

# COMMITTEE REPORT

## SENATE

Mr. President:

Date \_\_\_\_\_

The Committee on \_\_\_\_\_ has had \_\_\_\_\_

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT

CS FOR \_\_\_\_\_ DO PASS

"and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends.

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ Chairman

The Legislature of the State of Alaska  
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. HB 430

Title: Appropriation for HB 429 - Procurement Policy Planning Fund

Requested by: House Finance

Date: April 30, 1975

Return Date Requested: \_\_\_\_\_

Agency: Dept. of Public Works

Program: \_\_\_\_\_

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES						
200 TRAVEL		15.0				
300 CONTRACTUAL		450.0				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND		465.0				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	3	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See Attached

IV. ATTACHMENTS

RICHARD HOLDEN  
Facilities Planning  
University of Alaska

V. DATE: April 30, 1975

PREPARED BY:

By: J. B. Shuler

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

FISCAL NOTE HB 430

The sum of \$500,000 is requested for the Department of Public Works to implement the provisions of CSHB 429, to fund its public facility procurement planning provisions.

The development of planning, programming, analytical & life cycle cost methodologies will require expenditures on the following tasks performed with the assistance of expert consultants in the following approximate amounts:

1. PHYSICAL FACILITIES INVENTORY

- A. Development of rules of measurements and adaption of existing federal rules of measurement, development of a storage and analytical computer program to accept, and retrieve and analyse inventory data, including the adoption, where possible, of existing computer programs (e.g., University of Alaska, Federal ASD & WICHE)

COST:

DPW staff + 10 man/months consultant time @ \$24.00/hr  
(average) = \$42,000

- B. Acquisition of base inventory data by field measurement and measurement of existing as built documents of currently occupied facilities

DPW staff + 6.5 man/months consultant time @ \$24.00/hr  
(average) = \$27,000

2. LIFE CYCLE COST METHODOLOGY

- A. The development of a first-cost planning model including the adoption of the ASA/AIA cost plan:

DPW staff + 3.5 man/months consultant time @ \$35.00/hr  
(average) = \$21,000

- B. The development of a maintenance - cost planning model to interface with the first cost model

DPW staff + 15 man/months consultant time @ \$35.00/hr  
(average) = \$90,000

- C. A preliminary evaluation of an analytical model to analyse departmental operating budgets as a prelude to development of an "occupancy" cost model.

DPW staff + 3 man months consultant time @ \$40.00/hr  
(average) = \$20,000

D. Development of storage and analytical computer programs to analyse data to be derived from 2 (a) & (b) above

DPW staff + 12 man months consultant time @ \$35.00/hr  
(average) +\$72,000

3. CONTRACT & PROCUREMENT PRACTICE

Survey and evaluation of contract techniques, logistics and procurement modes (e.g., design-build, lump-sum, performance contracts) for application to the State's Building program.

DPW staff + 16 man months consultant time @ \$40.00/hr  
(average) = \$124,000

4. SPACE DESIGN STANDARDIZATION

Analysis of spatial types and user needs to develop generally useful design performance criteria which can define:

- A. The limits of flexibility of space types
- B. Performance standards for various facility functions
- C. Industry standards for adoption in facility designs

DPW staff + 10 man months consultant time @ \$40.00/hr  
(average) = \$69,000

TOTAL 1, 2, 3 & 4 \$465,000

HB The State Affairs Committee has had HOUSE BILL NO. 508  
508 amended (authorizing advisory vote by voters of state  
am on creation of unicameral legislature) under consideration  
and the majority of the committee recommends it do not  
pass. The report was signed by Senator Ferguson, Chair-  
man, who signed "no recommendation." Senators Meland,  
Huber, Miller and Colletta concurred in the majority report.

HOUSE BILL NO. 508 amended was referred to the Judiciary  
Committee.

CS The Finance Committee has had COMMITTEE SUBSTITUTE FOR  
HB HOUSE BILL NO. 429 amended (public facility procurement  
429 policy of the state) under consideration and three members  
am of the committee recommends it be replaced with SENATE  
COMMITTEE SUBSTITUTE FOR COMMITTEE SUBSTITUTE FOR HOUSE  
BILL NO. 429 and that the Senate committee substitute  
do pass. The report was signed by Senator Ray, Chairman,  
and concurred in by Senators Butrovich and Sackett.  
Senators Poland, Rader, Hohman and Chance signed "no  
recommendation."

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 429 amended was  
referred to the Rules Committee

The Finance Committee's letter of intent on the above  
bill follows:

"SCS CSHB 429 am

It is the intent of the Finance Committee substitute  
to relieve cities and boroughs from any mandatory  
provisions of the Act. The possible confusion comes  
in the definition of "state agency". Consistent  
with the foregoing, it is intended that boroughs  
and cities not be considered state agencies for  
purposes of the act.

  
\_\_\_\_\_  
Chairman, Senate Finance Committee"

HB The Finance Committee has had HOUSE BILL NO. 344 (appropri-  
344 ation for theatre development projects in southeast  
Alaska) under consideration and the committee reports it  
back as follows: Senator Ray, Chairman, and Senators  
Butrovich and Sackett signed "do pass"; Senators Rader,  
Hohman, Chance and Poland signed "no recommendation."

HOUSE BILL NO. 344 was referred to the Rules Committee.

Senator Kerttula moved and asked unanimous consent that the Senate revert to standing committee reports. Without objection, it was so ordered.

STANDING COMMITTEE REPORTS

The Health, Education and Social Services Committee has had HOUSE BILL NO. 120 (eye examinations for needy persons) under consideration and the committee recommends it do pass. The report was signed by Senator Hohman, Chairman, and concurred in by Senators Ferguson, Colletta, Chance and Bradley. HB  
120

HOUSE BILL NO. 120 was referred to the Rules Committee.

The State Affairs Committee has had COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 488 (election campaigns) under consideration and the majority of the committee recommends it do pass if amended. The report was signed by Senator Ferguson, Chairman, and concurred in by Senators Miller and Meland. Senator Colletta signed without recommendation and Senator Huber signed "do not pass." The committee did not submit an amendment. CS  
HB  
488

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 488 was referred to the Rules Committee.

The Commerce Committee has had SENATE BILL NO. 361 (concerning health care liability insurance) under consideration and the majority of the committee recommends it do pass. The report was signed by Senator Kerttula, Chairman and concurred in by Senator Willis. Senator Colletta had no recommendation. SB  
361

SENATE BILL NO. 361 was referred to the Rules Committee.

The State Affairs Committee has had COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 450 (compensation for state employees) under consideration and the committee recommends it do pass with the following amendment: CS  
HB  
450

Page 2, lines 12 and 13: Delete lines 12 and 13

The report was signed by Senator Ferguson, Chairman, and concurred in by Senators Colletta, Miller, Huber and Meland.

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 450 was referred to the Finance Committee.

# MEMORANDUM

State of Alaska  
DEPARTMENT OF PUBLIC WORKS

TO: Tracy Kaldor  
Administrative Director  
Department of Public Works

DATE: April 18, 1975

FILE NO: 131-08

TELEPHONE NO:

FROM: *James Pate*  
William R. Race, P. E.  
Director  
Division of Buildings

SUBJECT: Legislation - HB 429

The following comments and questions are furnished relative to House Bill Number 429:

## Section 35.10.170

Paragraph (1) Will this supersede and replace existing statutes which give similar powers to other departments, such as 46.03.020? It is also assumed that the statute does not include the University of Alaska, but perhaps this should be clarified.

Paragraph (3) The Department of Administration has assumed this authority. The Division specifically requested a position to perform this function in its FY-76 budget, but the Division of Budget and Management, Department of Administration, deleted the request. The reason was that the Department of Administration was to perform the function through the State Leasing Officer.

## Section 35.10.180

Paragraph (a) Does this paragraph apply only to projects which may be partially or completely funded by State funds?

## Section 35.10.190

Paragraphs (a) and (b) Do these paragraphs apply only to projects which may be partially or completely funded by State funds?

## Section 35.05.040

Does this section specifically allow the Department of Public Works to purchase materials for building construction without the approval of the Department of Administration?

If this legislation were adopted, it is anticipated that additional planning positions, and support positions to the planners, would be required within the Division of Buildings.

RECEIVED  
APR 21 11 17 AM '75  
STATE OF ALASKA  
DEPT. OF  
PUBLIC WORKS

# MEMORANDUM

# State of Alaska

TO: William H. Race, P.E.  
Director  
Division of Buildings

DATE: April 18, 1975

FILE NO: 131-02

TELEPHONE NO: 586-6411

FROM: George C. McCurry, P.E. *gcm*  
Chief of Maintenance  
Division of Buildings

SUBJECT: House Bill 429

The following comments on House Bill 429 are offered by the Maintenance and Operations Section:

Section 35.10.170 (1) - Origination and implementation of facility procurement policies for maintenance and operation of wholly and partially State-funded buildings would entail a considerable enlargement of this section's responsibilities. This would be particularly true if we were to assume responsibility for rural schools and for buildings to be operated by other governmental entities, as these facilities typically have rather complicated and difficult maintenance and operation problems. It is uncertain whether the development of facility procurement policies (as outlined in this bill) is meant to apply to all State buildings, or whether the intent is more limited in scope.

Section 35.10.170 (2) - This section already maintains an inventory of physical facilities (buildings), which is the Building Index. However, much of the information in the Index is not up-to-date, and it is estimated that approximately one man-year is required to inventory remaining facilities and produce a fully current record. The present format of the Building Index also needs improvement, to present the data in a more readily understandable form. To administer the Building Index will require a full-time position, at least initially during the updating period.

Sections 35.10.170 (3) & (4) - Not applicable to this section.

Sections 35.10.170 (5) & (6) - Implementation of life-cycle costing for public buildings is highly desirable. It would probably be better for one person or unit to be responsible for the origination and coordination of the complete life-cycle cost analyses. In this regard, I believe a complete overhaul of our present fiscal and accounting procedures would be necessary, to more fully associate all costs with each particular facility. For example, the present accounts do not cause staff overhead and personal services costs to be distributed in any meaningful fashion to the operating cost of a specific building. Obviously, a great amount of work will be necessary to formulate the life-cycle costing methodology, but particularly to rearrange our present costs into usable form so that future projections can be made.

Section 35.10.170 (7) - Not applicable to this section.

Memorandum

2

April 18, 1975

William H. Race, P.E.  
Director  
Division of Buildings

Sections 35.10.180 and 35.10.190 - This section would furnish input, as appropriate.

Section 35.05.040 (10) - Include the words "maintenance and operation" in the sentence, as the present procurement system for materials takes far too long for timely completion of urgent maintenance projects.

Letter of Intent

FINANCE COMMITTEE REPORT

ON

COMMITTEE SUBSTITUTE FOR HOUSE BILL 429

The legislative intent of Section 2 (procurement planning fund) is that this fund will be reimbursed from project appropriations for planning expenditures of those projects. After initial appropriation by the legislature, further appropriations will not be necessary.

It is also the intent of the legislature to consolidate insofar as possible, the existing working capital planning funds within state government in order to carry out the intent of the Committee Substitute for House Bill 429.

*He signed the orig.*

Hugh Malone, Chairman  
House Finance Committee

SENATE JOURNAL

SCS CSHB 429 am

It is the intent of the Finance Committee substitute to relieve cities and boroughs from any mandatory provisions of the Act. The possible confusion comes in the definition of "state agency". Consistent with the foregoing, it is intended that boroughs and cities not be considered state agencies for purposes of the act.

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Chairman, Senate Finance Committee

Original sponsor: Bowman, Kelley,  
McKinnon, et al

Offered: 5/31/75  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 429

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the public facility procurement  
7 policy of the state; and providing for an effective  
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 35.10 is amended by adding new sections to read:

ARTICLE 5. PUBLIC FACILITY PROCUREMENT POLICY.

11 Sec. 35.10.160. FINDINGS AND PURPOSE. The legislature finds that  
12 since the needs of the state for physical facilities of all kinds are  
13 diverse the planning, design and construction of public facilities  
14 should be executed in accordance with facility procurement policies  
15 development by the Department of Public Works and reviewed annually by  
16 the legislature.

17 Sec. 35.10.170. DUTIES OF DEPARTMENT. In addition to other duties  
18 prescribed by statute, the department shall

19 (1) develop facility procurement policies for the planning,  
20 design, construction, maintenance and operation of public facilities of  
21 the state;

22 (2) develop and maintain an inventory of physical facilities  
23 currently owned or occupied by the state;

24 (3) make projections of future public facility needs of the  
25 state, analyze facilities needed, and establish methodology for program  
26 planning and facilities project planning, design and construction;

27 (4) engage in experimental projects as necessary relating to  
28 any available or future method of facility procurement, design or con-  
29

1 construction and any method of improving existing design, planning and  
2 construction techniques;

3 (5) develop life cycle costs of public facilities of the  
4 state;

5 (6) develop life cycle costing methodologies for the follow-  
6 ing special purposes:

7 (A) budget forecasting to support facility program  
8 planning and analysis,

9 (B) systematic cost estimating to forecast planning,  
10 design and construction,

11 (C) budget forecasting to support development of annual  
12 maintenance and operating strategies and life cycle cost plans,

13 (D) alternative methods of space acquisition and space  
14 equalization which will maximize the effectiveness of public funds;

15 (7) apply for and accept, on behalf of the state, grants from  
16 the federal government or an agency of it or from another state founda-  
17 tion, corporation, association or individual for any of the functions or  
18 purposes of the department and may expend any of the money received  
19 under this section for any of the functions or purposes.

20 Sec. 35.10.180. PHYSICAL FACILITY PROCUREMENT AND PLANNING POLI-  
21 CIES. (a) The department shall develop and keep current by periodic  
22 revision physical facility procurement and planning policies for rural  
23 schools, public buildings, and other state facilities, and shall develop  
24 regulations and guidelines for the implementation of these policies.

25 (b) In developing and revising these policies the department shall  
26 seek public review and evaluation by any reasonable means and shall

27 (1) consult and cooperate with officials of the federal  
28 government, local governments, other political subdivisions of the state  
29 and other interested persons regarding physical facility procurement

1 planning;

2 (2) request and receive from an agency or other unit of the  
3 state government the assistance and data needed to carry out the re-  
4 quirements of this section.

5 (c) The commissioner shall submit copies of proposed policies and  
6 plans annually, within 10 days after the legislature convenes, to the  
7 legislature. The legislature may approve, reject or modify the policies  
8 and plans by concurrent resolution. If the legislature fails to act  
9 during the legislative session, the policies and plans are approved.

10 Sec. 35.10.190. COORDINATION BY DEPARTMENT. (a) The department  
11 shall coordinate the procurement of physical facilities for the state to  
12 insure the greatest cost savings of planning, design and contractual  
13 techniques.

14 (b) When the state or an agency of the state determines that a  
15 public facility is to be constructed or renovated, it shall, unless  
16 exempted by regulations of the department, submit to the department an  
17 application for a certificate that the proposed facility complies with  
18 adopted facility procurement policies. The department may reject the  
19 application but if it does so it shall state in writing the reasons for  
20 the rejection. If a written statement that the application is rejected  
21 does not issue within 30 days after receipt of the application by the  
22 department, unless the department and the applicant have agreed upon an  
23 extension of time for consideration, the certificate of compliance shall  
24 not be required. Except as provided otherwise by regulation or by this  
25 section no public facility of the state may be constructed or renovated  
26 by the state unless a certificate that the facility complies with  
27 adopted facility procurement has been issued.

28 Sec. 35.10.200. DEFINITIONS. In secs. 160 - 200 of this chapter,

29 (1) "life cycle costs" means analytic techniques which pro-

1 vide data to describe the first cost of procurement of public facilities  
2 and the maintenance cost, operation cost and occupancy cost of the  
3 facilities;

4 (2) "policies" includes but is not limited to budget ac-  
5 counting and cost planning techniques, facility design techniques, and  
6 contractual techniques for the procurement of labor, materials and  
7 contractual services;

8 (3) "public facilities" does not include highways or vessels  
9 of the marine highway system.

10 \* Sec. 2. There is within the Department of Public Works a public facil-  
11 ity procurement planning fund. The fund is a working capital reserve fund  
12 and consists of money appropriated by the legislature for the purpose of  
13 providing procurement planning working capital and is available on a reim-  
14 bursable basis for procurement planning. The fund shall be used by the  
15 commissioner to develop facility procurement planning methodologies for  
16 submission for review by the legislature by January 1, 1976. The commis-  
17 sioner shall prepare a report delineating the various procurement policies  
18 which shall govern the expenditures of capital funds by the state and shall  
19 delineate the amounts of preplanning funds necessary for the implementation  
20 of these policies.

21 \* Sec. 3. AS 35.05.040 is amended by adding a new paragraph to read:

22 (10) procure directly materials, labor and contractual ser-  
23 vices for planning, designing and constructing public facilities of the  
24 state.

25 \* Sec. 4. AS 35.10.200(4) is amended to read:

26 (4) "public facilities" does not include highways or vessels  
27 of the marine highway system or the facilities for which responsibility  
28 is charged to the Department of Transportation under AS 44.42.

29 \* Sec. 5. Section 5 of this Act takes effect on the effective date of

1 a version of House Bill No. 63.

2 \* Sec. 6. Sections 1 - 4 of this Act take effect immediately in accor-  
3 dance with AS 01.10.070(c).

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Original sponsor: Bowman, Kelley,  
McKinnon, et al

Offered: 4/23/75  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 429 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the public facility procurement  
7 policy of the state; and providing for an  
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 35.10 is amended by adding new sections to read:

11 ARTICLE 5. PUBLIC FACILITY PROCUREMENT POLICY.

12 Sec. 35.10.160. FINDINGS AND PURPOSE. The legislature finds that  
13 since the needs of the state for physical facilities of all kinds are  
14 diverse, and since the state is providing an increased portion of funding  
15 for the planning, design, and maintenance and operation of facilities  
16 procured by local political subdivisions, the planning, design and con-  
17 struction of public facilities should be executed in accordance with  
18 facility procurement policies development by the Department of Public  
19 Works and reviewed annually by the legislature.

20 Sec. 35.10.170. DUTIES OF DEPARTMENT. In addition to other duties  
21 prescribed by statute, the department shall

22 (1) develop facility procurement policies for the planning,  
23 design, construction, maintenance and operation of public facilities  
24 which are funded in whole or in part by the state;

25 (2) develop and maintain an inventory of physical facilities  
26 currently owned or occupied by the state;

27 (3) make projections of future public facility needs of the  
28 state, analyze facilities needed, and establish methodology for program  
29 planning and facilities project planning, design and construction;

1 (4) engage in experimental projects as necessary relating to  
2 any available or future method of facility procurement, design or con-  
3 struction and any method of improving existing design, planning and  
4 construction techniques;

5 (5) develop life cycle costs of public facilities of the state  
6 and those public facilities of political subdivisions of the state which  
7 are funded in whole or in part by the state;

8 (6) develop life cycle costing methodologies for the follow-  
9 ing special purposes:

10 (A) budget forecasting to support facility program  
11 planning and analysis,

12 (B) systematic cost estimating to forecast planning,  
13 design and construction,

14 (C) budget forecasting to support development of annual  
15 maintenance and operating strategies and life cycle cost plans,

16 (D) alternative methods of space acquisition and space  
17 equalization which will maximize the effectiveness of public funds;

18 (7) apply for and accept, on behalf of the state, grants from  
19 the federal government or an agency of it or from another state founda-  
20 tion, corporation, association or individual for any of the functions  
21 or purposes of the department and may expend any of the money received  
22 under this section for any of the functions or purposes.

23 Sec. 35.10.180. PHYSICAL FACILITY PROCUREMENT AND PLANNING POLICIES.

24 (a) The department shall develop and keep current by periodic revision  
25 physical facility procurement and planning policies for rural schools,  
26 public buildings, and other state facilities, and shall develop regula-  
27 tions and guidelines for the implementation of these policies.

28 (b) In developing and revising these policies the department shall  
29 seek public review and evaluation by any reasonable means and shall

1           (1) consult and cooperate with officials of the federal  
2 government, local governments, other political subdivisions of the state  
3 and other interested persons regarding physical facility procurement  
4 planning;

5           (2) request and receive from an agency or other unit of the  
6 state government or from a political subdivision of the state the assis-  
7 tance and data needed to carry out the requirements of this section.

8           (c) The commissioner shall submit copies of proposed policies and  
9 plans annually, within 10 days after the legislature convenes, to the  
10 legislature. The legislature may approve, reject or modify the policies  
11 and plans by concurrent resolution. If the legislature fails to act  
12 during the legislative session, the policies and plans are approved.

13           Sec. 35.10.190. COORDINATION BY DEPARTMENT. (a) The department  
14 shall coordinate the procurement of physical facilities for the state  
15 and the procurement of physical facilities by political subdivisions  
16 of the state to insure the greatest cost savings of planning, design and  
17 contractual techniques.

18           (b) When the state or a political subdivision of the state deter-  
19 mines that a public facility funded in whole or in part by the state  
20 is to be constructed or renovated, it shall, unless exempted by  
21 regulations of the department, submit to the department an application  
22 for a certificate that the proposed facility complies with adopted  
23 facility procurement policies. The department may reject the  
24 application but if it does so it shall state in writing the reasons  
25 for the rejection. If a written statement that the application is  
26 rejected does not issue within 30 days after receipt of the applica-  
27 tion by the department, unless the department and the applicant  
28 have agreed upon an extension of time for consideration, the certificate  
29 of compliance shall not be required. Except as provided otherwise

1 by regulation or by this section no public facility funded in whole or  
2 in part by the state may be constructed or renovated by the state  
3 or a political subdivision of the state unless a certificate that  
4 the facility complies with adopted facility procurement has been  
5 issued.

6 Sec. 35.10.200. DEFINITIONS. In secs. 160 - 200 of this chapter,

7 (1) "life cycle costs" means analytic techniques which pro-  
8 vide data to describe the first cost of procurement of public facilities  
9 and the maintenance cost, operation cost and occupancy cost of the  
10 facilities;

11 (2) "policies" includes but is not limited to budget ac-  
12 counting and cost planning techniques, facility design techniques, and  
13 contractual techniques for the procurement of labor, materials and  
14 contractual services;

15 (3) "political subdivisions of the state" includes home rule  
16 and general law municipalities of any class;

17 (4) "public facilities" does not include highways or vessels  
18 of the marine highway system.

19 \* Sec. 2. There is within the Department of Public Works a public facil-  
20 ity procurement planning fund. The fund is a working capital reserve fund  
21 and consists of money appropriated by the legislature for the purpose of  
22 providing procurement planning working capital and is available on a reim-  
23 bursable basis for procurement planning. The fund shall be used by the  
24 commissioner to develop facility procurement planning methodologies for  
25 submission for review by the legislature by January 1, 1976. The commissione  
26 shall prepare a report delineating the various procurement policies which  
27 shall govern the expenditures of capital funds by the state and shall de-  
28 lineate the amounts of preplanning funds necessary for the implementation of  
29 these policies.

- 1 \* Sec. 3. AS 35.05.040 is amended by adding a new paragraph to read:  
2 (10) procure directly materials, labor and contractual ser-  
3 vices for planning, designing and constructing public facilities of the  
4 state.
- 5 \* Sec. 4. AS 29.13.100 is amended by adding a new paragraph to read:  
6 (36) AS 35.10.160 - 35.10.200 (public facility procurement  
7 policies)
- 8 \* Sec. 5. AS 35.10.200(4) is amended to read:  
9 (4) "public facilities" does not include highways or vessels  
10 of the marine highway system or the facilities for which responsibility  
11 is charged to the Department of Transportation under AS 44.42.
- 12 \* Sec. 6. Section 5 of this Act takes effect on the effective date of  
13 a version of House Bill No. 63.
- 14 \* Sec. 7. Sections 1 - 4 of this Act take effect immediately in accor-  
15 dance with AS 01.10.070(c).
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*Alaska*  
**MUNICIPAL**  
*League*

TELEPHONES  
(907) 586-1325  
586-6526

204 N. FRANKLIN ST.  
JUNEAU, ALASKA 99801

May 9, 1975

The Honorable Bill Ray  
Chairman, Senate Finance Committee

Dear Mr. Chairman:

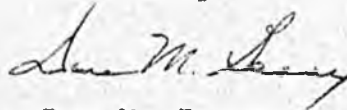
On Friday, May 9, HB 429, "An Act relating to the public facility procurement policy of the state," was referred to the Senate Finance Committee.

The City of Anchorage is extremely anxious to present testimony on this bill and had requested to do so before the Commerce Committee. However, the bill was released from that Committee without the City's having been notified of a hearing.

On behalf of the City of Anchorage, we respectfully request that representatives from there be given the opportunity to appear before your Committee during your deliberation on HB 429.

We wish to thank you for your courteous consideration of this request.

Sincerely,



Don M. Berry  
Executive Director