household goods are, these days, haz-mat. The Agency is not a shipper of hazardous materials and shouldn't be shipping haz-mat as an Agency or as an individual Legislator as he reads the Travel and Moving Policy. This was an inadvertent issue, there wasn't any bad thing that happened, but there can be criminal penalties and extensive civil penalties.

He said it is important to know that when the Agency ships things, the Agency needs to be able to say that under federal law, we've looked at the boxes and we know what we're shipping. It is no different than when one goes to the airport and ships something personally; the airline might ask if you packed the bag and if there is anything hazardous in the bag they should know

about. As the shipper, the Agency needs to be able to verify that there are no hazardous materials in the box.

CHAIR HAWKER said it is fair to say that even though it is a Legislator taking something to an airline and shipping it, it is in fact the Legislature that is the actual shipper since the item being shipped is using a legislative account.

MR. GARDNER said that the members have probably all seen the travel packets that have a form that one takes to Alaska Airlines, which has the Agency's known shipper number. When it is the Agency's known shipper number, the Agency is responsible regardless of what goes into the box or how it gets packed. One of the things that needs to be done is that, if the Agency is the shipper, the Agency needs to know what is in the boxes being shipped. There are two key areas that this implicates for the Legislature. He said air shipments are going to change. The day and age of the Agency printing a form and letting Legislators go to the airport and drop ship things is over. The Agency cannot comply with federal law and continue to do that. It is disappointing because it makes life a little more difficult, but it can't be done unless the Agency inspects the box beforehand. For instance, if Senator Stevens needs a box shipped from the LIO, the Agency would do it and reimburse, but the policy change would require that staff look in the box. The Agency intends to locate a haz-mat identification trainer. Staff in the LIOs and in Supply will be well-trained to be able to look in a box and say there are no hazardous materials prior to shipping.

In response to a comment by Chair Hawker, Mr. Gardner added that there are also requirements for marine shipment. For example, if one pulls a car onto the ferry that is packed with everything one needs for session, that's between the driver and the Alaska Marine Highway System or between the individual and the trucking company. The Agency pays for those things but the individual is the shipper. It is actually a fairly narrow area of items for which the Agency is the shipper, which are air shipments and the vans going back and forth to Anchorage. The Agency will need to have confidence that when items are packed in the vans, there is nothing in there that will blow up or otherwise qualify as haz-mat.

Mr. Gardner said the policy change that needs to be made is reflected in the materials. In the exclusions of not-to-be-shipped items, we can't have things under federal or state law that qualify as haz-mat. The Agency has to be able to look at things that they are signing off on as the shipper to make sure they are not haz-mat. He said he has been dealing with the FAA and the matter is coming to a very favorable close. The FAA knows

that it is up to Legislative Council to address the policy; they have been reasonable folks to deal with and they are trying to use their discretion wisely to get compliance, which is what they want. The things he is recommending will satisfy them but are also good risk management measures for the Legislature to take. With the policy changes the Legislature makes, the Legislature will be in compliance with federal law and operating under a gold standard as far as setting an example for having a good policy for shipping and travel. The FAA recognizes that we are unique in that we are trying to move a lot of things very quickly but federal law is federal law.

He said that he would close on this point: when the Agency's known shipper number was used [for this first violation], there will be a relatively small fine. The fine could have been much worse; the fines were \$75,000 per violation and the FAA keeps good records. If the Legislature doesn't take steps and there is another violation, the issue is the shipper number and the FAA can suspend those. A suspension of a shipper number for an entity such as the Legislature is potentially catastrophic. He said he thinks the recommended steps will cure the problem. He said it was his intention to work with the Executive Director's office to make sure the forms that go into next year's travel packet are updated and clear. The goal is that Legislators understand what is going on; that it will be up to Legislators to look through their things and that they pack appropriately for their own shipments. For Agency shipments, there will be some strategy developed for doing inspections.

CHAIR HAWKER said that the proposed policy changes were really pretty straight forward and asked Mr. Gardner to walk through them.

MR. GARDNER said the Moving and Travel Policy would be amended to add on page two the following: *"Any items that are shipped with Legislative Affairs Agency listed as the shipper must be inspected by qualified LAA staff prior to closing of boxes for shipping."* Also added on page 3 under "ITEMS THAT MAY NOT BE SHIPPED..." is the bullet point *"Hazardous materials as defined by state or federal law. The Agency will take reasonable steps, including providing support, information and assistance to Legislators and legislative staff to prevent the inadvertent shipment of hazardous materials."* He said all of the other steps requested by the FAA can be addressed by him and Ms. Varni.

REPRESENTATIVE GRUENBERG said he had no problem with the proposed language being added to the policy. He was concerned about the fact that Legislators and staff are all over the state. He wanted to be sure that all understand what the phrase, "Ship with LAA

listed as the shipper" means and what is covered. He also said he wants to be sure people understand generally what they cannot ship or where they can find out what can be shipped. The case being discussed deals primarily with an air shipment. There are regulations that govern the Marine Highway or shipping with a common carrier. He said he wants to be sure all in the legislative community understand the problems, the potential fines and why it's important that we not just be shipping stuff willy-nilly.

MR. GARDNER said that the language inserted on page three that required the Agency to take reasonable steps is language that was chosen by the Agency. The Agency wants to make sure there is education out there and, as he understands it, with respect to the haz-mat identification training and having a human resource available to call and ask about whether an item is hazardous, that training will include people in the LIOs in those outlying areas. He said without getting ahead of the Executive Director, the packet that goes out to each Legislator [before the move] will have materials developed by Legal that explains a good legal description for everybody about where they stand when they're the shipper or the Agency is the shipper, what's allowed and what's not allowed.

PAM VARNI, Executive Director of the Legislative Affairs Agency, said the incident under discussion happened in January 2013. The moving packet was immediately updated to add a sentence in bold to the authorization about household goods and personal effects. In addition, a separate page was added talking about shipping hazardous material on commercial airlines, the Alaska Marine Highway System, and air cargo carriers; it also included some descriptions about what items were considered dangerous goods as well as links for additional information. After further conversations with the FAA, the haz-mat identification training was added as a further preventative measure. She said it was important to look at changing the Moving and Travel policy to include the hazardous material information.

She said the previous policy had worked very well for a number of years. It has been revised occasionally over many years to prohibit shipment of certain materials, such as when a Legislator shipped firewood in one of the vans. There hasn't been a revision about what items may or may not be shipped until recently so the Agency has done a good job.

CHAIR HAWKER noted that LAA does provide guidance in the moving packets, which some Legislators may not pay adequate attention to, and the key point is that this guidance will be improved upon. He said it was his understanding that not only would the

written guidance be improved but also that there would be human resources available to help people understand what is and what is not hazardous material. Ms. Varni agreed.

REPRESENTATIVE PRUITT said that he was surprised the first time he saw that Legislators could use the Agency's known shipper number. Known shipper status is a pretty big deal; there's less screening as opposed to allowing the individual to do it, where the consequences for the individual are substantially less because the likelihood of screening those items is much higher than with a known shipper. He asked why the Legislature would continue to utilize the known shipper number instead of allowing the individuals to do it and then get reimbursed. The individual has a lower threshold because the screening would ensure that something like a can of Static Guard would be found and disposed of as opposed to a known shipper's items.

MS. VARNI said Legislators will no longer be allowed to use the known shipper number and the number will be changed in case someone has that number memorized.

REPRESENTATIVE PRUITT said that was an important change to make to no longer allow that access. In his experience, he said that for the FAA to actually fine us, it wasn't the first time; usually the FAA gives a couple of warnings before issuing a fine unless the shipment contained a substantial amount of haz-mat.

MR. GARDNER said that it was the first time that he was aware of that there had been a problem with the FAA. He said he thought the Legislature wasn't be treated any differently and that we were treated fairly by the FAA. He thinks it's a more aggressive world now and a Bic lighter or a can of Static Guard will get you a big fine. He said that's why he is requesting Council address this policy change now because he didn't know what a second violation would be.

REPRESENTATIVE PRUITT said that trying to craft a policy that addresses specifics of shipping methods would be difficult and said he thought placing the onus on the individual as opposed to on the organization was a wise decision.

REPRESENTATIVE GRUENBERG expressed an interest in each Legislator being assigned an individual shipping number.

MR. GARDNER said that he believes such a process would involve the Legislator having to undertake such an endeavor themselves. That is a direct relationship with the federal government and not a relationship the Agency could get involved with. He said trying

to make things easy to ship is a delicate balance considering the liability.

MS. LUCKY testified in order to clarify a couple of things on the record. She said while she hasn't had a chance to touch base with Ms. Varni, she had spoken extensively with Jessica Geary. She said the plan is to stop use of the Legislative Affairs Agency known shipper number other than for actual LAA shipments. It was her understanding that the Agency will be working with staff who do the moving, based on historical data about what companies have generally been doing the moving, to have moving companies use their own shipper numbers if they pack the boxes; or either the individual or the mover could be listed as the shipper instead of LAA and direct pay. She said it may be a financial hardship for some people to move all of their goods down to Juneau, especially from more remote places, so she wanted to make sure it was clear for the record that the Agency will be working on a method for direct billing to LAA without LAA being listed as the shipper.

REPRESENTATIVE PRUITT said he appreciated the clarification.

MS. LUCKY added that she has personally become a known shipper and it is very much an individual process. An agent has come to her home twice to verify her address since she became a known shipper. It's a fairly extensive process for an individual to become a known shipper and she said she wasn't sure that could be an avenue. The Agency is committed to working on a way to make it more seamless without the liability of using LAA's known shipper number for these moves.

REPRESENTATIVE JOHNSON said he was curious why any personal items would be shipped by air freight.

MS. VARNI said that there are a number of Legislators in rural areas. There are a few Legislators that might get permission from the Rules Chairs to ship something. Not everyone moves a lot of personal goods that way; they might come down on the ferry. Some Fairbanks Legislators air freighted items, for instance.

REPRESENTATIVE JOHNSON asked what the difference was in cost between air freight shipments and a moving van.

MS. VARNI responded that if they are not shipping a large amount, it might be cheaper than going on a van because sometimes moving companies have a minimum amount that they charge, thus air freight could be cheaper than a moving company van.

CHAIR HAWKER, after ascertaining that there was no further discussion, called for the motion.

11:36:58 AM

SENATOR MEYER moved that the amendments to the Legislative Council Moving and Travel Policy be adopted as presented.

YEAS: Chenault, Gruenberg, Johnson, Pruitt, Wilson, Coghill, Egan, Meyer, Stevens, Micciche, Hawker

NAYS: None

The motion passed 11-0.

CHAIR HAWKER thanked LAA and Mr. Gardner in particular for their truly thorough and hard work in ensuring that LAA is diligent in how Legislative Council manages the affairs of the Legislature.

f. Ratification of Charitable Event

CHAIR HAWKER said there was a request from the Anchorage Youth Court for the sanctioning of a qualified fundraising activity. He said his office has verified that they are a qualified 501(c)(3) organization and he had previously sanctioned the event. According to statute, Council now has the opportunity to ratify the sanctioning.

11:39:46 AM

SENATOR MEYER moved that Legislative Council ratify the following charity event, which was previously sanctioned by the Legislative Council Chair in accordance with AS 24.60.080(a)(2)(b): 25th Anniversary Gala benefitting the Anchorage Youth Court.

YEAS: Chenault, Gruenberg, Johnson, Pruitt, Wilson, Coghill, Egan, Meyer, Stevens, Micciche, Hawker

NAYS: None

The motion passed 11-0.

CHAIR HAWKER, noting that it was summer and often difficult to get as many members together at one time as are present today, said he personally and on behalf of the committee wanted to thank Representative Peggy Wilson for her service and her friendship. He said he thought everyone knew she had elected to retire from legislative service and pursue what she called a whole passel of new grandbabies and other life interests. He thanked her for everything she had done, her commitment to the State of Alaska and said it had been a real honor to work with her.

REPRESENTATIVE WILSON said she appreciated that and thanked the Chair.

There being no further business before the committee, the Legislative Council meeting was adjourned at 11:42 a.m.

11:42:19 AM