

H B

2 9 5

BILL FOR COLLECTION

STATE OF ALASKA

BILL NO.

71977

MO DAY YEAR
DATE 01 | 27 | 81

Department of Transportation
and Public Facilities
Division of Financial Management
Pouch Z
Juneau, Alaska 99811

PLEASE MAKE CHECK PAYABLE TO:
State of Alaska

AND MAIL TO:
Alaska Division of Emergency
Services
P.O. Box 2267
Palmer, Alaska 99545

PAYER:

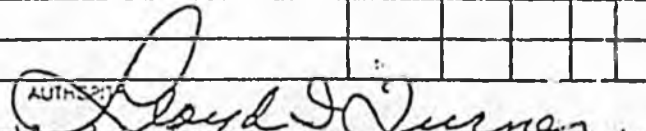
DATE	DESCRIPTION	QUANTITY	UNIT PRICE	AMOUNT
1-27-81	Final payment due from excess funds advanced on project application FDAA-452-DR-10			46,747.90
	Total advance		215,941.22	
	Total approved		<u>169,193.32</u>	
			46,747.90	

THIS SPACE FOR STATE USE ONLY

AMOUNT DUE THIS BILL

46,747.90

CUSTOMER NUMBER	BRIEF DESCRIPTION	TRANS CODE	DEPT.	PROGR.	DIV.	ACCOUNT	RECPT	ACTIVITY	PROJECT	*	AMOUNT


 AUTHORIZED BY
 NAME: Lloyd R. Turner Title: Deputy Director

MEMORANDUM

State of Alaska

Ron Lehr, Director
Division of Budget & Management
Office of the Governor

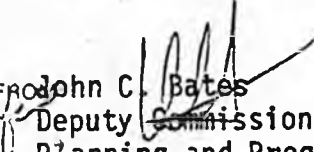
DATE: March 25, 1981

FILE NO:

5091404
RECEIVED
MAR 25 1981
BUDGET AND MANAGEMENT

TELEPHONE NO:

SUBJECT: Supplemental Budget
Request

FROM:  John C. Bates
Deputy Commissioner
Planning and Programming
Department of Transportation
and Public Facilities

The Department of Transportation and Public Facilities requests a supplemental appropriation for \$46,747.90 which must be repaid to the Department of Military Affairs for the Bering Sea Storm Repair project.

Your support for this request is recommended.

STATE OF ALASKA

DEPARTMENT OF MILITARY AFFAIRS

ALASKA DIVISION OF EMERGENCY SERVICES

JAY S. HAMMOND, GOVERNOR

P.O. BOX 2267
Palmer, Alaska 99645

March 2, 1981

Mr. Thomas C. Gallagher, Director
Department of Transportation and
Public Facilities
Division of Financial Management
Pouch Z
Juneau, Alaska 99811

Return Receipt Requested
Certified # P00 7549191

Dear Tom:

On January 24, 1981, I sent a letter regarding the final audit of the Bering Sea Storm; FDAA-452-DR-10. I advised you that there was the amount of \$46,747.90 due and payable at that time.

Please let me know at your earliest convenience what arrangements you wish to make regarding this payment.

Sincerely,


Lloyd I. Turner
Deputy Director

LIT:SJM:wc

9 MAR 3 5

STATE OF ALASKA

JOY S. HAMMOND, GOVERNOR

DEPARTMENT OF MILITARY AFFAIRS

ALASKA DIVISION OF EMERGENCY SERVICES

P. O. Box 2267
Palmer, Alaska 99645

January 27, 1981

Mr. Thomas C. Gallagher, Director
Department of Transportation and
Public Facilities
Division of Financial Management
Pouch Z
Juneau, Alaska 99811

Dear Tom:

Enclosed is the final determination on the Federal audit relative to DOT's project application from the Bering Sea Storm disaster; FDAA-452-DR-10.

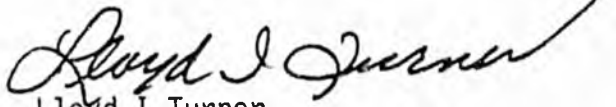
Although the Feds have advanced this agency only \$202,000.00, we had advanced to your divisions as follows:

Communications	9674.36
Aviation	16,437.10
Buildings	<u>189,829.76</u>
	215,941.22

These advances, combined with the total approved amount requires a payback to this agency in the amount of \$46,747.90.

Should you have any questions please contact Shirley Meudt at 376-3061. An acknowledgement reply would be appreciated.

Sincerely,


Lloyd I Turner
Deputy Director

LIT:SJM:dg
Enclosure: as stated

30 JAN 3 34

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL DISASTER ASSISTANCE ADMINISTRATION

SUSPENSION STATEMENT

DATE

January 16, 1981

BUREAU VOUCHER NUMBER

CONTRACT NUMBER

FDA-452-DR-10

PURCHASE ORDER/TRAVEL AUTHORIZATION NUMBER

TO: (Name and Address)

Treasurer, State of Alaska
Division of Emergency Services
1306 East Fourth Avenue
Anchorage, Alaska 99501

INVOICE NUMBER

CLAIMED AMOUNT

\$ 218,206.82

SUSPENDED AMOUNT

\$ 49,013.50

APPROVED AMOUNT

\$ 169,193.32

REASONS FOR SUSPENSION

General

The amount recommended by the State Auditor is \$192,263.34. The State voucher requests \$218,206.82. Since no new or additional information is submitted to justify the extra amount, the increase cannot be approved.

Voucher Request	\$218,206.82
State Audit	192,263.34
Ineligible	\$ 25,943.48

SUSPEND \$25,943.48

Item NA-1 Nome (Category A)

All labor was claimed by applicant at a rate of \$9.27 per hour. One employee was paid at a rate of \$8.87 per hour. The ineligible amount claimed totalled \$26.18, leaving \$2,779.63.

State Audit	\$2,805.81
Eligible	2,779.63
Ineligible	\$ 26.18

SUSPEND \$ 26.18

Item D-1 Unalakleet (Category D)

The amount claimed for employee compensation included a 23.38 percent amount (\$727.84) for fringe benefits. Such costs are ineligible.

State Audit	\$8,087.47
Eligible	7,359.63
Ineligible	\$ 727.84

SUSPEND \$ 727.84

Item E-2 Nome SOB (Category E)

The final inspection report shows that following award of the basic contract for \$126,500.00, a change order was negotiated for relocating the exhaust system from the crawl space to the roof of the building. Additional cost for this change order was \$22,316.00. Since the basic contract provided for repairing the exhaust system in the crawl space, the relocation costs must be considered as ineligible betterment and the cost disallowed.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 FEDERAL DISASTER ASSISTANCE ADMINISTRATION
 ADJUSTMENT STATEMENT

DATE	January 16, 1981
BUREAU VOUCHER NUMBER	
CONTRACT NUMBER	FDA-452-DR-10
PURCHASE ORDER/TRAVEL AUTHORIZATION NUMBER	
INVOICE NUMBER	
CLAIMED AMOUNT	\$ 218,206.82
SUSPENDED AMOUNT	\$ 49,013.50
APPROVED AMOUNT	\$ 169,193.32

TO: (Name and Address)

Treasurer, State of Alaska
 Division of Emergency Services
 1303 East Fourth Avenue
 Anchorage, Alaska 99501

REASONS FOR SUSPENSION

Continued

State Audit	\$157,960.52		
Eligible	135,644.00		
Ineligible	\$ 22,316.00	SUSPEND	\$22,316.00
		TOTAL SUSPENSIONS	\$49,013.50

SUMMARY

Amount Requested	\$218,206.82
Amount Suspended	49,013.50
Amount Approved	\$169,193.32

Amount Approved-PA	\$269,967.00
Amount Advanced	202,000.00

Since the amount advanced is more than the total eligible costs after State and Federal Audit, the State will need to re-pay the \$32,806.68 which is the amount over advanced.

Amount Advanced	\$202,000.00
Eligible Costs/Audit	169,193.32
Amount due from State	\$ 32,806.68

[Handwritten Signature]

 (Name and Title)

148295

March 9, 1981

The Honorable Jim Duncan
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which would make supplemental appropriations to the Department of Administration and to the Department of Transportation and Public Facilities (DOT/PF).

The appropriation to the Department of Administration, in sec. 1 of the bill, would pay the administrative costs of the deferred compensation program in the division of retirement and benefits. Last year, it was the intent to fund these costs through program receipts (i.e., a \$5 monthly fee from every program participant); however, there is no specific statutory authority for imposing such a fee. Therefore, the Department of Administration is currently paying those administrative costs, which were not included in its FY 81 budget. In other words, last year's appropriation was based on a substantial amount of program receipts, but there are no program receipts.

Sections 2 and 3 of the bill contain appropriations to DOT/PF. The \$613,100 amount in sec. 2 would pay cost overruns and architectural fees for various projects in the state. The architectural fees are for services completed on several projects, but for which the fees have not yet been paid. The project cost overruns resulted from a range of situations, including change orders requested by the client agencies, changes in building codes, and necessary additional design work. Some of the projects involved have been completed and some have not.

The \$234,700 appropriation to DOT/PF in sec. 3 would pay the claim settlement on the Cold Bay dock project. A claim filed by the contractor was negotiated and an agreement was accepted by the commissioner of DOT/PF on

September 24, 1980. The appropriation would pay the balance of \$220,000 owed to the contractor, plus eight percent interest. Additional interest will accrue if payment is not made promptly.

Sincerely,

JSH

Jay S. Hammond
Governor

MEMORANDUM

State of Alaska ^{1/21} 2 1981

~~S092502~~

FILE AND REPORT


TO: Ronald Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: January 21, 1981

S 09 14 02

FILE NO:

TELEPHONE NO:

FROM:  John C. Bates
Deputy Commissioner
Planning and Programming
Department of Transportation
and Public Facilities

SUBJECT: Supplemental Request

We request that the supplemental request submitted by the Department on December 19, 1980 be amended to include \$234,670 for a claim settlement on the Cold Bay Dock project.

This supplemental request represents that portion of the claim we were unable to pay at time of settlement plus 8% interest. The amount owed the claimant is \$220,000 plus 10 months of interest for a total of \$234,670.

Your support for this request will be appreciated.

Project Title Cold Bay Dock Reconstruction Claim Settlement			Location (s) Cold Bay, Alaska		Election Districts Served 15		Start Date		Completion Date			
Aviation fuel dock project AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year _____	Ultimate Annual Year _____	GOVERNOR'S REQUEST					
							Approved <input type="text"/>		Deferred <input type="text"/>		Disapproved <input type="text"/>	
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts				
1003	G/F Match			General Fund			1003	G/F Match				
1004	General Fund	\$237,600						1004	General Fund			
1005	I/A Receipts							1005	I/A Receipts			
	G.O. Bonds								G.O. Bonds			
			Total Annual Operational Cost									
			Position (FTE)									
			Previous Year Priority		Agency Priority		Governor's Priority					
Total		\$237,600							Total			

PROJECT DESCRIPTION

The Cold Bay Dock was completely reconstructed with a \$1,980,000 Aviation G.O. Bond (Ch.248 SLA76) and a \$500,000 General Fund (Ch.131 SLA77) appropriation. The construction contract was awarded to Riley Pleas, Inc. a Seattle firm, in July, 1977. Work proceeded through 1978 and occupancy of the structure began in January, 1979. Prior to final acceptance of the facility a number of deficient welds were discovered by the State Inspector leading to delays in processing of payment to the contractor. The Contractor subsequently filed a claim to recover increased costs which he alleged were the result of poor design and unreasonable tolerances. A settlement of the claim was negotiated and accepted by the Commissioner of DOT/PF on September 24, 1980. The agreement called for payment of \$250,000 (at 8% annual interest) to satisfy all claims, rights and remaining contract costs. The funds remaining in the appropriation, \$30,000, were paid in December, 1980, leaving a balance of \$220,00 to be paid. This appropriation will provide the funds needed to make that final payment.

RECEIVED

FEB 24 1981

BUDGET AND MANAGEMENT

CATEGORY Transportation

AGENCY DOT/PF

PROGRAM Ports and Harbors

Page _____ of _____
Revised Date _____

FY 82

35a

**PROJECT DESCRIPTION -
PROPOSED CAPITAL
PROJECT**

Capital Project Expenditures (Cash Flow)	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction	\$237,600	\$237,600					
Equipment							
Administration and Other							
Total Annual Expenditure (Capital Cost)							

Project Justification

See attached Letter of Agreement, correspondence and memorandum.

Non payment of the claim agreed to could result in further litigation by the contractor resulting in substantial costs to the State.

\$220,000 @ 8% simple interest for one year = \$237,600

Project Type

- Building Construction (C)
- Other Improvement (I)
- Equipment (E)
- Land (L)
- Professional Services (P)
- Other (O)

Project Characteristics

- Totally New Facility
- Addition to Existing Facility
- Renovation of Existing Facility
- Major Maintenance or Repair
- Supplement Previously Authorized
- Funds to Enable Completion
- One of Several Phases
- Major External Funding Source
- Other

Site Features

NO YES

- Site Currently Owned?
- All Utilities Available?
- Access Already Available?

PROJECT TITLE Gold Bay Dock Claim Settlement **CATEGORY** Transportation

AGENCY DOT/PF
PROGRAM Ports and Harbors

Page	of
Revised Date	

FY 82

35b PROJECT JUSTIFICATION
PROPOSED CAPITAL PROJECT

MEMORANDUM

State of Alaska

RECEIVED
JAN 28 1981
BUDGET AND MANAGEMENT

S100402

TO: Ron Lehr, Director
Division of Budget and Management
Office of the Governor

DATE: January 27, 1981

FILE NO:

TELEPHONE NO: 465-2200

FROM: Commissioner W. R. Hudson
Department of Administration

SUBJECT: FY 81 Supplemental
Deferred Compensation

The Department of Administration, Division of Retirement and Benefits, Deferred Compensation Program requests a supplemental appropriation for FY 81 of 68.9 General Funds.

As explained in the attached memorandum from Paul Arnoldt, it was planned that the recipients of this program would be assessed a fee to pay the administrative costs. This plan, however, was not implemented due to a lack of specific statutory authority. This authority is being requested in the Department's legislative package for the 1981 session.

If you have any questions, please call me or Judy Crondahl at 465-2277.

WRH/mjc
cc: Paul B. Arnoldt
Judy Crondahl
Attachment

To Typists
2/19/81

TO: Judy Crondahl
Director
Division of Administrative Services
Department of Administration

DATE: January 24, 1981

FILE NO:

Department of Administration

TELEPHONE NO: 465-4460

FROM: Paul B. Arnoldt
Director
Division of Retirement & Benefits
Department of Administration

SUBJECT: Supplemental Budget
Request

Our FY 81 budget request contained a provision which shifted the cost of administering the Deferred Compensation Plan from General Funding to Program Receipts. This transfer was accomplished in an effort to shift the cost of the program from the general public to those deriving benefits from the plan and was based on the Governor's policy guidelines.

Subsequent to the legislature's authorization of funds under Program Receipts for the Deferred Compensation Plan, it was our intent to assess a \$5.00 monthly fee upon every participant of the plan to fund the administrative costs of the program. However, the Department of Law deemed the charge of a fee inappropriate without specific statutory authority.

Therefore, in FY 81 we are overfunded in Program Receipts by \$68.9 (thousands) and underfunded in General Funds by the same amount. We are requesting a supplement to our FY 81 budget in the General Fund area to cover the deficit. Our Supplemental Request Analysis for the Other Benefits component is attached.

We shall be seriously underfunded in the General Fund area, if our request is not fulfilled. Your assistance with our supplemental request is appreciated.

PBA/ch

RECEIVED
JAN 27 1981

Dept. of Administration
Administrative Services

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/1 to 12/31/81	FY 81 OTHER OBLIGATIONS 7/1/1 to _____	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCE to 6/30	FY (10) OR
GENERAL SERVICES	167.9	277.3	256.2	332.6	456.1	456.1	196.0		260.1	
...	4.2	5.4	2.6	11.8	13.8	13.8	1.9		11.9	
GENERAL SERVICES	41.4	382.7	387.3	296.7	424.2	424.2	134.1		290.1	
...	1.0	4.8	4.2	3.9	4.3	4.3	1.0		3.3	
...	3.9	41.0	40.8	7.9	6.2	6.2	.9		5.3	
...		9.7	9.7	9.3	9.3	9.3	9.3			
...										
...		31.3	28.8	31.3	43.9	43.9			43.9	
TOTAL	218.4	752.2	726.6	687.5	957.8	957.8	343.2		614.6	
...										
...										
GENERAL FUND	170.9	217.5	187.1	201.6	213.4	213.4	139.4		142.9	(6)
Program		463.7	475.5	408.4	633.3	633.3	164.7		399.7	(6)
AGENCY RECEIPTS										
Other Funds	47.5	71.0	64.0	77.5	77.5	77.5	34.1		43.4	
P/E Ret					14.3	14.3			14.3	
Teachers Ret					14.3	14.3			14.3	
M.G.					5.0	5.0	5.0			

DRU: Lab Services

COMPONENT: Other Benefits

REVISED: _____

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
 Division of Budget and Management
 Office of the Governor

DATE: December 16, 1980

FILE NO:

TELEPHONE NO:

FROM: John C. Bates *JCB*
 Deputy Commissioner
 Department of Transportation
 and Public Facilities

SUBJECT: Supplemental Capital
 Budget Request-Facilities

Attached, is this Department's Supplemental Budget Request. This request represents cost overruns on currently active Facilities projects.

The projects for which we are requesting supplemental funding are:

1. Pilot Station School
2. Architectual Fees
3. Southeast - Project Overruns
4. Interior/Western Project Overruns
5. Central Region Project Overruns
6. Juneau Subport and Reroof
7. Governor's Mansion Fire Sprinkler

<i>IN FY82</i>	<u>1,100.0</u>	<i>OK - new proj -</i>
	49.0	} <i>613.1 Sit/404</i>
	59.6	
	230.0	
	274.5	
	<u>62.6</u>	<i>add to 66 project</i>
	<u>185.0</u>	<i>" " " "</i>

1,960.7

Nelsson Sparker 4070

Type 2/17/81

RECEIVED
 DEC 16 1980
 BUDGET AND MANAGEMENT

Project Title Architectural Fees			Location(s) Statewide		Election Districts Served		Start Date 7/1/80		Completion Date 6/30/81		
AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year _____	Ultimate Annual Year _____	GOVERNOR'S REQUEST		Disapproved		
							Approved		Deferral		
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts			
1003	G/F Match			General Fund			1003	G/F Match			
1004	General Fund	49.0						1004	General Fund		
1005	I/A Receipts							1005	I/A Receipts		
	G.O. Bonds								G.O. Bonds		
			Total Annual Operational Cost								
			Position (FTE)								
			Previous Year-Priority		Agency Priority	Governor's Priority					
Total			49.0						Total		

PROJECT DESCRIPTION

This project will complete payment to architects for completed projects.

35a PROJECT DESCRIPTION -
PROPOSED CAPITAL

CATEGORY

AGENCY DOT/PF

PROGRAM

RECEIVED
DEC 16 1980
BUDGET AND MANAGEMENT

Page 1 of 2
Revised Date

RECEIVED
DEC 16 1980
FY 8
BUDGET AND MANAGEMENT

	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction							
Equipment							
Administration and Other	49.0	49.0					
Total Annual Expenditure (Capital Cost)	49.0	49.0					

Project Justification

This project represents architectural fees which have been submitted to DOT/PF for projects which were closed out prior to receipt of the fees. The fees are entirely justified and should be paid as soon as possible.

- Project Type**
- Building Construction (C)
 - Other Improvement (I)
 - Equipment (E)
 - Land (L)
 - Professional Services (P)
 - Other (O)

- Project Characteristics**
- Totally New Facility
 - Addition to Existing Facility
 - Renovation of Existing Facility
 - Major Maintenance or Repair
 - Supplement Previously Authorized
 - Funds to Enable Completion
 - One of Several Phases
 - Major External Funding Source
 - Other

- Site Features**
- NO YES
- Site Currently Owned?
 - All Utilities Available?
 - Access Already Available?

PROJECT TITLE _____

CATEGORY _____

35b PROJECT JUSTIFICATION
PROPOSED CAPITAL

AGENCY DOT/PF

PROGRAM _____

Page 2 of 2
Revised Date _____

FY 82

Project Title			Location(s)		Election Districts Served		Start Date		Completion Date	
Project Cost Overruns			Southeast Region		A, B, C.		7/81		10/81	
AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year	Ultimate Annual Year	GOVERNOR'S REQUEST			
							Approved	Deferred	Disapproved	
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts		
1003	G/F Match			General Fund			1003	G/F Match		
1004	General Fund	59.6					1004	General Fund		
1005	I/A Receipts						1005	I/A Receipts		
	G.O. Bonds							G.O. Bonds		
			Total Annual Operational Cost		- no change -					
			Position (FTE)							
			Previous Year Priority		Agency Priority		Governor's Priority			
Total			59.6				Total			

PROJECT DESCRIPTION

This request is to fund existing cost overruns for completed projects, in order to allow the Department to close the project accounts. Four projects have been identified as having cost overruns:

- | | |
|--------------------------------------|-----------------|
| 1) Hidden Falls Hatchery (H95302) | \$ 580 |
| 2) Juneau Records Center (H80197) | 49,724 |
| 3) Juneau Snack Bar (H80103) | 2,049 |
| 4) Klawock Secondary School (H79064) | 6,750 |
| | <u>\$59,103</u> |

Additionally, the current listing does not include cost overruns if less than \$100. Therefore, a contingency of \$500 is being requested to cover small project overruns unknown at this time.

CATEGORY Facilities

AGENCY DOT/PF

PROGRAM Southeast Region

Page 1 of 1	RECEIVED FY 81
Revised Date	DEC 16 1980
	MANAGEMENT

35a PROJECT DESCRIPTION -
PROPOSED CAPITAL

Capital Project Expenditures (Cash Flow)	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction							
Equipment							
Administration and Other	59.6	59.6					
Total Annual Expenditure (Capital Cost)	59.6	59.6					

Project Justification

The budgets for those physically-completed projects described on form "35a" cannot be closed due to outstanding debts. With the requested funding, these debts will be paid and the project accounts closed.

Project Type

- Building Construction (C)
- Other Improvement (I)
- Equipment (E)
- Land (L)
- Professional Services (P)
- Other (O)

Project Characteristics

- Totally New Facility
- Addition to Existing Facility
- Renovation of Existing Facility
- Major Maintenance or Repair
- Supplement Previously Authorized
- Funds to Enable Completion
- One of Several Phases
- Major External Funding Source
- Other

Site Features

NO YES

- Site Currently Owned?
- All Utilities Available?
- Access Already Available?

PROJECT TITLE Project Cost Overruns

CATEGORY Facilities

35b PROJECT JUSTIFICATION
PROPOSED CAPITAL PROJECT

AGENCY DOT/PF

PROGRAM Southeast Region

Page 1 of 1
Revised Date

FY 82

Project Title			Location(s)		Election Districts Served		Start Date		Completion Date		
Project Overruns			Interior & Western Region		Various						
AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year	Ultimate Annual Year	GOVERNOR'S REQUEST				
							Approved	Deferred	Disapproved		
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts			
1003	G/F Match			General Fund			1003	G/F Match			
1004	General Fund	230.0						1004	General Fund		
1005	I/A Receipts							1005	I/A Receipts		
	G.O. Bonds								G.O. Bonds		
			Total Annual Operational Cost								
			Position (FTE)								
			Previous Year-Priority		Agency Priority	Governor's Priority					
			Total		230.0					Total	

PROJECT DESCRIPTION

The project listed in this capital budget request have been funded by previous budgets. All projects listed in this request are in the DOT/PF, Interior & Western Regions and involve projects such as pioneer homes, office buildings, skill centers, sewer improvements, and schools.

The cost overruns involve various components of the projects, ranging from change orders requested by the client agencies to changes in building codes or need for additional design work.

35a PROJECT DESCRIPTION -
PROPOSED CAPITAL
PROJECT

CATEGORY Facilities
Department of Transportation
AGENCY & Public Facilities
PROGRAM Interior & Western Region

Page 1 of 3
Revised Date

FY 82

Capital Project Expenditures (Cash Flow)	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction							
Equipment							
Administration and Other							
Total Annual Expenditure (Capital Cost)	230.0						

Project Justification

Project Need:

Additional funding is needed at this time to cover the overruns and insure completion without claims against the projects. As shown on the attached sheet, the claims run in cost from \$500 to approximately \$50,000.

For the Interior Region there are 14 projects now in an over-spent category. It is anticipated that the requested funds in total, and as reflected for each individual project will complete the projects as presently scheduled and anticipated by the client agencies.

The projects, by type, range from building construction to improvement and equipment. Project characteristics involve new facilities, addition to existing facilities and renovation of existing facilities, and, in some cases, major maintenance and repair.

These funds are also needed to supplement previously authorized funds which will enable completion of the project as needed by the client agency.

The project purposes include protection of human health and safety, protection of capital assets, the improvement of the efficiency and economy of state government, and, in some cases, to accommodate new program requirements.

Project Type

- Building Construction (C)
- Other Improvement (I)
- Equipment (E)
- Land (L)
- Professional Services (P)
- Other (O)

Project Characteristics

- Totally New Facility
- Addition to Existing Facility
- Renovation of Existing Facility
- Major Maintenance or Repair
- Supplement Previously Authorized
- Funds to Enable Completion
- One of Several Phases
- Major External Funding Source
- Other

Site Features

NO YES

- Site Currently Owned?
- All Utilities Available?
- Access Already Available?

PROJECT TITLE Project Overruns

CATEGORY Facilities
 Department of Transportation
 AGENCY & Public Facilities

Page 2	of	3
Revised Date		

FY 82

35b PROJECT JUSTIFICATION
PROPOSED CAPITAL

PROGRAM Interior & Western Region

OVER EXPENDITURES

INTERIOR REGION

<u>PROJECT #</u>	<u>NAME</u>	<u>AMOUNT OVERSPENT*</u>	<u>BUDGETED AMOUNT</u>	<u>% OVERSPENT</u>
+H-60040	Fairbanks HVAC Building	-\$2,324.68	\$22,000	10.6%
**H-80111	Glennallen Employment Center	- 524.59	7,500	7.0%
H-80189	Nulato Building Sewer & Water	-2,431.13	865,933	0.3%
H-90060	Cantwell School	-0-	500,285	-0-
H-90061	Cantwell Roof	-1,525.42	32,115	1.64%
H-90120	Galena Elementary/High	-29,078.37	4,125,000	0.07%
+H-90140	Glennallen Multi-Purpose	-100,071.46	1,109,009.26	9.02%
H-90150	Glennallen Voc./Ed.	-933.42	479,317.00	1.77%
H-90300	Mentasta Elementary School	-8,481.11	253,993	1.07%
H-90360	Northway Elementary/Secondary	-2,726.50	1,698,689.31	0.16%
H-90460	Tanana Voc./Ed.	-3,365.34	468,000	0.72%
H-90609	Nulato HS Roof	-0-	300,000	-0-
+H-91132	Stevens Village	-1,893.89	12,632.00	15%
H-91135	Fort Yukon	-3,225.00	327,675	0.0098%
	TOTAL	-156,580.91		

WESTERN REGION

+H-80190	Selawik Community Service	-\$20,332.05	\$1,079,313	1.88%
+**H-80191	Allakanuk Community Service	-50,580.03	1,001,000	5.05%
H-92601	Kotzebue Senior Citizens	-2,459.12	904,670	0.27%
	GRAND TOTAL	-\$229,952.11		

* - This information is based on 9-30-80 210 Run.

** - These projects belong to Central Region.

+ - See attached memo for statement regarding these projects.

Project Title			Location(s)		Election Districts Served		Start Date		Completion Date		
Project Cost Overrun			Central		5-18		July '81		June '82		
AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year	Ultimate Annual Year	GOVERNOR'S REQUEST				
							Approved	Deferred	Disapproved		
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts			
1003	G/F Match			General Fund			1003	G/F Match			
1004	General Fund	274.5						1004	General Fund		
1005	I/A Receipts							1005	I/A Receipts		
	G.O. Bonds								G.O. Bonds		
			Total Annual Operational Cost								
			Position (FTE)								
			Previous Year Priority		Agency Priority	Governor's Priority					
Total			274.5				Total				

PROJECT DESCRIPTION

Nineteen building projects within the Central Region involving completed projects and those under construction. The type of buildings include: Pioneer homes, court facilities, fish hatcheries, skill centers, sewer improvements, junior high and high schools. Project characteristics include new facilities, addition to existing facilities, major maintenance and repair, and renovation of existing facilities.

CATEGORY Facilities Planning

AGENCY DOT/PE

PROGRAM Supplemental

Page 1 of 1
 Revised Date

RECEIVED
 DEC 1 8 1980
 BUDGET AND MANAGEMENT

FY 82

35a PROJECT DESCRIPTION --
 PROPOSED CAPITAL

Capital Project Expenditures (Cash Flow)	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction							
Equipment							
Administration and Other							
Total Annual Expenditure (Capital Cost)	274.5						

Project Justification

The cost overruns involve various components of the projects, ranging from change orders requested by the client agencies to changes in building codes or need for additional design work. Additional funding is needed at this time to cover the overruns and insure completion without claims against the projects. These funds are also needed to supplement previously authorized funds which will enable completion of the project.

The project purposes include protection of human health and safety, protection of capital assets, the improvement of the efficiency and economy of the state government, and, in some cases, to accommodate new program requirements.

Project Type

- Building Construction (C)
- Other Improvement (I)
- Equipment (E)
- Land (L)
- Professional Services (P)
- Other (O)

Project Characteristics

- Totally New Facility
- Addition to Existing Facility
- Renovation of Existing Facility
- Major Maintenance or Repair
- Supplement Previously Authorized
- Funds to Enable Completion
- One of Several Phases
- Major External Funding Source
- Other

Site Features

NO YES

- Site Currently Owned?
- All Utilities Available?
- Access Already Available?

PROJECT TITLE Project Cost Overruns

CATEGORY Facilities Planning

AGENCY DOT/PF

PROGRAM Supplemental

Page 1 of 2
Revised Date

FY 82

35b PROJECT JUSTIFICATION
PROPOSED CAPITAL PROJECT

Documentation of Estimated Capital Costs: Based on current records - 10% annually.

Analysis of Estimated Operational Expense: No changes.

Identification of Alternatives Considered: None available - projects must be completed.

<u>PROJECT #</u>	<u>NAME</u>	<u>AMOUNT OVERSPENT</u>
H80008	ANC Pioneers Home - Phase I	\$ 29,647.19
H80046	Lake Nunavegalak Rearing	1,623.10
H80067	Kenai Court & Office	425.76
H80094	AK Skill Ctr	14,414.67
H80098	Seward Skill Ctr - Dorms	154.38
H80130	Seward Hwy Maint Bldg	1,210.93
H80191	Alakanuk Comm Service	50,580.03
H80194	Anc Court Facility Remodel	63,445.23
H80321	Fire Lake Sewer	126.07
H80323	Anc Pioneers Home	12,206.82
H80356	Seward M & O Shop	1,248.93
H90050	Bethel Jr Hi Roof Repair	7,529.96
H90370	Pilot Point School	10,727.22
H90440	Sleetmute Elem.	455.87
H91042	Bethel HS Under Floor	33,499.89
H91044	Bethel Dorm Roof	2,161.55
H91047	Bethel Reg Fire Code	10,771.30
H20273	Anc Pioneer Home - Phase II	18,566.61
H91703	Mcgrath Sewer & Water	15,725.57
	TOTAL	\$274,471.08

Project Cost Overrun

CATEGORY Facilities Planning

AGENCY DOT/PF

PROGRAM Central Region

Page 2 of 2
Revised Date

FY 82

CONTINUATION
FROM:

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT

John

5101404

Art Peterson
Assistance Attorney General
Department of Law

February 20, 1981

Ronald D. Lehr, Director *Ron*
Division of Budget and Management
Office of the Governor

General Government
Transportation and Public
Facilities
Suppl. Request: \$613.1 GF
Architectural Fees and Project
Cost Overruns

Appropriation Request

Please prepare a bill for the Governor's ^{*INFORMATION*} information making a supplemental appropriation in the amount of \$613.1 to the Department of Transportation and Public Facilities for the purpose of meeting costs incurred for architectural fees and project cost overruns for projects started in FY 81 -- or earlier -- and for which costs still exist.

This \$613.1 should be appropriated from the general fund. This act should take effect immediately and include a lapse date of June 30, 1981.

Special Comments

Items included in the amount requested are:

Architectural Fees	49.0
Southeast Project Overruns	59.6
Interior/Western Project Overruns	230.0
Central Project Overruns	274.5

For additional information contact John Nixon, telephone 465-3580 in Budget and Management.

Attachments

MEMORANDUM

DOT/PF *W. W. W. W.*
State of Alaska

TO: Ron Lehr, Director
Division of Budget and Management
Office of the Governor

DATE: December 16, 1980

FILE NO:

TELEPHONE NO:

FROM: John C. Bates *JCB*
Deputy Commissioner
Department of Transportation
and Public Facilities

SUBJECT: Supplemental Capital
Budget Request-Facilities

Attached, is this Department's Supplemental Budget Request. This request represents cost overruns on currently active Facilities projects.

The projects for which we are requesting supplemental funding are:

1. Pilot Station School
2. Architectural Fees
3. Southeast - Project Overruns
4. Interior/Western Project Overruns
5. Central Region Project Overruns
6. Juneau Support and Reroof
7. Governor's Mansion Fire Sprinkler

<i>IN FY82</i>	1,100.0	<i>OK - new project</i>
	49.0	} 613.1 S101404
	59.6	
	230.0	
	274.5	
	52.6	<i>added to 66 project</i>
	<u>185.0</u>	" " " "
	1,960.7	

W. W. W. W. 4070

True 2/17/81

RECEIVED

Project Title Architectual Fees			Location (s) Statewide		Election Districts Served		Start Date 7/1/80		Completion Date 6/30/81			
AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year _____	Ultimate Annual Year _____	GOVERNOR'S REQUEST					
							Approved		Deferred		Disapproved	
							<input type="text"/>		<input type="text"/>		<input type="text"/>	
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts				
1003	G/F Match			General Fund			1003	G/F Match				
1004	General Fund	49.0						1004	General Fund			
1005	I/A Receipts							1005	I/A Receipts			
	G.O. Bonds								G.O. Bonds			
			Total Annual Operational Cost									
			Position (FTE)									
			Previous Year Priority		Agency Priority		Governor's Priority					
Total			49.0						Total			

PROJECT DESCRIPTION

This project will complete payment to architects for completed projects.

CATEGORY _____

AGENCY DOT/PF _____

PROGRAM _____

Page 1 of 2
Revised Date

FY 82

35a

**PROJECT DESCRIPTION -
PROPOSED CAPITAL
PROJECT**

Capital Project Expenditures (Cash Flow)	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction							
Equipment							
Administration and Other	49.0	49.0					
Total Annual Expenditure (Capital Cost)	49.0	49.0					

Project Justification

This project represents architectural fees which have been submitted to DOT/PF for projects which were closed out prior to receipt of the fees. The fees are entirely justified and should be paid as soon as possible.

Project Type

- Building Construction (C)
- Other Improvement (I)
- Equipment (E)
- Land (L)
- Professional Services (P)
- Other (O)

Project Characteristics

- Totally New Facility
- Addition to Existing Facility
- Renovation of Existing Facility
- Major Maintenance or Repair
- Supplement Previously Authorized
- Funds to Enable Completion
- One of Several Phases
- Major External Funding Source
- Other

Site Features

NO YES

- Site Currently Owned?
- All Utilities Available?
- Access Already Available?

PROJECT TITLE _____

CATEGORY _____

35b PROJECT JUSTIFICATION
PROPOSED CAPITAL PROJECT

AGENCY DOT/PF

PROGRAM _____

Page 2 of 2
Revised Date _____

FY 82

Project Title Project Cost Overrun		Location (s) Central		Election Districts Served 5-18		Start Date July '81		Completion Date June '82		
AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year _____	Ultimate Annual Year _____	GOVERNOR'S REQUEST			
							Approved <input type="text"/>	Deferred <input type="text"/>	Disapproved <input type="text"/>	
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts		
1003	G/F Match			General Fund			1003	G/F Match		
1004	General Fund	274,471.08						1004	General Fund	
1005	I/A Receipts							1005	I/A Receipts	
	G.O. Bonds								G.O. Bonds	
			Total Annual Operational Cost							
			Position (FTE)							
			Previous Year Priority		Agency Priority	Governor's Priority				
Total			274,471.08				Total			

PROJECT DESCRIPTION

Nineteen building projects within the Central Region involving completed projects and those under construction. The type of buildings include: Pioneer homes, court facilities, fish hatcheries, skill centers, sewer improvements, junior high and high schools. Project characteristics include new facilities, addition to existing facilities, major maintenance and repair, and renovation of existing facilities.

CATEGORY Facilities Planning

AGENCY DOT/PE

PROGRAM Supplemental

Page 1 of 1
Revised Date

FY 82

35a

**PROJECT DESCRIPTION -
PROPOSED CAPITAL
PROJECT**

RECEIVED
DEC 16 1981
BUDGET AND MANAGE

Capital Project Expenditures (Cash Flow)	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction							
Equipment							
Administration and Other							
Total Annual Expenditure (Capital Cost)	274,471.08						

Project Justification

The cost overruns involve various components of the projects, ranging from change orders requested by the client agencies to changes in building codes or need for additional design work. Additional funding is needed at this time to cover the overruns and insure completion without claims against the projects. These funds are also needed to supplement previously authorized funds which will enable completion of the project.

The project purposes include protection of human health and safety, protection of capital assets, the improvement of the efficiency and economy of the state government, and, in some cases, to accommodate new program requirements.

Project Type

- Building Construction (C)
- Other Improvement (I)
- Equipment (E)
- Land (L)
- Professional Services (P)
- Other (O)

Project Characteristics

- Totally New Facility
- Addition to Existing Facility
- Renovation of Existing Facility
- Major Maintenance or Repair
- Supplement Previously Authorized
- Funds to Enable Completion
- One of Several Phases
- Major External Funding Source
- Other

Site Features

NO YES

- Site Currently Owned?
- All Utilities Available?
- Access Already Available?

PROJECT TITLE Project Cost Overruns

CATEGORY Facilities Planning

AGENCY DOT/PF

PROGRAM Supplemental

Page 1 of 2
Revised Date

FY 82

35b PROJECT JUSTIFICATION
PROPOSED CAPITAL PROJECT

Documentation of Estimated Capital Costs: Based on current records - 10% annually.

Analysis of Estimated Operational Expense: No changes.

Identification of Alternatives Considered: None available - projects must be completed.

<u>PROJECT #</u>	<u>NAME</u>	<u>AMOUNT OVERSPENT</u>
H80008	ANC Pioneers Home - Phase I	\$ 29,647.19
H80046	Lake Nunavegalak Rearing	1,623.10
H80067	Kenai Court & Office	425.76
H80094	AK Skill Ctr	14,414.67
H80098	Seward Skill Ctr - Dorms	154.38
H80130	Seward Hwy Maint Bldg	1,210.93
H80191	Alakanuk Comm Service -	50,580.03
H80194	Anc Court Facility Remodel	63,445.23
H80321	Fire Lake Sewer	126.07
H80323	Anc Pioneers Home	12,206.82
H80356	Seward M & O Shop	1,248.93
H90050	Bethel Jr Hi Roof Repair	7,529.96
H90370	Pilot Point School	10,727.22
H90440	Sleetmute Elem.	455.87
H91042	Bethel HS Under Floor	33,499.89
H91044	Bethel Dorm Roof	2,161.55
H91047	Bethel Reg Fire Code	10,771.30
H20273	Anch Pioneer Home - Phase II	18,566.61
H91703	Mcgrath Sewer & Water	15,725.57
	TOTAL	\$274,471.08

Project Cost Overrun

CONTINUATION
FROM:

CATEGORY Facilities Planning
AGENCY DOT/PF
PROGRAM Central Region

Page 2 of 2
Revised Date

FY 82

Project Title			Location(s)		Election Districts Served		Start Date		Completion Date		
Project Cost Overruns			Southeast Region		A.B.C.		7/81		10/81		
AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year	Ultimate Annual Year	GOVERNOR'S REQUEST				
							Approved	Deferred	Disapproved		
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts			
1003	G/F Match			General Fund			1003	G/F Match			
1004	General Fund	59.6						1004	General Fund		
1005	I/A Receipts							1005	I/A Receipts		
	G.O. Bonds								G.O. Bonds		
			Total Annual Operational Cost		- no change -						
			Position (FTE)								
			Previous Year Priority		Agency Priority		Governor's Priority				
Total			59.6				Total				

PROJECT DESCRIPTION

This request is to fund existing cost overruns for completed projects, in order to allow the Department to close the project accounts. Four projects have been indentified as having cost overruns:

- | | |
|--------------------------------------|-----------------|
| 1) Hidden Falls Hatchey (H95302) | \$ 580 |
| 2) Juneau Records Center (H80197) | 49,724 |
| 3) Juneau Snack Bar (H80103) | 2,049 |
| 4) Klawock Secondary School (H79064) | 6,750 |
| | <u>\$59,103</u> |

Additionally, the current listing does not include cost overruns if less than \$100. Therefore, a contingency of \$500 is being requested to cover small project overruns unknown at this time.

CATEGORY Facilities

AGENCY DOT/PF

PROGRAM Southeast Region

Page 1 of 1

Revised Date

FY 82

35a

**PROJECT DESCRIPTION -
PROPOSED CAPITAL
PROJECT**

Capital Project Expenditures (Cash Flow)	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction							
Equipment							
Administration and Other	59.6	59.6					
Total Annual Expenditure (Capital Cost)	59.6	59.6					

Project Justification

The budgets for those physically-completed projects described on form "35a" cannot be closed due to outstanding debts. With the requested funding, these debts will be paid and the project accounts closed.

Project Type

- Building Construction (C)
- Other Improvement (I)
- Equipment (E)
- Land (L)
- Professional Services (P)
- Other (O)

Project Characteristics

- Totally New Facility
- Addition to Existing Facility
- Renovation of Existing Facility
- Major Maintenance or Repair
- Supplement Previously Authorized
- Funds to Enable Completion
- One of Several Phases
- Major External Funding Source
- Other

Site Features

NO YES

- Site Currently Owned?
- All Utilities Available?
- Access Already Available?

PROJECT TITLE Project Cost Overruns

CATEGORY Facilities

AGENCY DOT/PF

PROGRAM Southeast Region

RECEIVED
DEC 16 1980
PLANNING AND MANAGEMENT

1	of	1
Proposed Date		

FY 82

35b

PROJECT JUSTIFICATION

**PROPOSED CAPITAL
PROJECT**

Project Title Project Overruns			Location(s) Interior & Western Region		Election Districts Served Various		Start Date		Completion Date		
AGENCY REQUEST			Operational Cost & No. Personnel Increase -- (Decrease)		First Operating Year _____	Ultimate Annual Year _____	GOVERNOR'S REQUEST Approved <input type="text"/>		Deferred <input type="text"/>	Disapproved <input type="text"/>	
1002	Federal Receipts		Funding Source	Federal Receipts			1002	Federal Receipts			
1003	G/F Match			General Fund			1003	G/F Match			
1004	General Fund	229,952.11						1004	General Fund		
1005	I/A Receipts							1005	I/A Receipts		
	G.O. Bonds								G.O. Bonds		
			Total Annual Operational Cost								
			Position (FTE)								
			Previous Year-Priority		Agency Priority	Governor's Priority					
Total			229,952.11						Total		

PROJECT DESCRIPTION

The project listed in this capital budget request have been funded by previous budgets. All projects listed in this request are in the DOT/PF, Interior & Western Regions and involve projects such as pioneer homes, office buildings, skill centers, sewer improvements, and schools.

The cost overruns involve various components of the projects, ranging from change orders requested by the client agencies to changes in building codes or need for additional design work.

35a PROJECT DESCRIPTION -
PROPOSED CAPITAL
PROJECT

CATEGORY Facilities
Department of Transportation
AGENCY & Public Facilities
PROGRAM Interior & Western Region

Page 1 of 3
Revised Date

FY 82

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Capital Project Expenditures (Cash Flow)	Total	Budget Year	Budget Year Plus 1	Budget Year Plus 2	Budget Year Plus 3	Budget Year Plus 4	Remaining Cost
Planning and Engineering							
Land							
Construction							
Equipment							
Administration and Other							
Total Annual Expenditure (Capital Cost)	229,952.11						

Project Justification

Project Need:

Additional funding is needed at this time to cover the overruns and insure completion without claims against the projects. As shown on the attached sheet, the claims run in cost from \$500 to approximately \$50,000.

For the Interior Region there are 14 projects now in an over-spent category. It is anticipated that the requested funds in total, and as reflected for each individual project will complete the projects as presently scheduled and anticipated by the client agencies.

The projects, by type, range from building construction to improvement and equipment. Project characteristics involve new facilities, addition to existing facilities and renovation of existing facilities, and, in some cases, major maintenance and repair.

These funds are also needed to supplement previously authorized funds which will enable completion of the project as needed by the client agency.

The project purposes include protection of human health and safety, protection of capital assets, the improvement of the efficiency and economy of state government, and, in some cases, to accommodate new program requirements.

Project Type

- Building Construction (C)
- Other Improvement (I)
- Equipment (E)
- Land (L)
- Professional Services (P)
- Other (O)

Project Characteristics

- Totally New Facility
- Addition to Existing Facility
- Renovation of Existing Facility
- Major Maintenance or Repair
- Supplement Previously Authorized
- Funds to Enable Completion
- One of Several Phases
- Major External Funding Source
- Other

Site Features

NO YES

- Site Currently Owned?
- All Utilities Available?
- Access Already Available?

PROJECT TITLE Project Overruns

CATEGORY Facilities

AGENCY Department of Transportation & Public Facilities

PROGRAM Interior & Western Region

Page 2 of 3
Revised Date

FY 82

35b PROJECT JUSTIFICATION
PROPOSED CAPITAL PROJECT

OVER EXPENDITURES

INTERIOR REGION

<u>PROJECT #</u>	<u>NAME</u>	<u>AMOUNT OVERSPENT*</u>	<u>BUDGETED AMOUNT</u>	<u>% OVERSPENT</u>
+H-60040	Fairbanks HVAC Building	-\$2,324.68	\$22,000	10.6%
**H-80111	Glennallen Employment Center	- 524.59	7,500	7.0%
H-80189	Nulato Building Sewer & Water	-2,431.13	865,933	0.3%
H-90060	Cantwell School	-0-	500,285	-0-
H-90061	Cantwell Roof	-1,525.42	32,115	1.64%
H-90120	Galena Elementary/High	-29,078.37	4,125,000	0.07%
+H-90140	Glennallen Multi-Purpose	-100,071.46	1,109,009.26	9.02%
H-90150	Glennallen Voc./Ed.	-933.42	479,317.00	1.77%
H-90300	Mentasta Elementary School	-8,481.11	253,993	1.07%
H-90360	Northway Elementary/Secondary	-2,726.50	1,698,689.31	0.16%
H-90460	Tanana Voc./Ed.	-3,365.34	468,000	0.72%
H-90609	Nulato HS Roof	-0-	300,000	-0-
+H-91132	Stevens Village	-1,893.89	12,632.00	15%
H-91135	Fort Yukon	-3,225.00	327,675	0.0098%
	TOTAL	-156,580.91		

WESTERN REGION

+H-80190	Selawik Community Service	-\$20,332.05	\$1,079,313	1.88%
+**H-80191	Allakanuk Community Service	-50,580.03	1,001,000	5.05%
H-92601	Kotzebue Senior Citizens	-2,459.12	904,670	0.27%
	GRAND TOTAL	-\$229,952.11		

* - This information is based on 9-30-80 210 Run.

** - These projects belong to Central Region.

+ - See attached memo for statement regarding these projects.

RECEIVED
DEC 16 1980
BUDGET AND MANAGEMENT

MEMORANDUM

State of Alaska

TO: Betsy Engle
Facilities Planner
Division of Planning & Programming
Interior

DATE: November 5, 1980

FILE NO: 220I/4020

TELEPHONE NO: 479-6258 Ext. 33

FROM: Robert R. Venusti
Regional Design & Construction Chief
Division of General Design & Construction
Interior

SUBJECT: FAIRBANKS HVAC BUILDING STUDY
PROJECT NUMBER H 60040

GLENALLEN MULTI-PURPOSE
PROJECT NUMBER H 91040

STEVENS VILLAGE SCHOOL
PROJECT NUMBER H 91132

SELAWIK COMMUNITY SERVICE BLDG.
PROJECT NUMBER H 80190

ALAKANUK COMMUNITY SERVICE BLDG.
PROJECT NUMBER H 80191

The following comments concern the budget overruns for the subject projects:

1. Fairbanks HVAC Building Study: The basic cause for the overrun on this project is the fact that Category 4, Administration Costs is budgeted at \$110; however, actual costs are \$2,530 or \$2,420 over budget. Please note that at the time this project was being managed, the Division of General Design & Construction was not responsible for establishing the budget for, or authorizing costs against, Category 4 items. It should also be noted that since the study was utilized as the basis for funding project H 79156, Fairbanks Court and Office HVAC work, it may be possible to transfer \$2,325 from H 79156 to H 60040 to cover the cost overrun.
2. Glenallen Multi-Purpose Building: This project was originally handled by the Division of Buildings out of Juneau as Project Number DB-19-0410. It is funded by Chapter 142-74 in the amount of \$2,238,000. The budgeted construction amount is \$1,498,833 and the actual construction expense is \$1,123,762.05. However, somewhere along the line the total budget was decreased to \$1,109,099.26 (which is actually less than the amount spent on construction). It should be noted that some of the 142-74 money assigned to this project may have been utilized for the \$40,000 grant (Grant Number 17-707) to install a floor in the Glenallen multi-purpose room and for the Glenallen Voc-Ed Shop, H 90150 (formally DB-19-0411) which was also administered by the Division of Buildings out of Juneau. At any rate, the total expenditures for all projects against the 142-74 \$2,238,000 appropriation should be investigated to establish the reason for the overrun if, in fact, an overrun actually exists when considering the total appropriation. It should be noted that 142-74 funds were non-continuing.

Betsy Engle
November 5, 1980
Page 2

3. Stevens Village School: This was a part of \$700,000 Chapter 131-76 appropriation to the school district which was utilized for projects H 91130 through H 91135. Any surplus funds found in H 91130, H 91131, H 91133, H 91134 and H 91135 could be transferred to H 91132 since the total money was not specifically earmarked for a particular village by the legislation.
4. Selawik Community Service Building: This project was administered by the Division of Buildings out of Juneau as a part of DB-5-1380 which also included the Selawik High School (total construction cost of \$2,619,810.31). The construction contract was awarded in 1973 and final payment, less \$5,000 retainer, was made in June 1976; however, a claim in the amount of \$184,000 was settled and assumably paid in August, 1980. Since the Division of Buildings evidently did not keep separate accounts for the community service building portion of the work (as evidenced by coding on old pay estimates), the total expense against DB-5-1380 should be looked at to see how the accountants broke out the charges for H 80190 and to see if other DB-5-1380 funds are available for the overrun if, in fact, an overrun actually exists when considering the total picture.
5. Alakanuk Community Service Building: The accounting for this project was similar to the Selawik project; i.e., the community service building portion of the work was a part of a larger project and separate accounting was not utilized, however, the construction contract was managed out of Anchorage. For additional information, contact Jerry George.

xc: Jerry George

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.**

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT

Karla

5091401

Art Peterson
Assistant Attorney General
Department of Law

February 27, 1981

5091401

Ronald D. Lehr, Director
Division of Budget and Management
Office of the Governor

Transportation
DOT/PF
Addition to Supplemental Request -
\$234.7 GF
Cold Bay Dock Claims Settlement

Please add a section to the bill you are preparing which makes a supplemental appropriation to the Department of Transportation and Public Facilities (reference my request of February 20, 1981). This addition is for a supplemental in the amount of \$234.7 for the purpose of paying the claim settlement on the Cold Bay Dock project.

The additional \$234.7 should be appropriated from the general fund and should take effect immediately.

This addition will bring the DOT/PF Supplemental request to a total of \$847.8 GF.

For additional information, contact Dick Brant, telephone 465-2266 in Budget and Management.

Attachments

MEMORANDUM

State of Alaska

TO: Ronald D. Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: February 19, 1981

FILE NO:

TELEPHONE NO:

5091401

FROM: *DJB*
Dick Brant, Program Budget Analyst
Division of Budget & Management

SUBJECT: Category: Transportation
Department: Transportation &
Public Facilities
Suppl. Request: \$234,670 GF

For Claim Settlement on
Cold Bay Dock Project

I have reviewed DOT/PF's request for a \$234,670 GF capital supplemental for claim settlement on the Cold Bay Dock project. I recommend approval, pending their submittal of appropriate back-up information and forms 35a and b.

The project was originally authorized for 2,000.0 in Ch 248/76, an aviation bond package. The dock is used primarily as a fuel depot which serves the airport. The project was originally requested and recommended at \$2,500.0 and passed at \$2,000.0.

The claim was based on "changed conditions", and was settled out of court for \$250,000. Partial payment of \$30,000 was made from the project allocation. The balance of 220,000 plus interest is covered by this request.

Ch 248/76 has only a small contingency available, and a request of this size would effectively wipe it out. It is possible that there will be some surplus available from the other projects in the bill, but it would be some time before this is known. So, there does not seem to be an easy, immediate source of funds within this appropriation.

There was an additional \$500,000 appropriated in Ch 131/77 for removal of the old dock at Cold Bay and construction of a new one. No surplus is available in this appropriation.

With no surplus available for reallocation to cover this claim settlement, the supplemental seems appropriate, and I recommend it be approved. The claims project (5,500.0) in the FY 82 Capital Budget should eliminate these supplementals in the future, if it survives.

DB/k1

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
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HB 295 Amendment -- \$13,700 to Maintenance and Operations/
Western Region

In 1979, Maintenance and Operations for the Western Region entered into an agreement with Frank McIntyre to make a winter airstrip closer to the village of Shaktoolik by leveling the tundra. The job was expected to take 100 hours at a cost of \$100/hour for cat time, therefore costing \$10,000.

Due to breakdowns, delays in receiving lube oil and bad weather, the job was delayed until February 1980 and was completed in June. Mr. McIntyre did an excellent job and simply continued to work until he felt the job was completed -- a total of 237 hours. The result is an airstrip which DOT finds is almost good enough to be used year-round.

DOT's Maintenance and Operations' budget did not allow enough funds to pay Mr. McIntyre for the additional hours worked. DOT does say that if this work had been put out to bid, it would have cost 10 times the amount paid. The requested \$13,700 will cover the additional work performed by Mr. McIntyre.

Ammendment (HB-295)

There is appropriated \$200,000 For "Alaska 1984" to the Commissioner of Economic Development. This appropriation is to cover planning and administration costs for the twenty fifth anniversary celebration of Alaska Statehood.

NATIONAL COMMUNICATIONS -- REQUEST FOR SUPPLEMENTAL BUDGET

It may be an equation of this media age that the farther away a person, place or thing may be from those who write and tell about it, the greater chance for error in interpretation and the lesser the degree of accuracy in the resulting national perception.

As the farthest north, west and east state in the union, Alaska's location alone makes it vulnerable to incomplete perception by the remainder of the nation. Events of the last decade, however, have compounded this problem. Alaska's land and resources have been the prize in a campaign waged by developmental and environmental interests. First, it was the campaign to develop Alaska's oil and to build a pipeline to bring it to tidewater. This effort was enjoined by a counter effort to protect Alaska's environment. It is understandable that these special interests would act in their own behalf, and equally understandable that they would see their actions as representing the best interests of the state and nation. On one side, however, Alaska was portrayed as a state capable of providing all the answers to the nation's energy problems. On the other, it was portrayed as a land about to be offered up to man's financial greed. Alaskans themselves were painted either as not wanting the pipeline and its attendant environmental degradation, or as "rape, ruin and run" boys. These incomplete perceptions resulted in polarized distortions of Alaska and Alaskans.

Added to this general base of misinformation has been the story of Alaska's enormous revenues and surplus. Taxes have been repealed; dividends are offered; the budget is exploding. Billions of dollars are being used in capricious ways by Alaskans who struggle to find some way to deal with their bounty.

Within this scenario, a vacuum of factual and complete information about the state exists nationally. For every day it continues to exist, it can be filled by information that can generate and reinforce negative perceptions of the state.

A national communications effort should be initiated and, in fact, has been underway in a less formal way for some time by the Governor's Office. In view of advisories from our Congressional delegation, our Washington office, and based on our own experience "outside," a special budget appropriation of \$2 million is requested for a one-year effort to provide factual, complete and positive information to the national media.

ALASKA THEMES FOR NATIONAL COMMUNICATION

A national communication campaign for Alaska should include theme and subject matter such as:

1. Alaska's "surplus" revenue is being created by the rapid rate of Alaska oil depletion to help the national interest. The result of this is a rapid receipt of revenues which could otherwise be spread out over longer periods, and even earn higher future prices. Alaska's aid to the nation now, at the expense of more evenly-distributed or higher future revenues, should not be further penalized by taking part of its one-time oil revenues.

2. Alaska has basic need vacuums unheard of in other states. Let it catch up.

3. Alaska, to relieve the U.S. taxpayer's burden in the future, needs to use its one-time oil revenues to develop renewable resource industries which are prohibitive to private capital investment. Alaska's wealth will help the nation.

4. Alaska agricultural and fisheries protein potential: communicating this could help build markets for Alaska fish and agricultural products, as well as explain why the State needs its wealth.

5. Alaska as a tourist attraction: current tourism promotions do not develop editorial or television potentials as much as they do advertising and tie-in promotions with tourism enterprises. This is not a criticism. But editorial and television stories, with tourism potential, would tell positive parts of the Alaska story as a primary purpose.

6. Alaska's many dilemmas: the range and extent of these would help to convey the real problems facing Alaska to the nation, rather than have the public perceive only superficial fragments of a few negative stories. These stories could help the nation become sympathetic with Alaska's dilemmas.

Virtually everything this Administration has done and hopes to do has positive elements, which are potential content for national media of one kind or another.

SEP 1 1980

Alaska first robs, now insults rest of America

Nothing secedes like success. 9285

The "me" generation of current legend does not express itself only by hottubs and sexual quickies. You could see a neo-frontier version of it in Alaska's primary last Tuesday.

Alaskans threw out U.S. Sen. Mike Gravel, mainly because his repented filibusters finally couldn't prevent a probable settlement of the lands issue. And they played with the idea of seceding from the union — because the rest of us have given them 149 million acres of *our* land and are letting them live tax-free on *our* oil.

This is not the way the Alaskans see it, of course, but that is the real situation.

The Senate recently adopted a compromise bill that, if the House goes along, will settle the land question that has been hanging fire in Congress since 1971.

The bill places various levels of development restrictions on 104.3 million acres of federal land in Alaska but releases 105 million acres to the state and 44 million acres to Alaska's natives. The land has been the property of all Americans, a reserve of wilderness, parks, wildlife refuges and so on — not mere swag for Alaskans to exploit in any way that suits the leftover Gold Rush fantasies of some there.

The settlement opens most of the land that is generally agreed to be appropriate for commercial exploitation.

Even so, Alaskans voted about 50-50 in the primary to set up a commission to study relations with the federal government — the ballot euphemism for playing-acting at secession. (At last report, the boondocks vote that would decide the issue still wasn't in.)

That's only temper, of course. Unless it wants to repeat the recent unpleasantness of the Civil War, the most that Alaska could do is petition Washington for independence. It seems likely that Washington would say no.

But although the secession is just theatrics, it is especially galling coming from a state that is getting rich on the rest of us. Alaska levies a 12.5 percent royalty on the wellhead price oil, a 12.25 percent production tax and a state income tax on oil companies.

Virtually all state income taxes have been repealed. The state is giving residents a dividend at the rate of \$50 for each year they have lived there since statehood. The state budget has been increased nearly 20 percent, and \$900 million has been put in a special savings account. There are plans for an additional \$1.8 billion deposit.

Because of this pipeline robbery, the motorists of the other 49 states are paying Alaskans' taxes for them and are less able to pay their own.

Come to think of it, maybe it would be best if Alaska did secede. Then the rest of us could capture it back for ourselves.

Hmmmm.

Alaska Pioneer Press
First News of Alaska
D. 117,187 S. 219,217

SEP 8 1980

Alaska's 'special status'

The absentee ballots have finally been counted, and Alaskans have approved, narrowly, a proposal to set up a commission to study the 49th state's relations with the federal government — and the other 49 states.

Alaskans who pushed for the proposal have expressed dissatisfaction with the way the powers in Washington — Congress, the President, the courts — have been treating their state. The way it has been treated is as if it were like any other state, or almost any other state, and these Alaskans resent that. They can't see why, for instance, the national government should have the right to set aside any of *their* land for parks and wildlife reserves and wilderness areas.

Oddly, they have not expressed any dissatisfaction with the scores of billions of dollars

which their "sweetheart" statehood charter (from Congress) is pouring into their state treasury. Obviously, however, it's not enough.

One of their contentions is that the Constitution of the United States, in its provisions on the granting of statehood, really does not apply to any but the "contiguous" states, i.e., the "lower 48."

Which, if true, would mean, it seems, that the law which gave Alaska statehood is *ipso facto* invalid. Fine. In that event, Alaska would revert to territorial status and Congress could toss those ridiculous oil royalty terms (Alaska gets 90 percent of the royalties from leases on federal lands, while other states get only 50 percent) and other special privileges into the ash can.

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Notice is hereby given that on November 11, 1981, the following items were seized by Special Agents of the Federal Bureau of Investigation at Corona, New York in connection with an investigation of an armed hijacking of a truck:

- 1 man's gold watch
- 1 woman's gold watch
- 1 pearl bracelet
- 1 gold diamond bracelet
- 1 woman's pin with diamonds and sapphires
- 1 woman's ring with diamonds and sapphires
- 1 gold ingot
- 8 miscellaneous gold coins

Interested parties may file a Petition for Remission or Mitigation of Forfeiture with the F.B.I. pursuant to 40 CFR 304th, by 19 USC 1606, and 18 USC 873, Arr person desiring to place the matter in the U.S. District Court must file a probable cause for seizure must file with the F.B.I. a Claim and Cost Bond in the sum of \$250.00 with approved sureties on or before Jan. 5, 1981 by contacting SA Michael Flanagan, Queens Office, F.B.I., 95-28 Queens Blvd., Rego Park, New York, 11374, or by calling 212-459-3140 between 9:00 A.M. and 10:00 A.M. only, Monday-Friday. Date for filing claim, on or before Jan. 5, 1981 should be Jan. 15, 1981.

Alaska Is Still Looking for Ways To Spend Its Revenues From Oil

Special to The New York Times

ANCHORAGE, Dec. 13 — The Alaskan government, whose plan to share the state's oil profits with its residents has been stalled in the courts, is still trying to devise ways to distribute the money.

A law that calls for surplus oil revenues to be distributed to Alaskans in \$50 shares for each year of residence since this territory became a state in 1959 has been held up indefinitely by the United States Supreme Court while the Court ponders whether to hear the case. Meanwhile, state leaders are looking at other options.

The state will sell its own oil to the highest bidder next Friday and may divide the profit from that sale equally among the citizens. It could amount to as much as \$300 for each of the 400,000 Alaskans.

Critics said that the state's oil auction could also drive up fuel costs for everybody here. Another proposal that has been mentioned by Gov. Jay S. Hammond is for the state to commit \$100 million to national cancer research.

Campaign to Improve Image

Two other proposals would have Alaska use its oil revenues to pay off a share of the national debt or to launch a major advertising campaign to improve its national image.

"Alaska has to continue to work to improve its image," Governor Hammond said last month. The state gained a bad image — "one of being developmental and rapacious" — by opposing Federal legislation to preserve Alaskan lands, the Governor said. He said, however, that Alaska could hardly put a dent in the national debt. An advertising campaign, he said, probably would not benefit the "guy on the street."

The question of what to do with surplus oil revenues, particularly now that the distribution plan has been held up by the

Supreme Court, will be addressed by the Alaska Legislature shortly after Jan. 1. The amount of state revenues from oil is never certain, but always growing.

The Legislature this year spent \$3.9 billion in oil revenues, but by July, a month after the it had adjourned, the amount of money available to spend had unexpectedly increased by another \$400 million.

Increasing world oil prices and increasing profits for the major oil producers operating the Prudhoe Bay oilfields on Alaska's North Slope are credited with responsibility for the swelling state treasury.

Several years ago, the legislators and the Governor created the Alaska Permanent Fund, a special trust fund, in an effort to save a portion of the oil wealth for future generations.

Twenty-five percent of oil royalties and lease bonuses now go into that fund. The principal is invested and may not be spent. The interest is eventually expected to total more than \$170 million a year, and that money is available to spend.

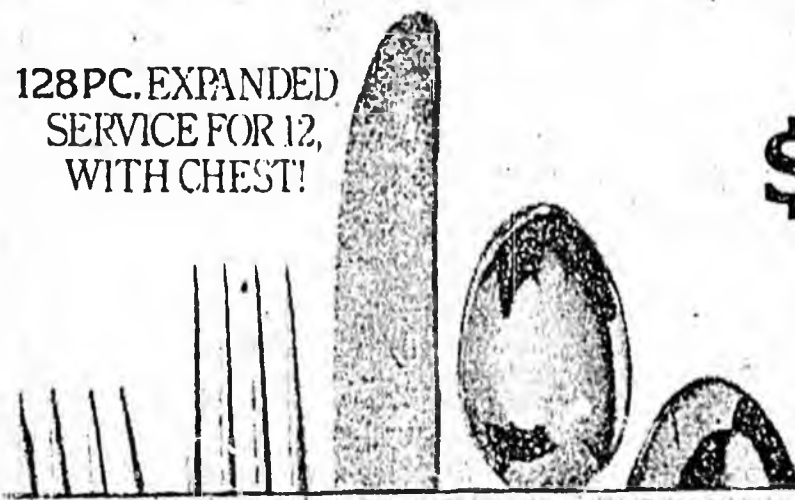
The state law now being challenged in the courts provided that interest from the permanent fund would be used to pay dividends to Alaskans at the rate of \$50 for each year of residency. One couple, Ron and Penney Zobel, filed suit asserting that the law was unconstitutional because it favored longtime residents over newcomers, like themselves.

After months in state courts, the Alaska Supreme Court ruled Oct. 24 that the distribution plan was legal. However, a week later, Associate Justice William H. Rehnquist of the United States Supreme Court blocked the mailing of the dividend checks until further notice. On Nov. 17, the Court voted 8 to 1 to continue the stay while it considered whether to hear an appeal by the Zobels.

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How sudden oil wealth is splitting the states

Much of the "windfall" that oil companies would have earned from the decontrol of domestic oil prices was taxed away in the bill that Congress passed on Mar. 27. But the huge windfall that oil-producing states will reap went untouched. Between now and 1990, according to a recent Treasury Dept. study, the top six oil-producing states—Texas, Alaska, California, Louisiana, Wyoming, and Oklahoma—will, as a group, receive \$10 billion a year in royalties and severance taxes. This is nearly half their present combined budgets, and revenues from taxes on natural gas and coal will swell those coffers even more.

To be sure, the impact of the windfall will vary greatly. "In Alaska, which accounts for about a third of the total, the annual largesse will be almost three times the current budget. And many states claim that Treasury's estimates are too high. Nevertheless, "we are in for

Six oil-producing states reap a tax bonanza. Big loser: The Northeast

a drastic geographical shift in the distribution of state revenues," says Tom Cochran, executive director of the Northeast-Midwest Institute, a Washington research group. Higher oil prices are a two-edged sword, Cochran points out. At the same time that they increase tax revenue for energy-producing states, they reduce the tax take in consuming states. Gasoline taxes are one example, because they are usually applied on a per-gallon basis. As higher energy costs pinch fuel use, tax revenue falls.

The most serious effect of this revenue shift could be a dramatic acceleration in the movement of people, jobs, and wealth from the Northeast to the Sunbelt, a process that has been under way since the late 1960s. "To the extent the [oil] states want to give tax benefits, they can buy all the industry, all the business, all the culture of this country," says Felix G. Rohatyn, chairman of New York City's Municipal Assistance Corp. and a partner in Lazard Frères & Co., a New York investment banking firm. Wheat and timber. Accompanying that gloomy scenario, should it develop, is what Cochran calls "severance-tax warfare." States with coal, seeing the huge surpluses of oil producers, will attempt to jack up their severances. Montana, for example, charges a 30% severance tax on coal mined there. Several Northeastern states are now suing, charging that the tax impedes interstate commerce.

Similarly, New Mexico has threatened steep increases in severance taxes on uranium.

So far, severance taxes have been applied only to extractive industries, but the principle could easily be extended. Two possibilities are timber and wheat. "What's to stop a grain-producing state from imposing taxes on wheat used to make gasohol?" asks Cochran.

The idea could spread to manufacturing. Last year, New Jersey, which has no energy resources of its own but which is a regional refining center, considered the possibility of enacting a refining tax of 25¢ per bbl. "It would have had the effect of a severance tax," says Donald Linky, director of planning in the governor's office. "The cost would have fallen largely on states outside New Jersey." The effort was dropped, however, because of strong opposition in the state legislature, where the oil industry lobbied heavily against the measure.

Counterproductive. In the end, such attempts at severance-like taxes on manufacturing are probably self-defeating. If anything, they could drive industry away faster, as businesses seek to avoid them.

Finding a solution to the problem will be difficult. New York's Rohatyn thinks that the way to avoid destructive competition is to have the federal government or the states take steps to make revenues more nearly equal. One possibility he suggests is a program modeled after the Reconstruction Finance Corp. of the 1930s. Northeastern states could borrow money to avoid either ultimately self-destructive taxes or disastrous tax cuts to balance their budgets. "Maybe we ought to ask the oil-producing states to subscribe some of the capital of an RFC," says Rohatyn. Sharing the wealth. Linky of New Jersey agrees that some form of recycling is necessary. "By solving a national balance-of-payments problem," he says, "we've created an internal balance-of-payments problem." Such talk infuriates officials and economists in the producing states. Nearly all of them charge that the Treasury predictions of future oil-state revenues are wildly inflated. California, for example, estimates that it

will earn only \$5 billion in the next 10 years, not the \$22 billion cited by Treasury, as a result of decontrol. Further, they note that the movement to the Sunbelt was well under way before the jump in energy prices. The higher revenues, they argue, will be needed to provide services for the newcomers.

The officials also contend that the Northeastern states will be receiving a large share of the \$227 billion the windfall-profits tax will produce between now and 1990. Included, they say, are such items as mass transit and aid to help the elderly pay fuel bills. "I know of no more powerful transfer of resources in the history of our country than the windfall profits tax," says Walt W. Rostow, pro-



Northeast-Midwest Institute's Cochran: The tax take, he says, will drop in energy-consuming states.

fessor of economics and history at the University of Texas at Austin.

Getting more will be difficult for the Northeast. Whenever the issue of equalizing revenues has come up in the past, the states with large amounts of natural resources have soundly defeated those without. The 1980 census will not help much, either, because it will reduce the Northeast's representation in Congress. "Probably nothing will happen," says Rohatyn. "Any efforts now are probably too late and futile, but the oil-producing states ought to be willing to cooperate in a program that keeps this part of the country viable. Unless we can spread these revenues around, we're not going to survive as a society."

State funds threatened

The budget surplus currently being experienced by the State of Alaska may result in a corresponding decreased level of federal spending in the state and a serious threat to Alaska's future revenue, according to Senator Ted Stevens.

"We are seeing that as Alaska's revenues have gone up, Alaska's percentage of federal agency expenditures for the most part have gone down," Stevens recently told Alaskan news reporters.

"We used to deal with the federal government on the basis that Alaska has all these special needs and we needed federal help. And we got substantial help."

"But as we've had increased funds available in our state, it has become more difficult to justify our needs for as much federal help as we received in the past. Federal support has gone down because we can afford to do things now on the basis of our own resources."

Stevens said the serious challenge facing the state this Congress will be to protect the exceptions in federal law that permit oil-producing states to earn the current high level of revenue.

One such exception is the one in the Windfall Profits tax that exempts states, from the high rate of oil revenue tax paid by private industry, he said. Another is the exception for state severance tax. Finally, there are a series of special benefits for Alaska written in federal statutes that recognize the increased costs in Alaska.

"All of these exceptions are under attack right now in Congress," Stevens said.

(continued on page 3)

State funds...

(continued from page 1)

The Alaskan senator said many members of Congress are now saying that Alaska is different.

"In the past 'you're different' meant we recognize your need special treatment. Now it means we recognize that you've got more money than anyone else, including the federal government."

Stevens predicted the year ahead will be a very tough one for Alaskans.

"I hope that everyone in Alaska recognizes the stakes involved. If we lose the exemption for windfall profits tax alone, we lose 70 percent of our royalty revenues.

"If that were to happen, we would be changed from a state with surplus revenues to a deficit state."

Stevens said as oil and gas development increases in Alaska, the state's revenues are going to be staggering.

"We have to find ways to devote that money to public purposes and to maintain our image as managers of that vast land base, or we are going to find it increasingly difficult to maintain the exceptions we've built into federal laws that give Alaska its current financial position."

State Taxes on Resource Exports Threaten New National Conflicts

By SAM ALLIS

Staff Reporter of THE WALL STREET JOURNAL

THE BIG REGIONAL BATTLE of the 1980s is likely to be an East-West struggle instead of a North-South confrontation. The conflict taking shape is over severance taxes—levies that states impose on resources severed from the ground within their borders. The issue: whether such nonrenewable resources as oil and coal belong to the nation as a whole or to individual states.

Cracks already are appearing in the supposedly monolithic Sun Belt over the issue. Controversy over the 30% severance tax on coal in Montana, highest in the country, is dividing governors and their congressional delegations in some Southern oil- and gas-producing states. Experts warn that the issue could drive a wedge between the energy-consuming states of the Southeast and the energy producers of the Southwest.

Referring to the South, Bernard Weinstein, a consultant to the Southern Growth Policies Board, says, "Severance taxes certainly have the potential to split the region."

Coal-consuming states charge Montana with OPEC-like behavior at a time when the federal government is encouraging greater use of coal instead of oil. Montana responds that it needs its severance tax to guard against the boom-bust cycle that left poverty and scars across Appalachia.



THE MONTANA TAX HAS PRODUCED a lawsuit brought by strange allies—a group of Midwestern utilities and the city of Austin, Texas—all of which are locked into long-term contracts to buy Montana coal. Represented by former Secretary of State William P. Rogers, they argue that the stiff tax is unconstitutional. They lost in Montana state courts this summer but are appealing directly to the Supreme Court.

The tax faces legislative challenges, too. Companion bills in the House and Senate would limit coal severance taxes nationally to 12½%. While sponsors concede that the legislation is all but dead for this Congress, they promise to reintroduce the bills in January.

The severance-tax brouhaha has put such states as Texas and Louisiana in uncomfortable positions. In June, Texas Gov. William Clements and the 18 other governors in the Southern Governors Association told their congressional delegations in a letter: "Market forces will tend to insure reasonable tax structures. We are opposed to federal government actions to set limits on taxes that states can impose on their nonrenewable natural resources."

But most of the Texas delegation supports the legislation. Some members, such as Democratic Rep. J. J. Pickle, are cosponsors. Rep. Pickle says the Montana tax is "so exorbitant" that congressional action is necessary. "There's nothing reluctant about our opposition to the tax," he says.

REP. PICKLE FINDS NO CONFLICT in opposing at the same time any federal moves to limit Texas oil-and-gas severance taxes, which bring in about \$1.5 billion a year to the state coffers. But some of his colleagues from other energy-producing states do.

"It's a clear conflict," says Rep. John Breaux (D., La.), another cosponsor of the House bill to limit coal severance taxes. "Any member of Congress has to realize that the bill isn't in the overall interest of producing states. If it is successful, someone might try to do the same thing with oil and gas." Rep. Breaux says he has changed his mind and won't cosponsor the bill in the next Congress.

Rep. Breaux and Mr. Weinstein of the Southern Growth Policies Board also see a natural alliance between Southern energy-producing states and the "Sagebrush Rebellion" states in the Rockies and the West. The bond: states' rights. "Ideologically, they're close," says Mr. Weinstein.

The "rebellion" states, led by Nevada, seek some 175 million acres of land within their borders that is owned by the federal government. Coincidentally, much of the nation's synthetic fuel development is slated for that area, which is particularly rich in oil shale. Rep. William Tauzin (D., La.) is trying to form a congressional caucus of energy-producing states to cement the alliance.

ALASKA HAS the highest per-capita federal tax burden for fiscal 1981 of any state, according to Tax Foundation estimates. Alaska residents will get socked an average of \$4,243 for the year, far above the \$2,600 national average. But then, the state just did away with its income tax. Second to Alaska is the District of Columbia with an estimated per-capita tax burden of \$3,596, followed by Connecticut with \$3,266, Illinois with \$3,192 and New Jersey with \$3,110. Mississippi residents have the lightest load with \$1,660, followed by Arkansas with \$1,820 and Utah with \$1,910.

FYI

Alks pay
The nation



Energy imbalance: a peril to union

by Neal R. Peirce

Nationally
Syndicated
Column

Jan, 11, 1981

IF YOU WOULD like a preview of the most bitterly divisive issue likely to strain the bonds of this Union of states in the coming years, just look north of the border.

The issue is energy; the conflict is between east and west, between energy "have" and "have-not" provinces. The oil and gas-rich western provinces, led by Alberta, now the source of 85 percent of Canada's crude oil, are enraged by plans of Prime Minister Pierre Trudeau to tax away much of their energy bonanza and redistribute the wealth to Quebec, Ontario and the poorer eastern maritime provinces.

So intense are the emotions that the western provinces are muttering of possible separation and preparing either to cut back oil production or withhold energy taxes they assert are a federal "grab" of provincial wealth. Ottawa, by contrast, notes that oil and gas revenues are now pouring into Alberta's treasury at the astounding rate of \$6,000 a minute. Annual per capita income from energy is \$1,900 in Alberta, a mere \$18 in Quebec. The wealth must be shared, says the central government.

The U.S. conflict is not an exact carbon copy; neither the outgoing Carter nor incoming Reagan administrations, for instance, have even acknowledged that the problem exists. But the evidence is fast accumulating.

ALASKA, FOR INSTANCE, is now so awash in oil revenues that it has repealed its state income tax, retroactive to January 1979. Last year the state garnered \$2.5 billion in oil revenues; this year the figure is expected to reach \$3.9 billion — \$10,000 per citizen! There are now estimates that by the year 2000, Alaska will have taken in \$200 billion to \$450 billion in oil taxes and royalties from its North Slope fields alone — not to mention what it may earn from new oil fields or a gas line to the "Lower 48."

By 1985, Texas will be receiving \$3 billion annually in oil and gas severance tax revenues — up 210 percent since 1978 and 790 percent over 1973, according to a New Jersey government study. Louisiana will be taking in \$1.3 billion in severance taxes by mid-decade, according to that study — 170 percent more than 1978, 400 percent over 1973. And already, Louisiana has been able to reduce its income taxes, with collections down from \$247 million to \$75 million a year.

In the meantime, revenue shortfalls have forced some recession-plagued states of the Northeast and Midwest to cut back unmercifully on their budgets. And worse times may just be dawning. The National Journal has reported that only a dozen states produce all the energy they need and that the other 38 "face a bleak future in which their wealth could be drained away to pay for fuel and power."

Based on a study by Chase (Bank) Econometrics, the magazine found that Louisiana produces 406 percent of its energy needs, New Mexico 338 percent, Kentucky 283 percent, Oklahoma 247 percent, Alaska 239 percent, West Virginia 232 percent, Texas 213 percent. California, by contrast, produces only 51 percent of the energy it consumes, Michigan 15 percent, New York 12 percent, Delaware and Hawaii 0 percent.

THE ENERGY EXPORTERS are increasingly placing severance taxes on each barrel of oil, each ton of coal, each thousand cubic feet of natural gas they produce. Who pays? Eventually, the consumers. The net result: Energy-rich states can "export" a major part of their tax burden to consumers in other states.

Indeed, that has already happened. A 1976 study of the tax burden borne by a family of four with a \$17,500 annual income in the largest cities of various states showed that a Texas family paid only 4.5 percent of its income for state and local taxes. A Louisiana family paid 4.2 percent, an Oklahoma family 5.3 percent. But a New York family of the same size and income paid 11.5 percent. The Illinois figure was 8.0 percent, in Michigan 9.6 percent.

Some of the higher northern tax burdens were doubtless due to higher welfare and social service levels. But now, with the energy states' revenue advantage increasing by leaps and bounds, it's almost inconceivable the energy-poor states can erase the differential — no matter how many budget stringencies and service cutbacks they enforce.

Felix Rohatyn, chairman of New York's Municipal Assistance Corp., paints a picture of "half the country nearly bankrupt, many of its major cities pools of unemployment and unrest, and the other half swimming in oil, industry and wealth. This is not," he adds, "the stuff of a stable democracy; it is not the stuff of a union of states."

THERE ARE, of course, strong arguments for state severance taxes — to build a strong local economic base for the day when the resources are depleted, to pay the immense costs of public services for Western energy "boom towns." In exploiting its coal resources, says North Dakota Tax Commissioner Byron Dorgan, his state should "not be made a national sacrifice area to air-condition Detroit."

But today's enormous expansion of severance tax and royalty income, triggered by energy decontrol, has begun to exceed all reasonable needs of the producing states. It accelerates growth those states can hardly accommodate, while impoverishing energy-poor states. It is prompting such states as New York to attempt a hefty tax on oil company operations within their border. And it may soon trigger an ugly severance tax war between the states, expanded from oil, gas and coal to dozens of other minerals, timber, circles. In the short term, indeed, it seems unlikely either Congress or the Reagan administration will be willing to face the problem. But the issue can only grow in intensity and the dangers to federal union are immense. Our Canadian friends have already shown us that.

Neal Peirce is a writer for the Washington Post.

JUNEAU EMPIRE

The Voice of Alaska's Capital City

38 11

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JUNEAU, ALASKA, TUESDAY, MARCH 24, 1981



Sen. Ted Stevens, flanked by Senate President Jay Kerrula and House Speaker Jim Duncan

Photo by Mark Jodrey

Stevens: state's image important

By LORI EVANS
Empire Staff Reporter

Alaska "ought to do more to sell (its problems)" so the Lower 48 realizes the 49th state isn't squandering its oil wealth, U.S. Sen. Ted Stevens told a joint session of the Alaska Legislature this morning.

The state can no longer expect federal help for problems unique to Alaska because of its new riches, but it should monitor federal programs to "make sure we get our fair share," Stevens said.

Reagan's budget cuts "will hurt Alaska," but a new block grant program being proposed will enable the state "to fund programs which make sense on the Alaskan scene."

If approved — and Stevens said he thinks it will be — the proposal will consolidate 90 individual programs into six block grants and the states will be able to choose which programs they want to continue.

For example, a social service block grant would include funding for legal services and juvenile justice programs. States could choose what programs in the grant they wanted funded and in what proportion.

Stevens supported Reagan's cuts, saying "the restraint that President Reagan has proposed is absolutely essential ... If we don't restore our fiscal balance, our monetary system could collapse."

In an interview with the Juneau Empire before his speech, Stevens said he is growing more concerned about the oil rich image others have of Alaska.

"I'm not saying it's a true image, but we must work very hard to avoid it ... There are a tremendous number of problems in the state that can be solved only with money," said Stevens, adding the state needs a public relations effort to show the Lower 48 the state's unique needs and way of life.

Although in terms of federal money spent on a per-capita basis Alaska seems to be favored over other states, more than 50 percent of that spent on national

defense, said Stevens. Alaskans only get a return of \$2 for every \$3 they send to Washington, D.C., when the money spent on national defense in the state is discounted, he said. On a per-capita basis, Alaskans also pay more in income taxes, than any other state, he said.

Because of its oil wealth, the state can expect its windfall profits tax exemption to come under serious attack in Congress this year, said Stevens. That exemption is the biggest, single concern of those eyeing the state's wealth, he said.

Alaska is in a unique position in Congress this year, "because for the first time I can remember" there is not a single major issue, such as the pipeline or the Alaska lands issue, facing the Alaska congressional delegation, which is now expected to join in working on issues of national concern, said Stevens.

With the settlement of the Alaska lands issue, which Stevens said is still not a perfect measure, the state can probably speed the conveyance of state and native lands by committing some of its financial resources to the conveyance. He expected conveyance could be completed in "three or four years" with the help of state funds.

Stevens was optimistic about the relationship between Alaska and the new Dept. of Interior secretary James Watt during his interview with the Empire.

"He has a new, fresh approach in dealing with Alaska compared to other secretaries who have been there ... We're going to have some disagreements, but he's started out on the right foot. He's trying to lean our way as much as he can and that's refreshing," said Stevens.

"While we know we have friends in the Department of Interior," the state should apply for rights-of-way across federal lands, Stevens told the Legislature. "The time for filing could have a lot to do with the future enjoyment" of those lands, he said.

Stevens said he is not troubled by stories that he is inadvertently doing his part to swell the ranks of environmental forces.



Cathy Stevens looks on.

"Maybe one of these days they'll (environmentalists will) realize we ought to establish a dialogue," Stevens told the Empire. "The interesting thing, I think, is people are beginning to realize that you don't have to have extreme views for the environmental position to be represented," he said.

Unlike past years when internal conflicts within Alaska's congressional delegation have hurt its effectiveness, the new delegation with freshman Sen. Frank Murkowski is marked with a spirit of cooperation, said Stevens.

On other issues, Stevens said:

- Now is the time to move the Alaska Railroad into state ownership.
- Increases to the federal agriculture and military budget will be a help to Alaska.
- He doesn't expect the United States to become militarily involved in El Salvador.
- "What we've really tried to do is send to Russia a very strong warning" that the United States is not going to stand for its interference. "We have to have unquestionable (military) supremacy ... If we are going to preserve the peace of the world," Stevens, who is chairman of the defense appropriations subcommittee, said.

Capital move ad snarks

ceiling dictated by the OPEC price for oil as an alternative fuel to coal. All the severance tax accomplishes is reducing the amount of profit to the coal companies, he said. If the severance tax were abolished, the coal prices would not be affected, according to Mr. McIntyre.

And Mr. Rolon, the Texas revenue official, said the same result would happen in the case of oil, since the decontrolled price is set by the world market.

But the energy-poor states are still deeply concerned about the huge flow of funds into the state treasuries of the energy-rich states from the taxes and royalties which are placing these states in a strong competitive position in the battle to attract new industry.

And these "have not" states may fall victim to economic warfare even among the energy-rich states. One top expert, Edward M. Parsons, Jr., past public service commissioner in Wisconsin, warned that escalating energy taxes may invite "retaliation" as energy "have" states ratchet up taxes as high as possible.

Such energy-poor states as Maryland would be caught in the middle. That may be one reason Baltimore is searching for investment funds in Alaska.

AMERICA
NEW YORK, N.Y.
W. 40,000

MAR 28 1981

Reversing the Law?

Secretary of Interior James Watt has steadily expounded a single thesis about land use and conservation: The laws on the books are fine; they just need better management. That may sound loyal, but Congress will want to keep track of how well the Secretary understands the laws on the books.

In the first week of March, for instance, he announced that the regulations governing the surface mining of coal do not require returning the surface to its original contour, an announcement that must have astonished the miners and environmentalists who fought bitterly over the regulation. Further, Mr. Watt claimed that the relaxations he would propose require no change in the 1977 Surface Mining Act.

In quick succession during his first six weeks in office, the Secretary has turned other policies and decisions around. He announced that Interior would acquire no more lands for Federal parks and wildernesses. He budgeted the end of the Federal program to coordinate management of the country's coastlines and wetlands. He dropped discussions with Canada about a treaty guarding the migration of caribou herds. He halted the survey of Alaska's wilderness, but mandated the development-oriented Geological Survey to identify oil and gas deposits inside the Arctic National Wildlife Refuge. To expedite the leasing of offshore drilling sites and oil and gas lands in Alaska, he whittled back the funding for environmental impact studies.

Nominees as bureau heads under Secretary Watt also suggest some different thinking. James R. Harris, who led the challenge of the 1977 Strip Mining Law to the Supreme Court, might head the Office of Surface Mining. Robert F. Burford, who led the "Sagebrush Rebellion" to wrest land from the Federal Government for the states, could now lead the Bureau of Land Management. And there are others.

Secretary Watt may conscientiously believe that his actions and potential deputies are meant to serve the intent of the law, and represent simply better management of the laws now on the books governing land use and conservation. Congress ought not wait too long to investigate whether they may not represent a U-turn taken without its advice and consent, let alone without new laws.

MAR 17 1981

Alaska good place to do business, say state leaders

by Carol Puccl
Times business reporter

Alaska will be a good place to do business in the 1980s, Alaskan business leaders and politicians told a group of 500 Northwest executives yesterday at the Alaska Resource II Conference.

Calling the appointment of James Watt as interior secretary, "the best thing to happen to Alaska since statehood," a top banker predicted oil and construction projects would buoy employment during the decade.

"The decade of the 80s will make the decade of the 70s, even with the pipeline boom, look like kid's play," Robert Richards, president of the Alaska Pacific Bank, told the conference.

Alaska's economy will move from adolescence to young adulthood as the petroleum industry enters "phase two" and the state begins to improve Alaska's transportation and communication systems, Richards said.

His bank predicts employment will rise 3 per cent this year and grow steadily during the 1980s.

But because large projects involve political decisions, he warned that Alaska's economy will be volatile.

"We're looking at another decade of going around all over Robin Hood's barn, but when we come out of the 1980s and into the '90s, Alaska's economy will be more predictable and stable than it is today."

The Seattle and Alaska Chambers of Commerce and the Port of Seattle sponsored the day-long conference set up to boost interest in investing in Alaska.

Seattle has a large stake in Alaska's economy. Alaskan imports and exports account for per cent of the port's business. Many Seattle companies do a good portion of their business in Alaska.

Construction, which normally accounts for 10 per cent of Alaska's employment, hit bottom in 1978 and 1979 during the "post-pipeline slump." Seattle as well as Alaskan businesses felt the economic impact as work on the Alaskan oil pipeline drew to a close.

"Phase two" of the petroleum industry's development in Alaska will include increased activity on the North Slope and the location of processing plants in Alaska, Richards predicted. Prospects are good, he said, for a liquid-gas pipeline and a development of petrochemical plants.

Terry Miller, Alaska's lieutenant governor, told the group more state money will be spent improving transportation and communications systems and making risk-capital loans to businesses investing in Alaska.

"Hopefully we will lower some of the costs (of doing business) for which Alaska is so infamous," he said.

Alaskan businessmen feel encouraged by recent orders by Interior Secretary Watt to implement the Alaska-lands bill.

Watt, who spent many years fighting the Interior Department on behalf of business interests, was appointed secretary by President Reagan.

Watt's recent orders ensured that about half the 104 million acres of Alaskan land designated protected areas will be opened to various timber and mineral leasing.

About 44 million acres will be transferred to Alaskan native corporations, Richards said.

"They will do what all of us would do with land that we owned — develop it."

Environmentalists criticized Watt's decisions, but he won praise from business leaders. Senator Frank Murkowski, Alaska Republican, said he was encouraged by a meeting held last week with Watt and Alaska's congressional delegation.

"There is an awareness that Alaska is a great resource we can no longer afford to leave locked-up," he said.

Business leaders told the conference the economic outlook is good for Alaska's other industries such as fishing, tourism and forest products.

Citing unofficial figures which he said were more reliable than official ones, a former State Commissioner of Natural Resources speaking for himself and private mining interests in the state told the Senate Resources Committee that between 50,000 and 100,000 ounces of gold valued at \$25 million to \$50 million were produced in Alaska during 1980.

However, most observers agree on a median figure of some 70,000 ounces of production valued at \$35 million, assuming a price of \$500 per ounce, Phil Holdsworth, of Juneau, said at the first meeting of the committee recently.

The meeting was called by Senator Bettye Fahrenkamp (D-Fairbanks), chairwoman, to listen to an overview of the status of the placer gold and hardrock mining industry in Alaska presented by state and industry

representatives. Holdsworth said that the gold isn't actually included in production statistics until it is sold on the open market.

The former commissioner, consultant and lobbyist, also told the committee that the mining industry employed 3,000 to 4,000 people in 1980 and spent between \$65 million and \$75 million on exploration operations in the state, about the same amount that was spent in 1978 and 1979.

However, Holdsworth added that mineral exploration and other mining activities are expected to increase significantly this year because of a higher degree of certainty within the industry over the status of land in Alaska following passage by Congress of the Alaska Lands Act late in 1980.

Holdsworth also told the committee that some 700,000 tons of coal were produced from the Healy field in Interior Alaska in 1980, valued at some \$10 million.

It is the state's only operating coal field.

With the exception of minor Barite production, he said, those figures cover total mineral production in Alaska during the past year. However, he pointed out, hard rock and placer gold claims staking doubled in 1980 over the two previous years. He said some 19,500 claims were staked in the state last year, roughly half of them on placer gold prospects and the other on hardrock mineral ground.

CALIFORNIA MINING JOURNAL
APIQS, CALIF.
MONTHLY 9,300

MAR 1981

Arkansas Gazette

LITTLE ROCK, ARK.
R. 127,997 S. 154,601

MAR 2 1981

Shares of Alaska

EDITORIAL

Resource-rich Alaska, as we saw earlier, not only has eliminated the state income tax but also has started distributing state revenues from oil royalties to its residents and erstwhile taxpayers. But the state still can't give away all of its money and the predicament has led Governor Jay Hammond to propose additional remedial legislation.

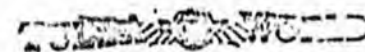
Under a bill that Governor Hammond has sent to the state legislature all residents would be part owners in oil and gas reserves and other resources. Shares in these resources would be distributed gratis to Alaskans and they would also have options to purchase additional shares later, according to a report in *The Wall Street Journal*.

In the beginning, each resident would receive a share in Alaska's portion of Prudhoe Bay oil and gas production, but later they would receive shares in other state assets, including industrial development projects, investment funds, a real estate trust and other businesses. British Columbia, Alaska's nearest Canadian neighbor, has a similar program that Hammond has used for his model.

Alaska's governor, like the sheiks of Araby, has a problem that should make him the envy of every public official in America: Alaska has so much money from oil and gas that it really doesn't know what to do with all of it. That's tough duty all right, but Governor Hammond won't be having a great deal of sympathy.

The governor, says an aide, "feels Alaskans would care more about how the state's resources are managed if

they had a share of the action." He is probably correct, but it also is an open invitation to foul their — and the nation's — own nest. A prevailing view in Alaska is that economic development, even if the state already has more money than it knows what to do with, should take precedence over environmental concerns. This was an underlying theme in the battle over the Alaska lands bills that cleared Congress, finally, in the closing days of the Carter administration. And the same theme is behind the resurgent movement in this session of Congress to amend (weaken) the protection afforded Alaska's natural wonders in the Alaska lands bill. The federal lands in question, it should be emphasized again, belong not just to Alaskans but to all Americans.



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MAR 14 1981

A Proper Shift

EDITORIAL

Interior Secretary James Watts has issued orders under the new Alaska lands bill that signals a return to sanity in the use of the nation's basic resources.

In one, the Secretary designated the U. S. Geological Survey as the lead agency in studying whether to open the 900,000-acre William O. Douglas Arctic National Wildlife Refuge for oil and gas drilling.

Previously, the U. S. Wildlife Service had been the lead agency.

Designation of the Geological Survey to spearhead the job makes sense, because as Watts said, "it's primarily an oil and gas study."

His action predictably prompted screams of outrage

from environmental extremists who wanted to stop any kind of exploration on huge areas of Alaska.

The act passed by Congress last Fall does set aside 104 million acres, an area about 2½ times the size of the State of Oklahoma, for protected areas. About half of the area is off limits to oil and gas drilling.

That obviously is a reasonable compromise. It is true that some areas should be preserved as wilderness areas. But it is equally true that the nation badly needs to develop all of the oil and gas reserves it can.

Watts' action signals the return of sanity in this matter, not, as the extremists contend, a reckless disregard for the environment and wildlife.



Washington—Baltimore city is eager to make business rather than war out of what threatens to be the most intense regional battle of the Eighties.

Along with other Frost Belt governments, it is hustling to win back some of the billions of dollars that are flooding the energy-rich states of the West and South in one of the greatest transfers of wealth in American history.

Alaska alone, with its population of 400,000, is reaping enormous gains in taxes and royalties from its oil and natural gas. It is seeking ways to invest these bountiful funds, looking to the day when its nonrenewable energy resources will run out.

Baltimore and the state of Michigan, both of which have been losing industrial jobs and paying heavy energy costs to Southern and Western states, are two of the areas trying to tap into that pool of Alaskan billions.

"There is a staggering accumulation of assets there and we would like them [Alaskan officials] to invest in the city," said Mark Wasserman, of Mayor Schaefer's staff, who is conducting inquiries for Baltimore. "This would bring about some balance in terms of equalizing the regional impact."

The mayor's office was told of Alaska's interest in turning back some of its oil windfall to the hard-hit consuming states by officials of the Northeast-Midwest Congressional Coalition on a recent visit to the city. The states belonging to the coalition are the chief losers in the westward flood of energy dollars.

According to Alaska's Department of Revenue, petroleum production will bring \$128 billion into state coffers between 1980 and 1996. The legislature has eliminated the state income tax and is looking outward for business opportunities.

John W. Katz, special counsel to Alaska Governor Jay Hammond, confirms that the outside investment is a live subject in the current legislative session.

Experts at the U.S. Department of Energy and elsewhere estimate that the transfer of wealth from Baltimore and the other "have not" cities and states could reach \$500 billion to \$1 trillion over the next decade, as the nation removes price controls from oil and natural gas and increasingly exploits its huge supplies of coal.

The movement of this wealth to the producing states is going to enrich directly the energy interests within those states. And it is also going to enhance their appeal for new nonenergy business as their treasuries brim over and they are able to cut taxes and offer other inducements to industry.

The political power of these energy-rich states will increase substantially as their wealth and populations rise.

Cries of a "U.S. brand of OPEC" are being hurled against the energy-rich Western states as members of Congress and other officials from the Frost Belt warn of the coming regional warfare, which the bids by Baltimore and Michigan for Alaskan investments may help to reduce, if they are successful.

Bills have been introduced in Congress to put a ceiling on the taxes states put on coal. And tomorrow, coal companies and Midwestern utilities that depend on coal are going to be arguing before the U.S. Supreme Court that the coal taxes have become so high that they violate the Constitution in imposing an unfair burden on interstate commerce.

Alaska is far from alone in watching its treasury swell from the ever-increasing price of oil and gas. A new light-blue book-

let, "1982-1983, Biennial Revenue Estimates," issued by the Texas comptroller, tells the story in that state.

Texas expects to collect \$2.5 billion in oil and gas taxes in 1983, compared with \$1.5 billion last year. Between 1973 and 1977, after the burst in prices following the Arab oil embargo, revenue from oil and gas taxes to the state rose 170 percent. Almost 20 percent of the state's revenues comes from severance taxes imposed on the extraction of gas and oil. There is no state personal or corporate income tax, a big attraction for new business. It is the only large state without such a revenue source.

According to the Congressional Budget Office, state and local revenues from severance taxes on oil and gas, based on a petroleum industry model, will amount to \$112 billion from 1980 to 1990 and severance taxes on coal will reach \$13 billion. The Treasury Department estimates that state revenues from oil will reach \$127 billion in this decade.

In Texas, the biggest oil producing state, officials conservatively predict a \$13 billion rise in revenues from 1980 to 1990, according to a new study by the General Accounting Office, the investigatory agency of Congress.

But new estimates—called "very conservative"—by the Northeast-Midwest Congressional Coalition said that Texas will reap \$35 billion in new revenues from oil alone by 1990. It said that Louisiana will gain \$12 billion, and another major oil state, Oklahoma, will receive \$7.5 billion.

And this does not include the transfer of wealth generally to the energy producing states. According to recent figures by Energy Action, a consumer group, the immediate decontrol of natural gas prices being considered by the Reagan administration would bring about a transfer of \$275 billion from 16 Northern states to the producing states, compared with a \$29.7 billion drain from 1976 to 1980.

"There is a widening gap between the regions because of energy," said J. R. Prestidge, a tax expert with the congressional coalition representing the "have-not" states. "Those states which already have a healthy tax base are being able to export their energy taxes to the consumer states which have a declining tax base."

Lawmakers in Congress from the energy-poor states, concerned about the ever-rising flow of wealth to the energy-producing states, contend that oil, gas and coal are national resources and no state should be allowed to impose what these legislators regard as an unreasonable tax on them.

William P. Rogers, the former Secretary of State and now a New York lawyer, is to appear before the Supreme Court next week to argue on behalf of utility and coal interests that Montana's 30 percent tax violates the interstate commerce clause of the Constitution.

Since Montana and Wyoming, which has a 10.5 percent severance tax, account for almost 70 percent of the nation's vital low-sulphur coal supplies, the impact of these taxes is said to be crucial to the utilities in such states as Illinois, Minnesota, Wisconsin and Ohio that depend on Western coal.

Even Texas, which collects severance taxes on oil and gas, is finding rising com-

plaints from electric-power consumers about the costs of coal used by Texas utilities. Austin is one of those suing Montana in the Supreme Court case.

"As a result of worldwide economic events, energy-rich states like Montana have come to hold the country hostage," says the congressional coalition's brief to the Supreme Court. "Montana coal is vital to the energy needs of other regions."

Montana's tax rose in 1975 from 8 cents a ton to 30 percent of the selling price. Almost 90 percent of the tax is paid by coal buyers outside the state. Montana collects more than \$60 million a year from the tax and Wyoming collects more than \$40 million. This amounts to \$80 per capita in Montana a year, and \$85 in Wyoming. This compares with \$90 per capita produced by the oil tax in Texas, which amounts to 4.6 percent a barrel.

Officials in the energy producing states insist that the tax levels and revenues are reasonable and essential to protect the states' economic interests in view of the declining potential for oil and gas and the long-term downturn in coal production.

"We are never going to see again the 1972 production levels," said Victor Arnold, a professor at the LBJ School of Public Affairs in Austin, who is directing the "Texas 2000" study of the state's economic future. "The crude-oil picture in Texas is not that bright."

Lloyd R. Rolan, a top state revenue estimator, also said much of the Texas energy is consumed within the state, including two-thirds of the natural gas supplies.

Although oil-induced revenues are piling up in the Alaska coffers, Mr. Katz maintained that the state needs them to cope with its high rate of inflation and unemployment and to develop the fledgling industry and roads, sewer and water systems and other parts of the "infrastructure."

"We have only 3,500 miles of roads in a state a sixth the size of the United States," he said.

Officials in Montana and Wyoming are also arguing that the coal tax revenues are vitally needed to prevent their states from becoming "another Appalachia" of boom and bust. Revenues are being put aside to meet environmental and social impacts of rapid coal production. In 1977, Montana and Wyoming accounted for 10 percent of U.S. coal production, but they are expected to make up 35 percent by 1990.

A study by the Congressional Research Service has shown that the actual impact of coal severance taxes on fuel bills is small, with the major cost being the coal itself and particularly rail transportation.

"It is not the tax policies of Montana, Wyoming or any other Western state that is causing the rapid rise in energy bills," said Governor Ed Herschler, of Wyoming. "The real economic cost of fuel has finally caught up with the American public and the public is looking for a scapegoat."

Bernard L. Weinstein, professor of political economics at the University of Texas in Dallas, said the practice of exporting energy taxes does not differ from the "taxes paid by automobile manufacturers to the city of Detroit being passed on to those who buy cars and trucks in Dallas."

And Robert S. McIntyre, past director of the Public Citizens Tax Reform Research Group, affiliated with Ralph Nader, the consumer advocate, supports the coal severance tax on grounds that it is not actually passed on to consumers at all.

CONTINUED →

Anchorage Daily News

Winner, 1976 Pulitzer Prize Gold Medal for Public Service

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Executive Editor



Gerald E. Grilly
General Manager

Howard Weaver
Managing Editor

Lawrence Fanning, Editor and Publisher 1967 to 1973

Alaska's Only Morning Newspaper • Founded in 1946 by Norman C. Brown

Taking care of our own image

While Alaska leaders worry about the state's image Outside in the wake of newspaper reports on our oil wealth, Alaska residents continue to fret over a more basic concern: the high cost of living here.

That fact was illustrated again by a report from the Cooperative Extension Service that showed food costs in Alaska's Bush were generally nearly double those in the United States as a whole during the month of December. Fort Yukon residents drew the dubious distinction of paying the most, \$151.74 a week for a family of four, to put food on the table. That compares to a nationwide average of \$70.40 — and ought to put a whole new light on Alaska's image problem.

The point, we fear, will not be widely recognized Outside. Americans who are watching government services being slashed at all levels are in scant mood to look beyond the surface of Alaska's public prosperity. Their resentment, moreover, will only be fueled if Alaskans are seen to be squandering their wealth.

But people for whom the most basic necessities of life are doubly expensive will not be envied if that fact be known. And state efforts to cope with that expense will only be applauded if real needs be addressed. Those needs — housing, education, health, transportation — remain as basic here as anywhere. They're just more expensive.

Thus we can suggest a partial strategy for alleviating our difficulties both inside and outside the state: sending responsible signals means relating state programs to real needs, planning carefully for future obligations, and avoiding the appearance of being hare-brained dreamers. It means acting together rather than splintering ourselves with unreasonable and competing demands.

Alaska has consciously sold its image as a romantic, exciting frontier — complete with igloos and Eskimos, polar bears and parklands, splendor and opportunity. That image is good for tourism. Now we must sell an image of responsibility, of real people with real challenges.

In the game of political image-making, it's perception that counts. Alaskans found that in the fight over d-2 lands legislation; they'll find it again in the fight to retain their legitimate wealth if they do not act soberly and responsibly today.

Amendment (HB-295)

There is appropriated \$200,000 For "Alaska 1984" to the Commissioner of Economic Development. This appropriation is to cover planning and administration costs for the twenty fifth anniversary celebration of Alaska Statehood.

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT



Alaska State Legislature

House of Representatives

Fouch V
State Capitol
Juneau, Alaska 99811

Official Business

MEMORANDUM

TO: Carol Burnside
Administrative Aide, House Transportation

FROM: Dave Hammock
Administrative Aide, Rep. Metcalfe

DATE: 10 May 1981

RE: Additional proposed amendment to HB 295

Careful study of the Municipality of Anchorage's CIP request has revealed the presence of another project that was underfunded. Representative Metcalfe has directed me to bring it to your attention as a possible amendment to HB 295.

Montague Manor Storm Drain (Extension) \$275,000

In 1980 the legislature granted the Municipality of Anchorage some \$220,000 to construct a 36" drain pipe system from the Montague Manor Trailer Park to an outfall point west of the New Seward highway. The Municipality has been unable to obtain a permit from DOT/PF to make an open cut across the New Seward Highway so additional funds are needed to bore underneath the roadway. Moreover the planned outfall west of New Seward was viewed as only a temporary measure. Municipal plans called for eventually outletting the drain west of the Old Seward Highway. Adoption of this amendment will allow completion of the drain system inclusive of crossing the New Seward Highway and extending the drain pipe to an outfall west of the Old Seward Highway.

I have attached some back up information on this item for the committee's use. I have also enclosed back up packets for the Girdwood Container Site Shortfall and the Glen Alps Emergency Road/Drainage Improvement requests.

Please let me know if I can be of any further assistance.

xc: Representative Metcalfe

encl: Committee information packets on HB 295 proposed amendments by Metcalfe.

PROJECT TITLE: Montague Manor Storm Drain Extension

PROJECT COST: \$275,000

HOUSE REPRESENTATIVES: Bylsma, Metcalfe

SENATOR: Colletta

PROJECT DESCRIPTION AND JUSTIFICATION:

This project is to provide a storm drain outfall between the New Seward and Old Seward Highways. The 1980 Grant is intended to bring the drainage system from the east side of the New Seward Highway to the west side, but the project will not be functional unless extended on westward to the Old Seward Highway where the pipe can daylight.

For further information on this project, contact Lee Browning at 263-8109.

PROJECT COMPLETION ESTIMATE: December 1982



Alaska State Legislature

House of Representatives

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: Carol Burnside
Administrative Aide, House Transportation

FROM: Dave Hammock

DATE: 6 May 1981

RE: Amendments to HB 295

Representative Metcalfe has asked me submit the following items as proposed amendments to HB 295. Each item is either a request to make up a shortfall in an underfunded project or is of an emergency nature. It was our feeling that these projects would be appropriate to address in this bill due to the need to grant them funding prior to July 1, 1981. They are listed in priority of need, according to Rep. Metcalfe.

1. Hillside Drive Paving & Improvement shortfall. \$ 715,000

Legislative action included funds for paving Hillside Drive in last year's bond package. However, only enough money was allocated to pave Hillside from DeArmoun Road north to O'Malley. The section from O'Malley north to the intersection with Abbott and then west along Abbott to Birch road will not be included unless these additional funds are made available. Inclusion of this item in HB 295 and the resulting availability of the monies earlier than July 1 would have the effect of expediting construction. This item is our highest priority for transportation category CIP requests in District 11.

2. Girdwood Container Site Paving/Canopy Shortfall. \$ 55,000

A 1980 legislative municipal grant started construction on this project, but the appropriation was inadequate to insure completion. The Municipality of Anchorage has requested this amount in its annual CIP request. Inclusion in HB 295 will help guarantee an on schedule conclusion to the project.

6 May 1981

3. Glen Alps Service District Emergency Road/Drainage
Improvements.

\$ 120,000

This project would be a grant to the Municipality of Anchorage to insure improvement of rapidly deteriorating roadways in this area. The Glen Alps Service District suffers not only from extreme environmental conditions, but is subject to heavy non-resident traffic associated with Chugach State Park. Substantial remedial work is mandated this construction season to keep these park access routes usable. Inclusion in HB 295 could serve to accelerate the start of construction work. This item also includes funds to improve winter glaciation control.

If you have any questions about these requested amendments I will be happy to respond at your convenience.

xc: Rep. Metcalfe
Rep. Bylsma

PROJECT TITLE:

Girdwood Container Site, Access Road and
Covering of Refuse Containers

PROJECT COST:

\$55,000

HOUSE REPRESENTATIVES: Bylsma, Metcalfe

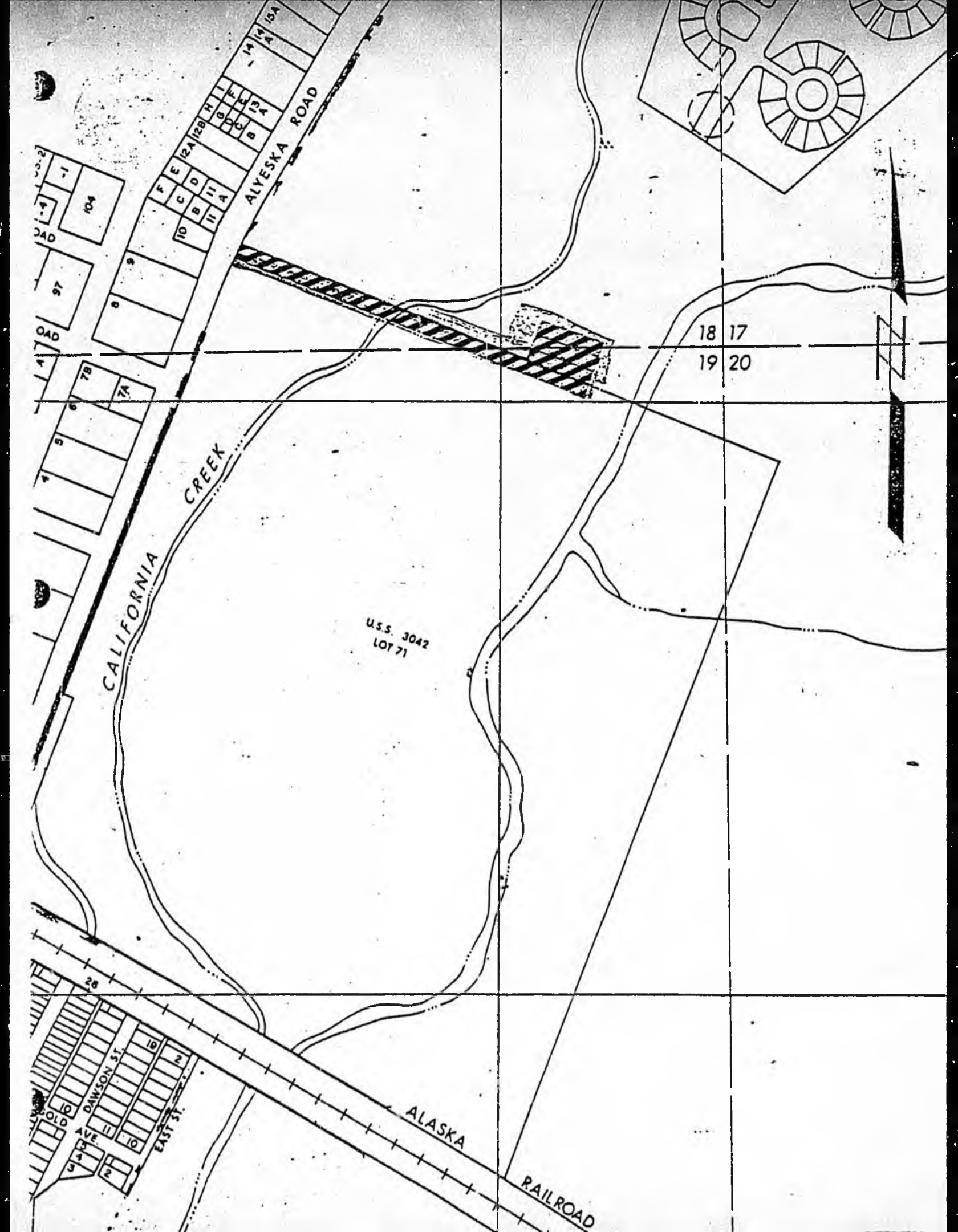
SENATOR: Colletta

PROJECT DESCRIPTION AND JUSTIFICATION:

This project will complete paving of the access road to the Girdwood Refuse Container Site as well as provide a covering for vehicles off-loading refuse in the container area. Design work has been partially completed, but there are insufficient funds in the 1980 Grant to complete construction work.

For further information on this project, contact Lee Browning at 263-8109.

PROJECT COMPLETION ESTIMATE: December 1982



CALIFORNIA CREEK

ALYESKA ROAD

ALASKA RAILROAD

U.S. 3042
LOT 71

18 17
19 20



104
97
78
77
28
DAWSON ST
AVE
EAST ST

10
11
11A
11B
12
12A
12B
13
13A
13B
14
14A
14B

103-2
1-4
-1
3AD
4
5
6
7
8
9

GLEN ALPS ROAD SERVICE DISTRICT

Robert T. Kean
SRA 382-V
Anchorage, Alaska 99507
(907) 345-2098

April 20, 1981

The Honorable Ray H. Metcalfe
House of Representatives
State of Alaska
Pouch V
Juneau, Alaska 99811

SUBJECT: GLEN ALPS SERVICE DISTRICT EMERGENCY ROAD
MAINTENANCE FUNDS

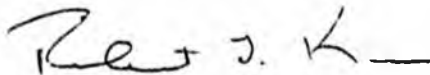
Dear Representative Metcalfe:

Enclosed is a petition signed by practically every resident of the Glen Alps Road Service District. The petition requests \$120,000.00 in emergency funds to correct deficiencies in our road system.

Also enclosed is correspondence which is our normal maintenance budget to the city, this budget basically provides for 3 gradings during the summer and snow removal in winter. We have also sent this budget and petition to Mayor Sullivan with a similar request.

Thank you for your help in this pressing matter.

Sincerely,



Robert T. Kean
Glen Alps Road Service District

RTK:bjs

Enclosures- petition
budget

Robert T. Kean
SRA 382-V
Anchorage, Alaska 99507

April 15, 1981

Maureen Alyea, Jr. Administrative Officer
Street Maintenance Division
Pouch 6-650
Anchorage, Alaska 99502

BUDGET REQUEST FOR GLEN ALPS SERVICE AREA
ROAD MAINTENANCE

Following our meetings with residents of the Glen Alps Road Service Area, we have come up with the following broad budget suggestions, as well as the specific needs listed below:

CONTRACTUAL SERVICES \$68,000.00
INTRAGOVERNMENTAL SERVICES 15,000.00

Light summer oiling of Toilsome Hill switchback

Gravel fill or guard rail above switchback by Bosworth's house

Replace culverts and reditch and improve road bed on Canyon Road, View Heights Way, Upper DeArmoun, Jeanne Drive, Spendlove Drive, etc.

General grading on all roads

Winter snow plowing and sanding on all roads.

Enclosed is a copy of the petition which has been sent to the legislature requesting \$120,000.00 in emergency repair funds additional to the above budget amount.

Respectfully,

Judy Burtner
JUDY BURTNER - 345-1598

Robert T. Kean
ROBERT T. KEAN - 345-2098

GLEN ALPS ROAD SERVICE DISTRICT

Robert T. Kean
SRA 382-V
Anchorage, Alaska 99507

April 18, 1981

Mayor
City of Anchorage
632 W 6th Ave.
Anchorage, Alaska
99507

Subj: Glen Alps Service District Emergency Road Maintenance Funds

Dear Mayor Sullivan:

The people of the Glen Alps Service District have prepared the enclosed petition for the purpose of obtaining emergency funds for the maintenance and preparation of our roads for the forthcoming summer season and impending winter.

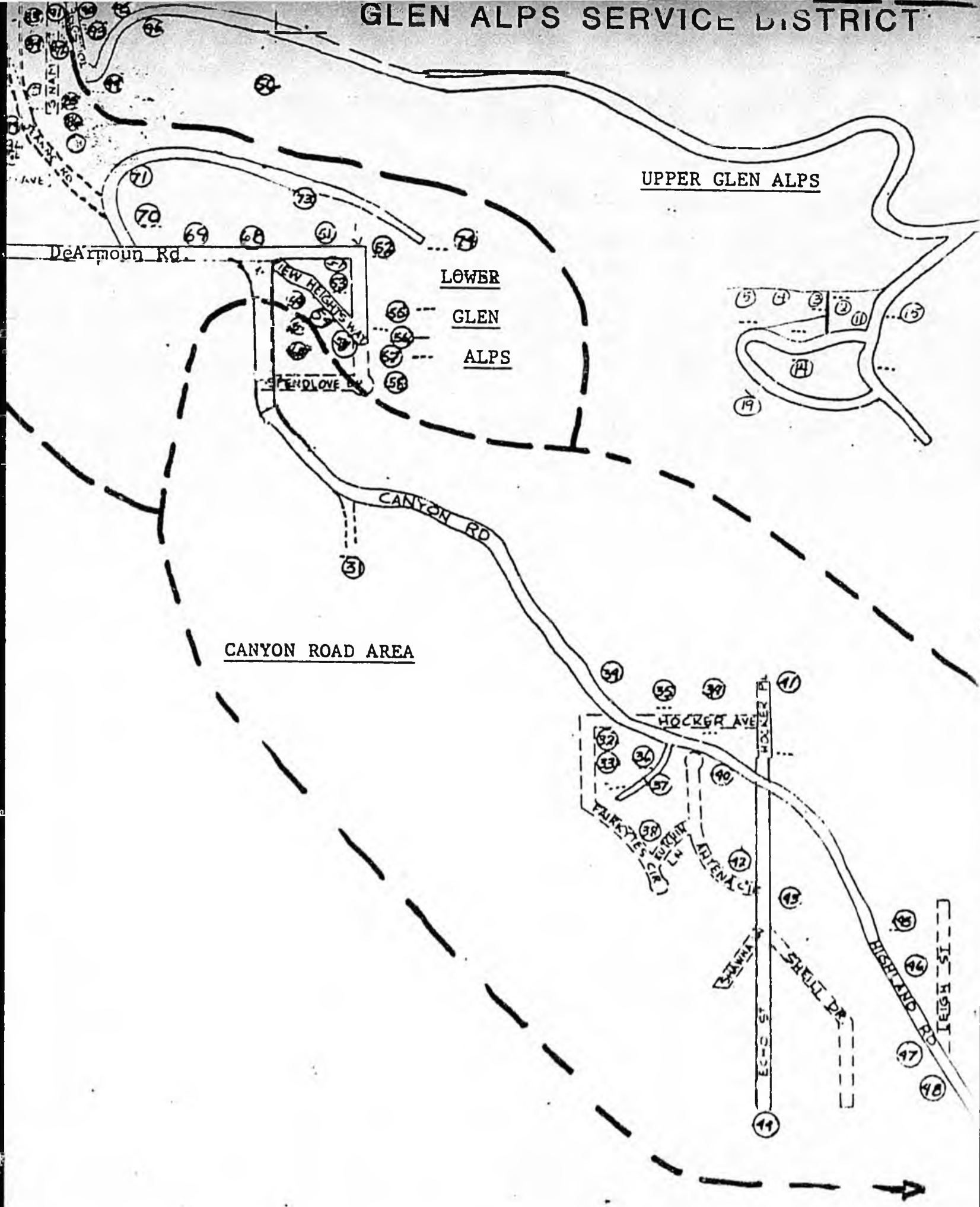
The already poor road bed and drainage culverts and ditches have been severely damaged by extreme environmental and traffic factors rendering the roads impassable many times and difficult to negotiate the majority of the time. As these roads are public access to the Chugach State Park we would appreciate both the Municipality and the State's attention and cooperation toward solving the problems at hand. The funds we are requesting will merely improve the immediate problem, a plan of larger scope will be necessary for a lasting remedy to our road conditions.

The enclosed petition has been forwarded to the State Legislature as well as your office in hopes of obtaining assistance.

Sincerely,

Robert T. Kean
Glen Alps Road Service District

GLEN ALPS SERVICE DISTRICT



PETITION FOR ROAD IMPROVEMENT
IN THE
GLEN ALPS SERVICE AREA

The Glen Alps Service Area encompasses the area shown on the enclosed map. This area is a special service area due to its unique problems resultant from severe climatic conditions and extreme topographical relief. The topography ranges from gently sloping to rather precipitous inclines, and the climatic conditions range from howling winds and driving rains to howling winds and drifting snow depending on the season. The effects on our roads are dramatic. These natural conditions coupled with an extremely poor road bed (in the Lower Glen Alps and Canyon Road portions especially) and inadequate drainage throughout the area have made travel on these roads uncomfortable at best. Many times the roads are rendered impassable by bottomless mud, drifting snow, glaciation, or washout.

Certain access and R.O.W. problems further complicates the overall picture particularly concerning the three main R.O.W.'s - Upper Huffman (Toilsome road) Jeanne Road and Canyon Road as well as portions of Upper DeArmoun. Most of the R.O.W. problems are so acute (Tabbytite case) that the road system has evolved as a series of prescriptive easements connecting platted R.O.W.'s.

The roads in the Glen Alps Service Area are used not only by the residents of the area but by the majority of outdoorsmen in the Anchorage Bowl as they are direct access to the Chugach State Park. The extra non-resident traffic further depreciates what little road bed there is.

GLEN ALPS PETITION

The past year's unusual winter has exposed the extent of the drainage and road bed problems. As residents of the Glen Alps Service area we the undersigned hereby respectfully request from the Legislature emergency funds in the form of a State Grant of \$120,000 to the municipality of Anchorage to assist in the repair and maintenance of the follow specific items:

1. Repair drainage and solve glaciation problems
2. Reditch all roadways and install culverts
3. Improve and maintain roadbed.
4. Replace inadequate and crushed culverts.

The above represents approximately 6 miles of roads and ditches and 25± culverts.

Petitioners

<u>Name</u>	<u>Address</u>	<u>Telephone</u>	CANYON RD.
36 Robert I Kern	SRA 382 U ANCH	345 2098	
40 Brooks H Wade	SRA 381-R ANCH	345-2282	
59 Rick S Carpenter	SRA 382 ANCH	345-2370	
39 Ludo Carpenter	SRA 382 ANCH	345-2370	
41 David McElroy	P.O. Box 10-2243 Anch	99511 345-227	
42 Luc R Holmquist	SRA 380 N ANCH	99507 345-1355	
42 Charles Wilson	" " "	" "	
38 DWANE A. RUIRGESS	SRA BOX 374 ANCH, AK	99507	
34 Joseph H Prasad	SRA 401-A ANCH AK	99507	
60 David Hoffman	P.O. Box 4-1274 " "	99505	
57 William J. Decker	SRA 381-1 ANCH AK	345-2140 99507	

GLEN ALPS PETITION

No. 87
0247

No.	Name	Address	Tel.
5	Mary Paton	P.O. Box 10-1485 99511	345-1057
5	Mary Paton	" " "	"
5	William L. Butler	SRA Box 2393M 99511	345-1598
15	Miriam Baker	Box 10-646 99511	345-1418
11	Joseph W. Baker	Box 10-1091 99511	345-1031
13	W. H. Baker	PO Box 10-1099 99511	345-1565
14	C. Thomas Beline	P.O. Box 4-BB 99509	345-1294
19	W. H. Baker	SRA Box 2393-L 99507	345-1557
3	E. J. Baker	SRA Box 2393R 99507	345-1045
2	Wes Burton	Box 10-1041 99511	345-1598
3	William Burton	SRA Box 2393R, 99507	345-1045
42	W. H. Baker	SRA Box 2393D 99507	345-3670
82	Laura Judson	SRA Box 2390-D 99507	345-0207
82	Shirley Judson	SRA Box 2390-D 99507	345-0207
7	Glenn Roberts	SRA Box 2387-R 99507	345-5331
Binami Road	W. H. Baker	SRA Box 2390-P 99507	345-0298
	Conrad Van Dine	SRA Box 2391-Z 99507	345-5465
	William Van Dine	SRA Box 2397-Z 99507	345-5465
	William Van Dine	SRA Box 2397-Z 99507	345-5465
	William Van Dine	SRA Box 2397-Z 99507	345-5465
95	W. E. Bode	SRA Box 2394-K 99507	345-5000
Tailor Hill	W. H. Baker	SRA Box 2393-Z 99507	345-3621
	William G. Bode	SRA Box 2395-G 99507	345-2800
96	Albert M. Bode	SRA Box 2395-G 99507	345-2800

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.**

**PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT**

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-2211

May 20, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

*Send Sam
a memo on
The DOT portion
295
Trades & Crafts Union*

Amendments to CSHB295

Dear Representative Cotten:

Your committee will soon be reviewing HB 295, which makes supplemental appropriations to the General Government and transportation budget categories. This bill has recently been reported out of the Transportation Committee as a committee substitute. Since the time that the Transportation Committee held hearings on the bill, the need for two additional amendments has been brought to our attention. We request that you include these amendments in a finance committee substitute for HB 295.

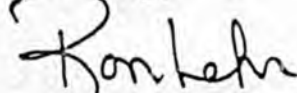
The first amendment is to make a minor change in an existing section of the bill. Section 14 of CSHB295 appropriates \$225,100 in general funds and \$16,000 in program receipts to the Division of Retirement. The \$16,000 in program receipts is to pay for legal expenses pertaining to the overall tax status of the supplemental benefits program annuity plan. We have received verbal notification from the Department of Administration that the increase in legal services costs is expected to be \$20,000 instead of \$16,000. Therefore, please change the program receipts appropriation in Section 14 from \$16,000 to \$20,000.

The second amendment also changes an existing section of the bill. Section 2 appropriates \$613,100 in general funds to the Department of Transportation and Public Facilities to pay cost overruns for various projects in the state. We have recently received notification of an additional project falling into this group for which funds need to be appropriated. The cost overrun for this project, a roof repair project in Atmautluak and Twin Hills, totals \$35,421.40. Please increase the amount appropriated in Section 2 to \$648,521.40. Attachments to this letter provide additional documentation of the request.

Honorable Sam Cotten
May 20, 1981
Page 2

Your assistance in incorporating these amendments into a finance committee substitute for HB 295 will be appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Ron Lehr".

Dr. Ronald D. Lehr
Director

Attachments

cc: Commissioner Hudson, Department of Administration
Commissioner Ward, Department of Transportation and Public Facilities
Judy Crondahl, Department of Administration
Honorable Don Bennett and Ed Dankworth, Co-Chairmen Senate Finance
Committee
Honorable Bette Cato, Chairwoman, House Transportation Committee

MEMORANDUM

State of Alaska
Department of Transportation & Public Facilities

RECEIVED
APR 15 1981
BUDGET AND MANAGEMENT

TO: Ron Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: April 1, 1981

FILE NO:

TELEPHONE NO:

FROM: John C. Bates
Deputy Commissioner
Department of Transportation
and Public Facilities

SUBJECT: Supplemental Appropriation

The Department of Transportation and Public Facilities requests a supplemental appropriation of \$35,421.40. This supplemental appropriation will provide final payment for work on the Atmautluak and Twin Hills School in 1977.

Attachments

MEMORANDUM

State of Alaska

TO Kit Duke, Director
Planning & Programming

DATE January 5, 1981

FILE NO 220H-4000

TELEPHONE NO 266-1580

FROM R. S. Armstrong, Director
Division of General Design
and Construction

SUBJECT Atmautluak School
Twin Hills School

RECEIVED
APR 15 1981
BUDGET AND MANAGEMENT

RS Armstrong

It seems that unpaid bills never go away. The attached correspondence indicates that the file has been going around between Planning, M & O, and what was then Buildings. I asked Pat Ryan if he could get the bill paid, he consulted with Ray, and they decided I should ask you to put in a supplemental request for the money. We owe Alaska Plumbing & Heating \$35,421.40 for work they did on the subject schools. Since there does not appear to be any question regarding the validity of the billings, then I feel we are morally obligated to pay up - even if funds had lapsed which would be out of APH's control.

NO

If there is no money laying around in umbrella accounts, then could you put this in for a supplemental? The complete folder is attached.

Attachment

cc: R. D. Shumway, P.E., Deputy Commissioner



RECEIVED
APR 15 1981
BUDGET AND MANAGEMENT

TO: Jim O'Sullivan
Maintenance & Operations
Department of Transportation
and Public Facilities

DA

DATE April 7, 1978

FILE NO

TELEPHONE NO

FROM: Roy Peratrovich, Jr., Director
Facility Procurement Policy
Department of Transportation
and Public Facilities

RP

SUBJECT

Alaska Plumbing & Heating
Company, Billings on Atmaultluak
and Twin Hills

The subject project billings are about to make the full circle. By this memo I am returning copies of all the latest correspondence we have relating to these projects.

As I understand the problem, before we became DOT/PF, Maintenance within the Division of Buildings tried to have some work done by force account at the subject sites. This became a problem so the work was finally done by competitive bidding. For some reason or other, the work in question was never completed until about two years after the contract was awarded but apparently, was done in accordance with the contract. Somehow, perhaps due to the contractor's delay in completing the work or through mismanagement, funding that was originally available for the project lapsed.

We now have no funds with which to pay this \$35,421.40 debt. In the process of investigating the history of this project we did some searching for additional funding sources but had no luck. We can do no more.

Responsibility for obtaining or identifying proper funding sources for capital improvement projects normally rests with the client agencies, not with our Division. Once a funding source has been identified we assist the client agency in the procurement process including the budgetary process i.e., developing project budgets and assisting in processing related reimbursable agreements as required etc. Since the project appears to have originated in Maintenance, I am returning the problem for your resolution and response to the contractor.

Attachments:

cc: Kit Duke
Richard Holden w/attachments
David Chauvin w/attachments
George Porter w/attachments
George McCurry

RECEIVED

APR 11 1978

M & O BUILDINGS
DEPT. OF TRANSPORTATION
& PUBLIC FACILITIES

MEMORANDUM

State of Alaska

TO: Roy Peratrovich
Facility Procurement Policy

DATE: March 31, 1978

FILE NO:

TELEPHONE NO:

FROM: Kit Duke
Facility Procurement Policy
Anchorage

SUBJECT: Alaska Plumbing & Heating Company
Billings on Alnautluak and Twin
Hills - Letter of March 13, 1978

Attached is a package of material which you asked me to respond directly to. I have done some research and find that it is more appropriate for George Porter to respond. After talking to both George McCreary and George Porter, I am told that these two projects have no funding (in fact, the funding has lapsed) and that the sub-contractor was not paid by a general contractor. The only way that he can be paid, in all likelihood, is to request a supplemental appropriation. At any rate, I suggest that this answer be drafted by George Porter and not our Division.



ALASKAN PLUMBING AND HEATING COMPANY, INC.

2132 POST ROAD P. O. BOX 2110 PHONE 907/272-2451 ANCHORAGE, ALASKA 99510
TELEX 902 5234

Copy Requested
RECEIVED APR 17 1981
MANAGEMENT

106

IN REPLY
REFER TO SERIAL NO.

March 12, 1978

RECEIVED MAR 17 1978

Mr. Roy Petatrovich *RP*
Director of Facility Procurement Policy
Department of Transportation and Public Facilities
Pouch Z
Juneau, Alaska 99811

RECEIVED MAR 17 1978
TRANSPORTATION & PUBLIC FACILITIES

Dear Sir:

For several years we have been attempting to collect final payment on Contracts P-479 and P-480 which were with the old State of Alaska, Department of Public Works, Division of Buildings. Following is information regarding contract numbers etc, on these two projects together with the final amount due:

Contract P-479	Almatluak School, Project DB-131-4-20-39,	\$18,348.65
Contract P-480	Twin Hills School, Project DB-131-4-29455,	\$16,572.75

For your ready reference we are enclosing copies of the final estimates that are due on these two contracts together with copies of Release of Contract which was signed and returned with the final estimate. In addition, we are enclosing copy of our letter No. 690 dated September 22, 1977 to Mr. Carl Johnson, Chief Engineer - Buildings, State Maintenance and Operations, requesting his help in trying to effect collection of these two long past due contracts. We have been recently advised by Mr. Johnson that he has been unable to do anything to bring about these payments.

We are at a complete loss as to what we will have to do in order to obtain payment of these two long past due billings.

It would be appreciated if you would check into this matter and advise what is holding up payment and when we may expect to receive payment on this account.

Very truly yours,

ALASKAN PLUMBING & HEATING COMPANY, INC.

L. E. Jeffs
L. E. Jeffs
General Manager

Received
ANCHORAGE, ALASKA
MAR 20 1978 PM
TRANSPORTATION & PUBLIC FACILITIES

L.EJ:jas
956-3
957-3

MEMORANDUM

State of Alaska

RECEIVED
MAY 18 1981

DEPARTMENT OF PUBLIC WORKS

DATE: May 19, 1976

BUDGET AND MANAGEMENT

TO: George McCurry
Chief of Maintenance
Division of Buildings
Juneau

FILE NO: T31-4-23039
TELEPHONE NO: T31-4-23455

FROM: *JRB*
Jesse R. Boyer
Building Management Supervisor
Division of Buildings
Anchorage

SUBJECT: Atautluak School
Contract P-479

Twin Hill School
Contract P-483

The attached is the final pay estimate for subject contracts. Mr. Ernie Jeffs brought the paperwork in yesterday (5/18/76). I believe it is all in order and is worked out in a reasonable form. The files were taken by A.S.O.S.S. when they moved out, but I believe you will find the Contractors' estimate satisfactory. I would recommend the contracts be closed out and payment as requested be made.

JRB/cs

Attachments

AP + H
Ernie Jeffs
272-2451

DPW-374
(10/85)

SHEET 1

STATE OF ALASKA
DEPARTMENT OF PUBLIC WORKS
DIVISION OF BUILDINGS

PERIODIC ESTIMATE FOR PARTIAL PAYMENT

Name and Location of Project Twin Hills School, Twin Hills, Alaska Project No DB131-4-294-5
Assoc. 99510

Name of Contractor Arctic Structures, Inc. & Address PO Box 2119, Anch., AK Contract No P-180

Periodic Estimate No 6 for Period 19 to Final 19

1. COST OF WORK COMPLETED TO DATE UNDER ORIGINAL CONTRACT ONLY

Entries must be limited to work and costs under the original contract only.

(Work and cost data under change orders is to be shown on Sheet 2.)

Columns (6) and (7): Show all work completed to date under original contract.

Column (8): Enter the difference between entries in columns (5) and (7).

Column (9): Show percent ratio of column (7) to column (5).

ITEM NO. (1)	DESCRIPTION OF ITEM (2)	CONTRACT			COMP. TO DATE		COST OF UNCOMP. WORK (8)	% COMP. (9)
		QUANT. (3)	COST PER UNIT (4)	TOTAL COST OF ITEM (5)	QUANT. (6)	TOTAL COST (7)		
1	Site work and piling Cutoff	L.S.		1,000.		1,000.		
2	Exterior Framing, Incl. Floor, walls & roof	L.S.		52,000.		52,000.		
3	Electrical	L.S.		15,000.		15,000.		
4	Mechanical Incl. Exterior	L.S.		20,000.		20,000.		
5	Drilling Well	L.S.		7,500.		7,500.		
6	Interior Framing and Finish	L.S.		50,495.		50,495.		
				145,995.		145,995.	-0-	100

CHANGE ORDERS

NO.	RELATED ITEMS ON SHEET 1	DESCRIPTIONS	(1) INCREASE	(2) DECREASE	(3) AMOUNT DUE FOR COMPLETED ITEMS
1		Complete construction of Power House	1,983.		1,983.
2		Install third generator	1,265.		1,265.
TOTALS			3,248.		3,248.

Adjusted Contract Amount to Date

(Total Col. 5, Sheet 1, plus 1 and less 2 above) \$ 149,243.00

PAYMENT ESTIMATES

Analysis of Work Performed

a. Total Work completed to date (Col. 7) 145,995.00

b. Material Stored on Site _____

c. Change Orders Performed (3 minus 2 above) 3,248.00

d. Subtotal 149,243.00

e. Less _____% retained _____

f. Less Previous Payments 132,670.25

g. Amount Payable this estimate 16,572.75

Certification of Contractor

I certify that all items and amounts are correct in accordance with the contract requirements and that the undersigned have complied with the labor provisions of said contract, or that there is an honest dispute with respect to such provisions.

CONTRACTOR Arctic Structures, Inc. & Assoc. Date 12-15-75
PO Box 2719, Anchorage, Alaska

Project Engineer [Signature] Date 4/28/81

Department of Public Works [Signature] Date 4/29/81

STATE OF ALASKA
DEPARTMENT OF PUBLIC WORKS

WHEREAS, by the terms of a contract dated May 6, 1971, Number P-480, entered into by the State of Alaska, represented by George W. Easley, Commissioner, Department of Public Works, and Arctic Structures, Inc. & Assoc., PO Box 2119, Anchorage, Alaska 99510 for the construction of Two classroom school, hot lunch kitchen and teachers quarters, Twin Hills, Alaska

it is provided that: "Upon completion and acceptance of all work required hereunder, the amount due the Contractor under this Contract will be paid upon the presentation of a properly executed and duly certified voucher therefore, after the Contractor shall have furnished the State with a release, if required, of all claims against the State arising under and by virtue of this Contract, other than such claims, if any, as may be specifically excepted by the Contractor from the operation of the Release in stated amounts to be set forth therein."

NOW THEREFORE, in consideration of the premises and the payment by the State of Alaska to the Contractor of the amount due under the Contract to wit, the sum of

_____, the Contractor hereby remises, releases, and forever discharges the State of Alaska its architects, engineers, agents, employees and independent contractors of and from all manner of debts, dues and sum or sums of money, accounts, claims and demands whatsoever, in Law and in equity, under or by virtue of said contract, and warrants good title to all material, supplies and equipment installed or incorporated in the project and all work delivered to the premises, together with all improvements and appurtenances constructed thereon by Arctic Structures, Inc. and Associates, PO Box 2119, Anchorage, Alaska 99510

to the State of Alaska free of any claims, liens or that neither it nor any person, firm or corporation furnishing material or labor for any work covered by this Contract has any right to a lien upon the premises nor any improvement thereon, except:

IN WITNESS THEREOF, the hand and seal of the Contractor have been hereunto set this 15th day of December 19 75.

ARCTIC STRUCTURES, INC. AND ASSOC.
BY [Signature]

ATTEST:

Witnesses:

MEMORANDUM

State of Alaska

DEPARTMENT OF PUBLIC WORKS

TO: George McCurry
Chief of Maintenance
Division of Buildings
Juneau

DATE: May 19, 1976

FILE NO: 131-4-29039

TELEPHONE NO: 131-4-29455

FROM: *JRB*
Jesse R. Boyer
Building Management Supervisor
Division of Buildings
Anchorage

SUBJECT: Atzautluak School
Contract P-479

Twin Hill School
Contract P-480

The attached is the final pay estimate for subject contracts. Mr. Ernie Jeffs brought the paperwork in yesterday (5/18/76). I believe it is all in order and is worked out in a reasonable form. The files were taken by A.S.O.S.S. when they moved out, but I believe you will find the Contractors' estimate satisfactory. I would recommend the contracts be closed out and payment as requested be made.

JRB/cs

Attachments

AP + H
Ernie Jeffs
272-2451

STATE OF ALASKA
DEPARTMENT OF PUBLIC WORKS
DIVISION OF BUILDINGS

NOT A
FACILITY
APPROX 1973

PERIODIC ESTIMATE FOR PARTIAL PAYMENT

Name and Location of Project Aimautluak School, Aimautluak, Alaska Project No. DB131-4-29039
Arctic Structures, Inc. PO Box 2119

Name of Contractor and Associates Address Anchorage, Alaska 99510 Contract No. P-479

Periodic Estimate No. 6 for Period _____, 19____, to _____ Final _____, 19____

1. COST OF WORK COMPLETED TO DATE UNDER ORIGINAL CONTRACT ONLY

Entries must be limited to work and costs under the original contract only.
(Work and cost data under change orders is to be shown on Sheet 2.)
Columns (6) and (7): Show all work completed to date under original contract.
Column (8): Enter the difference between entries in columns (5) and (7).
Column (9): Show percent ratio of column (7) to column (5).

ITEM NO. (1)	DESCRIPTION OF ITEM (2)	CONTRACT			COMP. TO DATE		COST OF UNCOMP. WORK (8)	% COMP. (9)
		QUANT. (3)	COST PER UNIT (4)	TOTAL COST OF ITEM (5)	QUANT. (6)	TOTAL COST (7)		
1	Exterior Framing incl. floors, walls, roof	L.S.		52,000.00	100	52,000.00	-	
2	Electrical	L.S.		15,000.00	100	15,000.00	-	
3	Mechanical including exterior	L.S.		20,000.00	100	20,000.00	-	
4	Drilling Well	L.S.		7,500.00	100	7,500.00	-	
5	Tank Farm	L.S.		6,000.00	100	6,000.00	-	
6	Interior Framing and Finish	L.S.		46,800.00	100	46,800.00	-	
7	Alt. No. 1 Sewage Treatment Plant	L.S.		7,500.00	100	7,500.00	-	
	TOTAL			154,800.00		154,800.00	-	100

CHANGE ORDERS

NO.	RELATED ITEMS ON SHEET 1	DESCRIPTIONS	(1) INCREASE	(2) DECREASE	(3) AMOUNT DUE FOR COMPLETED ITEMS
1		Foundation Changes	13,739.00		13,739.00
2		Provide labor and equipment for the completion of the power house as per contractor's proposal	1,794.00		1,794.00
3		Drill additional depth on well and credit for work deleted and fuel - per contractor's proposal attached	no change		no change
TOTALS			15,533.00		15,533.00

Adjusted Contract Amount to Date
 Total Col 5, Sheet 1, plus 1 and less 2 above) \$ 170,333.00

PAYMENT ESTIMATES

Analysis of Work Performed

a. Total Work completed to date (Col. 7)	154,800.00
b. Material Stored on Site	
c. Change Orders Performed (3 minus 2 above)	15,533.00
d. Subtotal	170,333.00
e. Less _____% retained	
f. Less Previous Payments	151,484.35
g. Amount Payable this estimate	18,848.65

Certification of Contractor
 I certify that all items and amounts are correct in accordance with the contract requirements and that the undersigned have complied with the labor provisions of said contract, or that there is an honest dispute with respect to such provisions.

CONTRACTOR Arctic Structures, Inc. and Associates Date May 6, 1976
PO Box 2119, Anchorage, Alaska 99510

Project Engineer Carl P. Johnson Date 4/28/81

Department of Public Works Quinn B. Sheng Date 4/29/81

STATE OF ALASKA
DEPARTMENT OF PUBLIC WORKS

WHEREAS, by the terms of a contract dated May 1, 1971, Number P-479, entered into by the State of Alaska, represented by George W. Easley, Commissioner, Department of Public Works, and Arctic Structures, Inc. and Associates,

PO Box 2119, Anchorage, Alaska 99510, for the construction of two classroom school with hot lunch kitchen and teachers quarters.

it is provided that: "Upon completion and acceptance of all work required hereunder, the amount due the Contractor under this Contract will be paid upon the presentation of a properly executed and duly certified voucher therefore, after the Contractor shall have furnished the State with a release, if required, of all claims against the State arising under and by virtue of this Contract, other than such claims, if any, as may be specifically excepted by the Contractor from the operation of the Release in stated amounts to be set forth therein."

NOW THEREFORE, in consideration of the premises and the payment by the State of Alaska to the Contractor of the amount due under the Contract to wit, the sum of

_____, the Contractor hereby remises, releases, and forever discharges the State of Alaska its architects, engineers, agents, employees and independent contractors of and from all manner of debts, dues and sum or sums of money, accounts, claims and demands whatsoever, in law and in equity, under or by virtue of said contract, and warrants good title to all material, supplies and equipment installed or incorporated in the project and all work delivered to the premises, together with all improvements and appurtenances constructed thereon by Arctic Structures, Inc. and Associates, PO Box 2119, Anchorage, Alaska 99510

to the State of Alaska free of any claims, liens or that neither it nor any person, firm or corporation furnishing material or labor for any work covered by this Contract has any right to a lien upon the premises nor any improvement thereon, except:

IN WITNESS THEREOF, the hand and seal of the Contractor have been hereunto set this 6 day of May 1976.

Arctic Structures, Inc. & Associates

BY 

ATTEST:

Witnesses:

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.**

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT

Marla

5091403

March 29, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Amendment to H.B.295
Department of Transportation
& Public Facilities
Delete/add supplemental to
reappropriate \$299,400 for
airport weather reporting
equipment.

Dear Representative Cotten:

Please revise H.B.295 to include a net zero (delete/add) supplemental to reappropriate \$299,400 from the FY 81 appropriation for Administration Component, Maintenance & Operations BRU (Chapter 120/SLA 1980, page 55, line 10) to the capital appropriation for rural airport weather reporting (Chapter 50/SLA 1980, page 86, line 10). DOTPF received \$300,000 in Chapter 50 for rural airport weather reporting equipment. This amount assumed installation of equipment at 50 sites at a cost of \$5,000 each. The cost is now estimated at \$9,510 each, for a total of \$570,600. In Chapter 120, DOTPF received \$329,400 for the weather reporting function (basically operations and maintenance). DOTPF has utilized \$30,000 of this amount for a consultant contract to recommend a plan for implementation of this function and proposes to use the remaining funds for installation. The FY 82 budget treats the \$329,400 as a continuation item, assuring the availability of funds for operations and maintenance after installation.

Please add a new section to H.B.295 to read as follows:

Section 51, Chapter 120, SLA 1980, page 55, lines 9 and 10
are amended to read as follows:

The Honorable Sam Cotten
Re: Amendment to H.B.295
March 23, 1981
Page Two

	<u>Allocations</u>	<u>Appropriations</u>	<u>General Funds</u>	<u>Other</u>		
Main. & Oper.		<u>\$2,433,800</u>	<u>[\$2,733,200]</u>	<u>\$1,798,900</u>	<u>[\$2,098,300]</u>	<u>\$634,900</u>
Admin. (9 pos.)	<u>\$1,101,300</u>	<u>[\$1,400,700]</u>				

Section 286, Chapter 50, SLA 1980, page 86, line 10
is amended to read as follows:

	<u>Appropriations</u>	<u>General Funds</u>		
Airport Weather Reporting	<u>\$599,400</u>	<u>[\$300,000]</u>	<u>\$599,400</u>	<u>[\$300,000]</u>

Sincerely,

Dr. Ronald D. Lehr
Director

RL/RA/tl

cc: The Honorable Don Bennett and Ed Dankworth, Senate Finance Committee
The Honorable Bette M. Cato, House Transportation Committee

1 TRANSPORTATION (CONT.)

2	3	4		5
		ALLOCATIONS	ITEMS	
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FCCSND 60 CHAPTER 50

173

1 TRANSPORTATION (CONT.)

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1 TRANSPORTATION (CONT.)

		ALLOCATIONS	APPROPRIATION ITEMS	APPROPRIATION GENERAL FUND	FUND SOURCES OTHER FUNDS
4	ADMINISTRATIVE SERVICES (177 POSITIONS)	5,656,400			
5	ADMINISTRATIVE SERVICES CIP (13 POSITIONS)	482,700			
6	FINANCIAL MANAGEMENT (70 POSITIONS)	2,861,800			
7	FINANCIAL MANAGEMENT CIP (45 POSITIONS)	1,565,000			
8	RIGHT OF WAY (14 POSITIONS)	655,500			
9	MAINTENANCE & OPERATIONS		2,753,200	2,898,300	634,900
10	ADMINISTRATION (9 POSITIONS)	1,400,700			
11	THE \$617,300 INCLUDED WITHIN THIS ALLOCATION FOR OPERATING COSTS OF THE RURAL AIRPORT IMPROVEMENT PROGRAM MAY BE REALLOCATED				
12	AMONG THE REGIONS AS REQUIRED.				
13	SAFETY & SECURITY (5 POSITIONS)	686,900			
14	AIRPORT LEASING (18 POSITIONS)	680,200			
15	AIRPORT LEASING CIP (2 POSITIONS)	45,400			
16	MARINE TRANSPORTATION		49,250,500	48,677,700	572,800
17	SOUTHEAST VESSEL OPERATIONS (641.5 POSITIONS)	32,252,100			
18	SOUTHEAST VESSEL OVERHAUL (24 POSITIONS)	5,114,300			
19	SOUTHWEST SHORE FACILITIES (39 POSITIONS)	1,917,100			
20	SOUTHWEST VESSEL OPERATIONS (108.6 POSITIONS)	6,638,000			
21	SOUTHWEST VESSEL OVERHAUL (7.8 POSITIONS)	985,100			
22	SOUTHWEST SHORE FACILITIES (13 POSITIONS)	546,400			
23	ADMINISTRATION (33 POSITIONS)	1,779,200			
24	ADMINISTRATION CIP (1 POSITION)	38,300			
25	SOUTHEAST REGION OPERATIONS & MAINTENANCE		6,097,000	5,975,400	122,500

Chapter 120

PAGE 55

SCS CSMB 1002 AM 5

1 TRANSPORTATION (CONT.)

		ALLOCATIONS	APPROPRIATION ITEMS	APPROPRIATION GENERAL FUND	FUND SOURCES OTHER FUNDS
4	AIRPORTS (2 POSITIONS)	334,000			
5	HIGHWAYS (60 POSITIONS)	5,430,400			
6	ADMINISTRATION (6 POSITIONS)	333,500			
7	CENTRAL REGION OPERATIONS & MAINTENANCE		20,174,400	19,713,200	461,200
8	AIRPORTS (46 POSITIONS)	4,431,300			
9	HIGHWAYS (138 POSITIONS)	14,124,100			
10	9285,000 IS INCLUDED WITHIN THIS ALLOCATION FOR AN AVALANCHE WARNING & CONTROL PROGRAM.				
11	640,000 IS INCLUDED WITHIN THIS ALLOCATION TO BE PAID AS A MUNICIPAL GRANT (AS 17.05.116.) TO THE KODIAK ISLAND BOROUGH FOR A				
12	REALIGNMENT STUDY OF THE ANTON-LARSON ROAD.				
13	9340,000 IS INCLUDED WITHIN THIS ALLOCATION FOR ADDITIONAL ROAD MAINTENANCE ON THE KENAI PENINSULA				
14	ADMINISTRATION (24 POSITIONS)	904,000			
15	SOUTHCENTRAL REGION OPERATIONS & MAINTENANCE		6,912,200	6,863,800	50,400
16	AIRPORTS (5 POSITIONS)	638,200			
17	HIGHWAYS (80 POSITIONS)	5,914,500			
18	ADMINISTRATION (8 POSITIONS)	339,500			
19	INTERIOR REGION OPERATIONS & MAINTENANCE		16,958,400	16,625,900	332,700
20	AIRPORTS (16 POSITIONS)	1,632,400			
21	HIGHWAYS (118 POSITIONS)	9,598,700			
22	THE DISTRICT SHALL MAINTAIN FOR SCHOOL BUS TRAVEL THROUGHOUT THE SCHOOL YEAR THE 2 MILE SECTION OF ROAD FROM THE HIGHWAY,				
23	23 MILE 91 FOR CUTOFF, TO THE GRAVEL PIT				
24	ADMINISTRATION (15 POSITIONS)	689,000			
25	NORTH SLOPE HAUL ROAD (56 POSITIONS)	5,038,300			
26	WESTERN REGION OPERATIONS & MAINTENANCE		3,378,300	3,348,800	29,500

Chapter 120

PAGE 56

SCS CSMB 1002 AM 5

TO: Ronald D. Lehr, Director
Budget and Management
Office of the Governor

DATE: March 16, 1981

FILE NO:

TELEPHONE NO:

FROM: Richard Aks, Program Budget Analyst
Budget and Management
Office of the Governor

SUBJECT: Transportation Category
DOTPF
Net Zero Delete/Add
Supplemental to
reappropriate \$299,400
for airport weather
reporting equipment

I have reviewed DOTPF's request for a net zero delete/add supplemental to reappropriate \$299,400 from Administration component, Maintenance & Operations BRU to a capital appropriation for rural airport weather reporting (Chap. 50/SLA80, page 86, line 10) and recommend approval. This recommendation is based on the following reasons:

1. DOTPF received \$300,000 in Chap. 50 for rural airport weather reporting. This amount assumed installation of equipment at 60 sites at a cost of \$5,000 each. The cost is now estimated at \$9,510 each, for a total cost of \$570,600.
2. DOTPF received \$329,400 in Chap. 120 for the weather reporting function (basically O&M). \$30,000 of this amount has been used for a consultant contract to recommend a plan for implementation of this function. DOTPF would like to reappropriate the remaining funds for use during the installation phase.
3. The FY 82 budget treats the \$329,400 as a continuation item, assuring the availability of funds for O&M after installation.

MEMORANDUM

State of Alaska 1981

BUDGET AND MANAGEMENT

TO: Ron Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: March 9, 1981

FILE NO:

TELEPHONE NO:

5091403

FROM: John C. Bates ^B
Deputy Commissioner
Planning and Programming
Department of Transportation
and Public Facilities

SUBJECT: Delete-Add Supplemental,
Rural Airport Weather
Reporting

The Department of Transportation and Public Facilities requests a delete-add supplemental appropriation to delete \$299,400 from the Administration Component, Maintenance & Operations BRU Operating Budget (Chapter 120 SLA 80, Page 55, Line 10), and add a similar amount to the Capital Appropriation for rural airport weather reporting (Chapter 50 SLA 80, Page 86, Line 10).

Chapter 120 SLA 80 allocated \$617,300 for operating costs of the rural airport improvement program. Of this amount \$329,400 was programmed for the weather reporting function. \$30,000 has been expended from this programmed amount for a consultant contract to recommend implementation of the weather reporting phase of the Rural Airport Improvement Program, leaving a balance of \$299,400. Chapter 50 SLA 80 appropriated \$300,000 for airport weather reporting equipment at various rural Alaskan villages. As of this date, none of these weather reporting stations are operational.

It has been recommended that the weather reporting aspect of the Rural Airport Improvement Program be implemented and administered by the Division of Communications. The reasoning for this is that the Division of Communications will be responsible for the devices used to transmit the data to the National Weather Service and the concerned public. Further, the Division of Communications will be involved with the navigational equipment, which in many cases will be located at the same airports.

Enclosed at Attachment 1 is an estimate of the costs for equipment required for the weather reporting stations at 53 rural airports. The number of stations could presumably increase to the 60 villages specified in Chapter 50 SLA 80. As can be seen from this estimate, the \$300,000 appropriation for equipment is insufficient to accommodate purchases. It is therefore proposed to add the \$299,400 deleted from the Maintenance and Operations Operating Budget to the Capital Appropriation of Chapter 50 SLA 80, and converting these funds from non-continuing to continuing.

Your favorable consideration of this request and assistance in the preparation of the necessary legislation to the first session of the twelfth Legislature will be appreciated. If I can be of further assistance in this matter, please contact me.

Attachment

cc: Pat Ryan
Ron Lind
Warren Sparks

MEMORANDUM

State of Alaska 1981

BUDGET AND MANAGEMENT

TO: Ron Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: March 9, 1981

FILE NO:

TELEPHONE NO:

FROM: John C. Bates
Deputy Commissioner
Planning and Programming
Department of Transportation
and Public Facilities

SUBJECT: Delete-Add Supplemental,
Rural Airport Weather
Reporting

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Your favorable consideration of this request and assistance in the preparation of the necessary legislation to the first session of the twelfth Legislature will be appreciated. If I can be of further assistance in this matter, please contact me.

Attachment

cc: Pat Ryan
Ron Lind
Warren Sparks

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.**

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT

Karla

March 27, 1981

5100110

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 295
FY 82 Supplemental Appropriation
General Government Category
Office of the Governor
National Communications Program
Increase of \$2,000,000 General Funds
1.8 million

Dear Representative Cotten:

Your Committee will soon be reviewing HB 295, which makes supplemental appropriations to the Transportation and General Government budget categories. This bill is currently in the Transportation Committee. Please amend the bill to add an additional \$2,000,000 in general funds to fund a National Communications Program.

The program will be a major effort to present a positive image of Alaska to a National audience through printed and telecommunications media. The funds are requested as a supplemental in order to begin this effort as soon as possible; however, it will be necessary to continue these funds into FY 82. The following language is suggested to be added as a new section in HB 295:

The sum of \$2,000,000 is appropriated from the general fund to the Office of the Governor to fund the National Communications Program. This appropriation shall lapse June 30, 1982.

Your assistance in amending HB 295 as requested will be appreciated.

Sincerely,

Dr. Ronald D. Lehr
Director

Attachment

cc: The Honorable Don Bennett and Ed Dankworth
The Honorable Jim Duncan
The Honorable Jalmar Kerttula
The Honorable Bette Cato
Rod Hourant

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
Budget and Management
Office of the Governor

DATE: March 25, 1981

FILE NO:

S100110

TELEPHONE NO: 465-3500

FROM: Rod Mourant, Director
Administrative Services
Office of the Governor

SUBJECT: Supplemental Budget
Request for National
Communications

Attached is an FY 81 Supplemental Budget Request for National Communications. The purpose of this request is as follows: To fund a national public opinion survey and analysis to identify, locate and measure public opinion and attitudes toward Alaska; to monitor national media which are working on Alaska stories; to initiate and develop new and comprehensive news and feature stories about the state; to support special ongoing visitations to selected media to brief and provide more comprehensive background about the state and the issues to the nation's print and broadcast media; and, in addition, to establish a national television program presenting to the nation the full dimensions of Alaska in a positive way.

The budget summary is as follows:

200	Travel	\$ 200,000
300	Contractual Services	<u>1,800,000</u>
	TOTAL BUDGET REQUEST	<u>\$ 2,000,000</u>

The national communications program will be invaluable and advantageous for the state of Alaska. Your approval of this supplemental budget request will be appreciated.

If you have any questions regarding this request, please contact me.

1 ABBREV. TITLE OF POLICY BUDGET PROGRAM DECISION INCREMENT OF WHICH THIS IS PART.

NATIONAL COMMUNICATIONS

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED, AND HOW.

3 BRIEFLY DESCRIBE WHAT THIS INCREMENT PURCHASES.

I. NATIONAL PUBLIC OPINION SURVEY COST: \$100,000

A professionally conducted survey and analysis to identify, locate and measure national public opinion and attitudes toward Alaska, and the information upon which they are based. The poll and its analysis will produce valuable and necessary insights into national attitudes existing toward the state and the information upon which they are based.

4				
CODE	EXPENDITURES BY OBJECT	AMOUNT		
100	PERSONAL SERVICES			
200	TRAVEL	200.0		
300	CONTRACTUAL SERVICES	1,800.0		
400	COMMODITIES			
500	EQUIPMENT			
600	LANDS, BLDGS., ETC.			
700	GRANTS, CLAIMS, ETC.			
800	MISCELLANEOUS			
		TOTAL	2,000.0	
		I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:				
GF MATCH.				
		GEN. FUND	2,000.0	
I-A RCPTS.				
PGM RCPTS.				
OTHER				
OTHER				
5	PFT	PPT Spec	NON PERM	TOTAL
NO. POSITIONS				
NO. STAFF MONTHS				
6 PRIORITIES				
This increment is part of a Policy Budget increment which was classified as:			GOVERNOR	
(Check Only One)	LEVEL I	<input type="checkbox"/>	ACCEPT	
	LEVEL II	<input type="checkbox"/>	REJECT	
THIS INCREMENT REQUESTS FUNDS FOR	CURRENTLY EXISTING SERVICE			
	NEW SERVICE			X

AGENCY Office of the Governor

PROGRAM Executive Operations

BRU Executive Office

COMPONENT National Communications

FY 82

6

COMPONENT DECISION INCREMENT

Page 1 of 3

REVISED DATE _____

II. NATIONAL INFORMATION CAMPAIGN

COST: \$300,000

A qualified national communications firm will be retained to establish:

- A. Media monitors - an ongoing monitoring of national media which are working on Alaska stories, and to provide those media with complete, accurate and updated information about the state, generally and specifically, as it relates to the articles in process. Cost: \$100,000
- B. New story developments - concurrently, this firm will conduct an aggressive effort to initiate and develop new and comprehensive news and feature stories about the state, its resources and situation. This effort will draw upon all elements of the state, its scenic wonders, energy, agriculture and fisheries, events and lifestyles, and the dimensions of the state too often missing from existing national media coverage. Cost: \$100,000
- C. Editorial visitation - supporting these efforts, special ongoing visitations to selected media to brief and provide more comprehensive background about the state, and the issues there, to the nation's smaller and medium-sized print and broadcast media. Cost: \$100,000

III. NATIONAL TELEVISION PROGRAM

COST: \$1,100,000

The FCC mandated prime time access rule banning all network owned or originated programming from one hour of daily prime time television has opened access to the national television audience for an Alaska television program which contains the complete and accurate story of the state. This program will present to the nation the full dimensions of the Alaska story in a positive and entertaining way. A national television distribution firm has developed a system of placing such programming on local television stations in selected cities in the prime time access period. The program will be produced to address attitudes existing in specific outside localities as shown by the national opinion poll.

IV. SPECIAL EVENTS - CONTINGENCY

COST: \$300,000

V. TRAVEL

COST: \$200,000

AGENCY Office of the Governor

PROGRAM Executive Operations

BRU Executive Office

COMPONENT National Communications

Page 2 of 3

REVISED
DATE _____

23 6 CONTINUED

FY82

TO SUMMARIZE NATIONAL COMMUNICATIONS SUPPLEMENTAL BUDGET:

<u>Object Group</u>	<u>Amount</u>	
200 - Travel	\$ 200,000	
300 - Contractual Services	<u>1,800,000</u>	
TOTAL SUPPLEMENTAL BUDGET REQUEST	<u>\$ 2,000,000</u>	GENERAL FUND

AGENCY Office of the Governor

PROGRAM Executive Operations

BRU Executive Office

COMPONENT National Communications

Page 3 of 3

REVISED
DATE _____

23 6 CONTINUED

FY82

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

SUPPLEMENTAL BUDGETSUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Executive Operations
AGENCY	Office of the Governor
DIVISION	Executive Office
BUDGET REQUEST UNIT	Executive Office
BUDGET COMPONENT	National Communications
APPROPRIATION	Executive Office
ALLOCATION	National Communications

	INITIAL AUTHORIZATION	Supple- mental Budget Request	RP	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES									
02	TRAVEL	200.0								200.0
03	CONTRACTUAL	1,800.0								1,800.0
04	COMMODITIES									
05	EQUIPMENT									
06	LANDS, BUILDINGS									
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	TOTAL	-0-	2,000.0							2,000.0
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	2,000.0								2,000.0
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
15	FULL TIME									
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS									

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**PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT**

Karla

S 100213

March 26, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch Y
Juneau, Alaska 99811

Amendment to HB 295
Increase of \$225,100 GF
and \$ 16,000 FR
Department of Administration

Dear Representative Cotten:

Your committee will soon be reviewing HB 295, which makes supplemental appropriations to the Departments of Administration and Transportation and Public Facilities. This bill is currently in the Transportation Committee. Please amend this bill to provide additional funding to the Department of Administration for the purpose of paying benefits to participants in the Elected Public Official Retirement System (EPORS), and for funding additional legal services for the Supplemental Benefits Program (SBP).

The amount of \$225,100 in general funds is required for FY 79 through FY 81 benefits of the EPORS system. A recent ruling of the Supreme Court has validated the EPORS system for all participants who became enrolled in the system during its limited life (from January 1, 1976 until repealed by the voters on October 14, 1976). The EPORS system requires general fund appropriations to pay whatever benefits are not funded by contributions of the participants. For FY 79 through FY 81 this totals \$225,100. A budget amendment will be submitted to pay for the FY 82 costs.

The establishment of the Supplemental Benefits program required additional legal expenses in the Department of Law for contracted counsel pertaining to the overall tax status of the SBP annuity plan. A supplemental appropriation of \$16,000 in program receipts is requested to cover these expenses.

The following language is suggested to amend HB 295.

The sum of \$225,100 is appropriated from the general fund and the sum of \$16,000 is appropriated from program receipts to the Department of Administration, Division of Retirement and Benefits, to pay for FY 79 through FY 81 costs of the Elected Public Officials Retirement System, and to pay for additional legal expenses for the Supplemental Benefits Program.

Please note, this amendment makes the assumption that the amendment to HB 295 requested for the Division of Elections (\$227,700 GF) has also been approved. Your assistance in incorporating this amendment into HB 295 will be appreciated.

Sincerely,

Dr. Ronald D. Lehr
Director

cc: Commissioner Hudson
Jay Hogan
Senators Dankworth & Bennett, Co-Chairmen, Senate Finance Committee
Representative Cato, Chairperson, House Transportation Committee
Keith Specking

RDL/JM/k1

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
Division of Budget and Management
Office of the Governor

DATE: March 19, 1981

FILE NO:

TELEPHONE NO:

SUBJECT: FY 81 Supplemental
Division of Retirement
and Benefits

FROM: Commissioner W. R. Hudson
Department of Administration

465-2200

RECEIVED

MAR 20 1981

5100213

The Department of Administration, Division of Retirement and Benefits, Other Benefits component requests an FY 81 supplemental appropriation of \$241.1. These funds are required to pay FY 79 thru FY 81 obligations of the Elected Public Officials Retirement System (EPORS) resulting from the Alaska Supreme Court Opinion No. 2278 and legal expenses for counsel for the Supplemental Benefits System (SBS) annuity plan. Funds required to pay estimated EPORS benefits for FY 81 total \$154.3 G.F. \$70.8 G.F. is required for the two prior fiscal years. Further information is included on the attached memorandum from Ken Humphreys to Judy Crondahl.

The establishment of the Supplemental Benefits program required additional legal expenses in the Department of Law for contracted counsel pertaining to the overall tax status of the SBS annuity plan. A supplemental appropriation of \$16.0 SBS funds is requested to cover these expenses.

If you desire further information, please call me at the above number or Judy Crondahl at 2277.

WRH/mjc
cc: Judy Crondahl
Paul B. Arnoldt
Attachment

MEMORANDUM

TO: [Judy Crondahl
Director
Division of Administrative Services
Department of Administration

DATE: March 18, 1981

FILE NO:

TELEPHONE NO: 465-4462

FROM: Ken Humphreys *K.H.*
Deputy Director
Division of Retirement & Benefits
Department of Administration

SUBJECT: FY81 Supplemental
Budget Request EPORS

By mandate of the Alaska Supreme Court (file No. 5056 - Opinion No. 2278) dated January 30, 1981, upholding the decision of the Superior Court of Alaska (CA No. 77-886), the Elected Public Officers Retirement System is to be considered in effect for those members participating in the system or receiving benefits from the system at the time of its repeal by referendum, insofar as they are eligible.

An estimated amount, sufficient to pay all retroactive and current benefit entitlements is requested on the attached budget forms. Our BRU Activity Plan (Form 3, Detailed Budget) is not affected by this request.

Failure to appropriate these funds would result in serious legal problems, because the courts have ordered that payment be made.

Thank you for your attention to this matter.

KH/kw

Attachments

cc: Paul Arnoldt
Jan Quinn

	1	2	3	4	5	6	7	8	9	10	11	12
FY 79 ACTUAL	167.9	277.3	256.2	332.6	456.1	456.1	196.0		260.1	598.4	15.5	41.4
FY 80 FINAL AUTH.	4.2	5.4	2.6	11.8	13.8	13.8	1.9		11.9			4.2
FY 80 ACTUAL	41.4	382.7	384.3	296.7	424.2	424.2	134.1		306.1	677.5	5.4	41.4
PROFIT	1.0	4.8	4.2	3.9	4.3	4.3	1.0		3.3			1.0
STIPEND	3.9	41.0	40.8	1.9	6.2	6.2	.9		5.3	1.8		3.9
ROOS, BLDG. ...		9.7	9.7	9.3	9.3	9.3	9.3					9.7
SALES, CLAIMS, ...												
CELLANEOUS		31.3	28.8	31.3	43.9	43.9			269.0	240.8		31.3
TOTAL	218.4	752.2	726.6	687.5	957.8	957.8	343.2		855.7	539.4		218.4
FEDERAL RECEIPTS												
REQUIRED GF MATCHING												
PER GENERAL FUND	170.9	217.5	187.1	201.6	213.4	213.4	139.4		368.0	412.6		170.9
PER-AGENCY RECEIPTS												
PROGRAM RECEIPTS		463.7	475.5	408.4	633.3	633.3	164.7		415.7	1033.8		463.7
Other Funds	47.5	71.0	64.0	77.5	111.1	111.1	39.1		72.0	93.0		47.5

* Includes excess 68.9 Program Receipts and deficit General Funds requested in House Bill 295.

Administration

HRU: Retirement

COMPONENT: Other Benefits

REVISED: 3-20-81



<u>ITEM</u>	<u>UNIT PRICE</u>	<u>TOTAL PRICE</u>	<u>SPARE STOCK</u>
Psychrometric Calculator	\$72.00	\$ 3,960.00	
Ceiling Balloons (red & black)	\$68.00	\$ 7,480.00	
Sight Clinometer	\$258.00	\$14,190.00	
Stop Watch	\$80.00	\$ 4,400.00	
8" Rain & Snow Gauge	\$120.00	\$ 6,600.00	
Heavy Duty Support Stand for Rain Gauge	\$33.00	\$ 1,815.00	
Ceiling Light Projector	\$440.00	\$24,000.00	
Sling Psychrometer	\$30.00	\$ 1,650.00	
Rohn Tower	\$595.00 (53)	\$31,535.00	
Digital Readout Thermometer with Due Point	\$1,900 (53)	\$100,700.00	(2) \$3,000.00
Wind Indicator Set	\$1,950 (53)	\$107,250.00	(2) \$3,900.00
Aneroid Barometer <i>2 at each location</i>	\$1,000 (53)	\$106,000.00	(2) \$2,000.00
Ceiling Balloon Inflation Kit	\$55.00	\$ 3,025.00	
Helium Tank Regulator	\$128.00	\$ 7,040.00	
Rain Measuring Stick	\$10.00 (110)	\$ 1,100.00	
Snow Measuring Stick	\$7.00 (55)	\$ 400.00	
6 foot Snow Stake	\$50.00	\$ 2,650.00	
Helium Tanks & Helium	\$100.00 (106)	\$10,600.00	
UL Power Cable (8,000 feet)	\$2.57 per foot	\$20,560.00	
Lighting for Rohn Tower	\$100.00	\$ 5,300.00	
	SUBTOTAL	<u>\$6,998.57</u>	<u>\$8,900.00</u>
Freight		\$ 25,000.00	
		\$ 8,900.00	
	SUBTOTAL	<u>\$494,155.00</u>	
20 percent inflation		\$ 9,883.00	
	GRAND TOTAL	<u>\$6,998.57</u>	<u>\$504,038.00</u>



2/25/81

mark

5100112

March 26, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 295
Increase of \$227,700 GF
Office of the Governor

Dear Representative Cotten:

Your committee will soon be reviewing HB 295, which makes supplemental appropriations to the General Government and Transportation budget categories. This bill is currently in the House Transportation Committee. We request that HB 295 be amended to add the funding necessary to pay the projected FY 81 costs of the Division of Elections. This will require an additional \$227,700 in general funds.

The new election laws passed by the 1980 legislature (SLA 20, Ch 100) were originally accompanied by a fiscal note totaling \$123,600. That fiscal note was not included in the general appropriations bill, but the additional costs were still necessary. In addition, the Division of Elections took action to insure that the problems or perceptions of problems experienced in 1978 did not occur in the 1980 elections. The original FY 81 budget for printing and data processing services was underestimated, and generated a shortfall in funds. The combination of all these factors results in a total shortfall of \$227,700.

An attachment to this letter proposes language to amend HB 295, so that the necessary costs will be funded. Your assistance in amending the bill would be appreciated.

Sincerely,

Ronald D. Lehr
Director

cc: Representative Cato, Chairperson, House Transportation Committee
Senators Dankworth & Bennett, Co-Chairmen, Senate Finance Committee
Rod Mourant
Jay Hogan
Keith Specking

RDL/JH/k1

STATE
of ALASKA

MEMORANDUM

RECEIVED

MAR 17 1981

BUDGET AND MANAGEMENT

TO: Budget Review Committee

5100112

DATE : March 9, 1981

FROM: *PAP*
Patty Ann Polley
Director
Division of ElectionsSUBJECT: Request for Supplemental
Appropriation for FY81

Following a complete review of the budget and appropriation made to the Division of Elections for FY81, I find that an additional \$227,700 will be needed to complete this fiscal year's operation.

Background information which leads to this request for additional funds includes:

1. The new election laws were passed later in the 1980 legislative session and the law was signed by the Governor on June 20, 1980. Beginning in April 1980, the Division of Elections began to express concern regarding the possible effective date of any changes. All printing of materials and supplies was halted rather than attempting to second guess the changes in the law or the effective date of the changes.
2. A fiscal note in the amount of \$123,600, attached to FCCS HB3, the bill containing the election law changes, was not approved. I have been unable to determine if there was a particular reason for nonreceipt of those funds. (Copy of fiscal note attached.)
3. I instructed the Election Supervisors to proceed in the conduct of the elections to ensure that the problems or perception of problems suffered in 1978 did not occur in 1980 even though we were operating under the same laws. This instruction affected the number of persons and hours worked by the permanent, permanent part-time and temporary employees. Internal changes were implemented which included strict accounting procedures for all official ballots, recording and verification procedures for accounting for questioned ballots, and changes to prevent the distribution of personal representative ballots for non-physically disabled voters at Prudhoe Bay and the pump stations.
4. Expenses associated with printing ran almost double the amount budgeted. A comparison of the ballot printing costs for the 1980 election with the 1978 cost showed that the items were budgeted at the same rate - and even inflation was not included.

5. The amount of money spent on data processing costs was higher than expected. Several contracts were in effect for the preparation of the vote counting systems in Anchorage, Fairbanks and Juneau. Following the problems relating to the reporting of the Primary Election returns, the procedures and tests were expanded.

Attached is a breakdown which shows the additional funds needed in each area. The following level of service is anticipated for the rest of the fiscal year:

1. The request for an additional personnel service allocation is based on fully-funding the permanent and permanent part-time positions. Currently one permanent part-time position is vacant and will remain vacant until the next fiscal year. No overtime is authorized.
2. The only travel anticipated is in relation to the in-house study occurring to select the voter registration system to be implemented.
3. The contractual area has been projected to pay for Data Processing related costs, funds to begin the changes in the voter registration system which relates to the two-year notification and purge of voters, the revision to place municipal and REAA voter history on the file, and the design of the original register. Funds are included for postage to notify 31,000 persons with no four-year voting history of the purge, initiative work, and other expenses and fees.
4. Commodities and equipment are cut to a minimum for the rest of the year.

If I may be of further assistance, please call on me.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. FCCS HB 3
 Title An Act relating to elections and revising the Alaska Elections Code:
 Requested by and providing for an effective date " Date April 21, 1980

II. FISCAL DETAIL

Agency Affected Division of Elections
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL		15.0	9.0			
300 CONTRACTUAL		108.6	500.0			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		123.6	509.0			

FUNDING (Thousands of Dollars)

GENERAL FUND		123.6	509.0			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						

		<u>Authorization</u>	<u>Year-to-Date Expenditures</u> (includes payments in process)	<u>Anticipated Additional Expenses</u>	<u>Balance</u>
100	Personal Services	\$ 719,660	\$ 505,244	\$311,167	(-96,751)
200	Travel	35,000	47,243	1,830	(-14,073)
300	Contractual Services	1,263,600	1,318,452	63,733	(-118,585)
400	Commodities	17,900	9,542	6,815	1,543
500	Equipment	71,300	69,051	2,570	(-321)
600	Capital Outlay	30,300	19,808	--0-	10,492
	Totals	<u>\$2,137,760</u>	<u>\$1,969,340</u>	<u>\$386,115</u>	<u>(-\$-217,695)</u>

Miscellaneous Unanticipated Expenses -10,000

Amount Needed to Pay Expenses through 6/30/81 (\$-227,695)

(assuming we could use the \$10,492 excess in 600 category to pay other expenses)

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Karla.

April 27, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

Amendment to HB 295 (S100116)
Increase of \$2,084,600 Total
1,551,700 GF
Office of the Governor
Salary Increase for LTC Unit

Dear Representative Cotten:

Your committee will soon be reviewing HB 295, which makes supplemental appropriations to the General Government and Transportation budget categories. This bill is currently in the House Transportation Committee. We request that HB 295 be amended to add the funding necessary to pay the cost of the recently concluded agreement with the Labor, Trades, and Crafts bargaining unit covering calendar years 1981 and 1982. This will require an additional \$2,084,600 in total funds from the following funding sources: \$1,551,700 general fund; \$90,700 federal funds; \$248,500 highway working capital fund; \$189,900 international airport revenue fund; \$3,800 surplus property revolving fund.

The terms of the contract provide for the following increases: 1) an 8.8% increase on straight time and overtime effective January 1, 1981; 2) a 3.07% increase on area differential effective April 1, 1981; 3) an additional 6.35% increase (compounded) on area differential effective October 1, 1981; and 4) additional 7.9% increase (compounded) on straight time and overtime effective January 1, 1982.

The necessary funds are requested to be appropriated to the Office of the Governor, Division of Budget and Management. The funds will then be redistributed to State agencies as indicated on the attached distribution schedule. The following language is suggested to be added as an amendment to HB 295:

Section _____. The sum of \$2,084,600 is appropriated to the Office of the Governor for FY 81 costs of the negotiated agreement with the Labor, Trades and Crafts bargaining unit signed on April 20, 1981. The funding sources for the total of \$2,084,600 are as

April 27, 1981

follows: \$1,551,700 general fund; \$90,700 federal funds; \$248,500 highway working capital fund; \$189,900 international airport revenue funds; and \$3,800 surplus property revolving fund.

Your assistance in amending the bill would be appreciated.

Sincerely,

Dr. Ronald D. Lehr
Director

Attachments

cc: Honorable Bette Cato, Chairperson, House Transportation Committee
Honorable Ed Dankworth & Don Bennett, Co-Chairmen, Senate Finance Committee
Commissioner Hudson, Department of Administration
Jay Hogan
Keith Specking
RDL/JM/kl

Fiscal Impact of LTC Agreement for 1981-82

Figures provided by Ken Cates in the Division of Labor Relations show that the current annual sources of pay for LTC members are as follows: 1) straight time pay \$34,932,000; 2) overtime pay \$3,266,100 (at 9.35% of straight time pay); and 3) area differential pay \$2,675,000. Total compensation is \$40,873,100. The negotiated agreement requires the following increases in pay:

- 1) 8.8% increase on straight time (and overtime) effective 1/1/81;
2. 7¢ increase (3.07%) in area differential effective 4/1/81;
- 3) additional 15¢ increase (6.38%) in area differential effective 10/1/81;
- 4) 7.9% increase on straight time (and overtime) effective 1/1/81;

Benefits to be applied to the above increases are as follows:

	<u>FY 81</u>	<u>FY 82</u>
PERS	.1366	.1269
Unemployment Insurance	.0070	.0100
Terminal Leave	.0100	.0100
Workers Comp (1)	.0132	.0171
Liability (1)	.0292	.0280
Supplemental Benefits (2)	<u>.0306</u>	<u>.0306</u>
 Total Benefits	 .2266	 .2226

(1) Most LTC members are in DOT/PF. Therefore, DOT/PF variable figures are used (see pp. 53-54 of FY 82 budget instructions).

(2) Assumes 50% of LTC workers will be below annual maximum amount subject to SBP program benefits of .0613. Calculation of benefits is $.5 \times .0613 = .0306$

FY 81 Impact

1/1/81 - 6/30/81	1.	Straight time	$\$34,932.0 \times .088 \times .5 \times 1.2266 = 1,855.3$
1/1/81 - 6/30/81	2.	Overtime	$3,266.1 \times .088 \times .5 \times 1.2266 = 174.1$
4/1/81 - 6/30/81	3.	Area Differential	$2,675.0 \times .0307 \times .25 \times 1.2266 = \underline{25.2}$
		Total FY 81	2,084.6

FY 82 Impact

7/1/81 - 6/30/82	1.	Straight time	$\$34,932.0 \times .088 \times 1 \times 1.2226 = 3,758.3$
7/1/81 - 6/30/82	2.	Overtime	$3,226.1 \times .088 \times 1 \times 1.2226 = 347.1$
7/1/81 - 6/30/82	3.	Area Differential (4/1)	$2,675.0 \times .0307 \times 1 \times 1.2226 = 100.4$
10/1/81 - 6/30/82	4.	Area Differential (10/1)	$(2,675.0 \times 1.0307) \times .0638 \times .75 \times 1.2226 = 161.3$
1/1/82 - 6/30/82	5.	Straight time	$(34,932.0 \times 1.088) \times .079 \times .5 \times 1.2226 = 1,835.4$
1/1/82 - 6/30/82	6.	Overtime	$(3,266.1 \times 1.088) \times .079 \times .5 \times 1.2226 = \underline{171.6}$
		Total FY 82	6,374.1

The attached schedules shows the funding sources and agency distribution of the funds requested.

Attachment to FY 82 Budget Amendment Request # B100133

FY 82 Distribution of Salary Increase Funds
LTC Unit

FUNDING SOURCE/ARF						
DEPARTMENT	GENERAL FUND	FEDERAL	HWCF	ARF	SURPLUS PROP	
Administration	602.6					11.5
Education	23.7					
H&SS	517.2	49.9				
Labor	71.7	94.3				
Military Affairs	75.9	130.3				
Natural Resources	99.6	2.8				
Fish & Game	90.1					
Public Safety	71.7					
DOT/PF	3008.2		759.8	580.7		
Reserve	184.1					
TOTAL	6,374.1	4744.8	277.3	759.8	580.7	11.5

Distribution by agency and funding source is based on the assumption that relative distribution of LTC members by agency is essentially unchanged from FY 80, for which actual base data is available.

Attachment to FY 81 Supplemental Amendment Request # S100116

FY 81 Distribution of Salary Increase Funds*
LTC Unit

FUNDING SOURCE/ARF

DEPARTMENT	GENERAL FUND	FEDERAL	HWCF	ARF	SURPLUS PROP
Administration	197.1				3.8
Education	7.8				
H&SS	169.1	16.3			
Labor	23.3	30.8			
Military Affairs	24.8	42.7			
Natural Resources	32.6	.9			
Fish & Game	29.5				
Public Safety	23.3				
DOT/PF	983.8		248.5	189.9	
Reserve	60.4				
TOTAL	2,084.6	1551.7	90.7	248.5	189.9
					3.8

Distribution by agency and funding source is based on the assumption that relative distribution of LTC members by agency is essentially unchanged from FY 80, for which actual base data is available.

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PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT

Karla

April 8, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 295
Department of Transportation and
Public Facilities
Supplemental Appropriation of \$477,989 GF
for FY 79 and FY 80 for State Equipment
Fleet Rental Payments

Dear Representative Cotten:

Please revise HB 295 to include a supplemental appropriation of \$477,989 in general funds to the Department of Transportation and Public Facilities. This supplemental will be used to pay the State Equipment Fleet for FY 79 and FY 80 equipment rentals. The amounts of the unpaid bills are \$360,088 for FY 79 and \$117,901 for FY 80.

It should be noted that the amount requested for FY 79 payments is in addition to a \$863,538 supplemental for this purpose passed during the 1980 legislative session (Ch. 50 SLA 1980, sec. 228). The additional unpaid amount was a finding and recommendation of a recent Legislative Audit report on DOT/PF's operations.

Please add a section to HB 295 to read as follows:

The sum of \$477,989 is appropriated from the general fund to the Department of Transportation and Public Facilities for payment of FY 79 and FY 80 State Equipment Fleet rentals.

Sincerely,

Dr. Ronald D. Lehr
Director

CC: Honorable Senators Don Bennett and Ed Dankworth
Senate Finance Committee
Honorable Bette M. Cato
House Transportation Committee

MEMORANDUM

State of Alaska

*to Trans
Cart pm*

TO: Ronald D. Lehr, Director
Division of Budget & Management
Office of the Governor

RECEIVED DATE: March 26, 1981

MAR 26 1981
FILED

000H - 0001

5091405

BUDGET AND FINANCE
TELEPHONE NO:

465-3900

FROM: Robert W. Ward, Commissioner
Department of Transportation
& Public Facilities

R.W.W.

SUBJECT: Request for Supplemental
Appropriation for State
Equipment Fleet Rental
Payments

The Department of Transportation and Public Facilities requests a supplemental appropriation to pay the State Equipment Fleet for equipment utilized during FY 1979 and 1980. We requested a supplemental appropriation for FY 1979 during the 1980 Legislative Session, which was approved, however, \$360,087.47 was inadvertently omitted from our request. This was a finding and recommendation in a recent Legislative Audit report on the Department's operation.

The supplemental appropriation request for FY 1980 is \$117,900.77 as indicated on Attachment A. The Southeast and South Central Highway Maintenance and Operations components did lapse \$116,456.51, essentially in Personal Services. The actual expenditures and unpaid bills for the State Equipment Fleet rental was in each instance in excess of the amounts appropriated for that purpose.

Thank you for your assistance in this matter.

Attachment

- cc: R. Lind
- T. Gallagher
- T. Johnson
- C. Heussler

Southeastern Region M & O Highways - \$58,798.82

The FY 1980 authorization to pay the Working Capital Fund was \$2,293,800, actual expenditures were \$2,352,598.82, and \$55,529.38 remains unpaid, \$3,269.44 was paid with FY 1981 funds. In excess of \$65,000 in the personal services category was lapsed for FY 1980.

South Central Region M & O Highways - \$59,101.95

The FY 1980 authorization to pay the Working Capital Fund was \$2,158,800, actual expenditures were \$2,217,901.95, and \$57,678.59 remains unpaid, \$1,423.36 was paid with FY 1981 funds. In excess of \$51,000 was lapsed in FY 1980 of which \$50,000 was in the personal services category.

The Department is not requesting a Revised Program to move the personal services lapsed balances because these expenses would adversely affect FY 1981 balances.

ATTACHMENT A
DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES
DETAIL OF STATE EQUIPMENT FLEET
RENTAL PAYMENTS - FY 79 AND FY 80
SUPPLEMENTAL APPROPRIATION REQUEST

FY 1979

Southeast M & O

Administration	\$ 537.51
Highways	179,199.75
Airports	1,797.46

Western M & O

Administration	347.78
Highways	87,004.26
Airports	341.75
Buildings	291.69

South Central M & O

Administration	1,461.88
Highways	77,602.11
Airports	7,798.17
Buildings	1,635.67

Central M & O

Buildings	1,317.65
Communications M & O	76.13
Administration M & O	487.71
General D & C - Operating	24.65
Highways D & C - Operating	<u>163.30</u>
TOTALS	<u>\$ 360,087.47</u>

FY 1980

Southeast M & O - Highways	\$ 58,798.82
South Central - Highways	<u>59,101.95</u>
TOTALS	<u>\$ 117,900.77</u>

MEMORANDUM

State of Alaska

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Division of Budget & Management
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South Central - Highways	<u>50,101.95</u>
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STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-2211

May 1, 1981

Honorable Bette Cato
Chairwoman, House Transportation Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendments to HB 295

Dear Representative Cato:

We appreciate the notification of your intent to schedule HB 295 for a hearing in the near future. You and your staff are undoubtedly aware that there have been numerous amendments requested to this bill, which is essentially an omnibus supplemental appropriations bill covering both the transportation and general government budget categories.

In order to satisfy your desire to have the most current information on the requested amendments, we have prepared a summary of all the requested amendments as an attachment to this letter. Also included are the cover letters which explain the reason for each of the requested amendments. Additional detailed justification is available upon request from the staffs of Legislative Finance or Budget and Management.

We would appreciate it very much if your committee reported out a committee substitute for for HB 295 which included all the requested amendments. Thank you for your consideration of this request.

Sincerely,

Dr. Ronald D. Lehr,
Director

cc: Jay Hogan, Legislative Finance

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AS A UNIT IN THE ORIGINAL DOCUMENT

MEMORANDUM

State of Alaska

John

5101002

TO: Art Peterson *
Assistant Attorney General

DATE: February 19, 1981

FILE NO:

TELEPHONE NO:

FROM: Ronald D. Lehr, Director *R.L.*
Division of Budget and Management
Office of the Governor

SUBJECT: General Government
Department of Administration
\$68.9 GIF
Deferred Compensation Program
Costs

Appropriation Request

Please prepare a bill for the Governor's introduction making a Supplemental appropriation in the amount of \$68.9 to the Department of Administration, Division of Retirement and Benefits, for the purpose of meeting Deferred Compensation Program Administration Costs.

This \$68.9 should be appropriated from the general fund. This act should take effect immediately and include a lapse date of June 30, 1981.

Special Comments

When the FY 81 budget was prepared it was deemed more equitable to have these special purpose costs met --paid for-- by the users and not the general public. They were then budgeted as program receipts; however, the Department of Law later ruled this could not be done without statutory authority. Thus a supplemental appropriation to pay these costs with general funds is now necessary.

For additional information contact John Nixon, telephone 465-3580 in Budget and Management.

* Act - this should be added to the other
Gen'l Government ...
not ...

MEMORANDUM

State of Alaska

RECEIVED

JAN 28 1981

BUDGET AND MANAGEMENT

5100402

DATE: January 27, 1981

FILE NO:

TELEPHONE NO: 465-2200

SUBJECT: FY 81 Supplemental
Deferred Compensation

TO: Ron Lehr, Director
Division of Budget and Management
Office of the Governor

FROM: Commissioner W. R. Hudson
Department of Administration

The Department of Administration, Division of Retirement and Benefits, Deferred Compensation Program requests a supplemental appropriation for FY 81 of 68.9 General Funds.

As explained in the attached memorandum from Paul Arnoldt, it was planned that the recipients of this program would be assessed a fee to pay the administrative costs. This plan, however, was not implemented due to a lack of specific statutory authority. This authority is being requested in the Department's legislative package for the 1981 session.

If you have any questions, please call me or Judy Crondahl at 465-2277.

WRH/mjc
cc: Paul B. Arnoldt
Judy Crondahl
Attachment

To Typewriter
2/17/81

MEMORANDUM

State of Alaska

TO: Judy Crondahl
Director
Division of Administrative Services
Department of Administration

DATE: January 24, 1981

FILE NO:

TELEPHONE NO: 465-4460

FROM: *Paul B. Arnoldt*
Paul B. Arnoldt
Director
Division of Retirement & Benefits
Department of Administration

SUBJECT: Supplemental Budget
Request

Our FY 81 budget request contained a provision which shifted the cost of administering the Deferred Compensation Plan from General Funding to Program Receipts. This transfer was accomplished in an effort to shift the cost of the program from the general public to those deriving benefits from the plan and was based on the Governor's policy guidelines.

Subsequent to the legislature's authorization of funds under Program Receipts for the Deferred Compensation Plan, it was our intent to assess a \$5.00 monthly fee upon every participant of the plan to fund the administrative costs of the program. However, the Department of Law deemed the charge of a fee inappropriate without specific statutory authority.

Therefore, in FY 81 we are overfunded in Program Receipts by \$68.9 (thousands) and underfunded in General Funds by the same amount. We are requesting a supplement to our FY 81 budget in the General Fund area to cover the deficit. Our Supplemental Request Analysis for the Other Benefits component is attached.

We shall be seriously underfunded in the General Fund area, if our request is not fulfilled. Your assistance with our supplemental request is appreciated.

PBA/ch

RECEIVED
JAN 27 1981

Dept. of Administration
Administrative Services

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/79 to 12/31/81	FY 81 OTHER OBLIGATIONS 7/1/79 to _____	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES to 6/30
LABOR SERVICES	167.9	277.3	256.2	332.6	456.1	456.1	196.0		260.1
TRAVEL	4.2	5.4	2.6	11.8	13.8	13.8	1.9		11.9
INDIRECT SERVICES	41.4	382.7	384.3	296.7	424.2	424.2	134.1		290.1
UTILITIES	1.0	4.8	4.2	3.9	4.3	4.3	1.0		3.3
PRINT	3.9	41.0	40.8	7.9	6.2	6.2	.9		5.3
POST, BLDG. ...		9.7	9.7	9.3	9.3	9.3	9.3		
RENTS, CLAIMS, ...									
STIPENDS		31.3	28.8	31.3	43.9	43.9			43.9
TOTAL	218.4	752.2	726.6	687.5	957.8	957.8	343.2		614.6
STATE RECEIPTS									
FEDERAL MATCHING									
FROM GENERAL FUND	170.9	217.5	187.1	201.6	213.4	213.4	139.4		142.9
Program AGENCY RECEIPTS		463.7	475.5	408.4	633.3	633.3	164.7		399.7
Other Funds	47.5	71.0	64.0	77.5	77.5	77.5	34.1		43.4
P/E Ret					14.3	14.3			14.3
Teachers Ret N.G.					14.3	14.3			14.3
					5.0	5.0	5.0		

DRU: Lab Services

COMPONENT: Other Benefits

REVISED: _____

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STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

March 26, 1981

JAY S. HAMMOND, GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-2211

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Marla

5091402

Amendment to HB 295
Supplemental Appropriation of \$1,769,500 GF
Department of Transportation & Public Facilities
Highway and Aviation Maintenance and Operations

Dear Representative Cotten:

Please revise HB 295 to include a supplemental appropriation of \$1,769,500 GF to the Department of Transportation and Public Facilities for the regional Maintenance and Operations BRU's. This supplemental will provide the additional funding necessary for maintenance and repair services above minimum levels for airports and highways. It will restore part of a \$2,124,000 reduction made by the department during the FY 81 budget preparation. Experience so far this year has indicated that while some economies have been accomplished, the current budget is not sufficient to provide adequate repair and preventive maintenance activities.

In order to preclude large supplemental requests in the future, the department has indicated that the FY 83 Budget will be based on a lane-mile cost formula for highways.

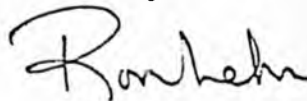
Please add a new section to HB 295 to read as follows:

The sum of \$1,769,500 is appropriated from the general fund to the Department of Transportation and Public Facilities for the allocation and appropriation items indicated as follows for the fiscal year ending June 30, 1981:

	<u>Allocations</u>	<u>Appropriation Items</u>
Southeast Region Operations & Maintenance		111,900
Airports	4,500	
Highways	107,400	
Central Region Operations & Maintenance		771,100
Airports	175,000	
Highways	596,100	

Southcentral Region Operation & Maintenance		185,700
Airports	22,300	
Highways	147,700	
Administration	15,700	
Interior Region Operation & Maintenance		534,500
Airports	179,400	
Highways	330,800	
North Slope Haul Road	24,300	
Western Region Operations & Maintenance		166,300
Airports	63,200	
Highways	102,400	
Administration	700	

Sincerely,



Dr. Ronald D. Lehr
Director

Attachments

cc: Honorable Don Bennett and Ed Dankworth, Senate Finance Committee
Honorable Bette M. Cato, House Transportation Committee

MEMORANDUM

State of Alaska

TO: Ronald Lehr, Director
Division of Budget and Management
Office of the Governor

DATE: March 25, 1981

FILE NO: 000H-0004

RECEIVED

MAR 25 1981

TELEPHONE NO: 465-3900

FROM: Robert W. Ward, Commissioner
Department of Transportation
and Public Facilities

SUBJECT: Transportation Category
FY81 Supplemental Request
For the M & O BRU's

BUDGET AND MANAGEMENT

In response to your request, we have attached the FY83 Budget Plan for formula funding to the FY81 Supplemental Budget Request for the Maintenance and Operations BRU's within the Transportation Category.

Your favorable consideration and approval of this Supplemental Budget Request will be appreciated. If I can be of further assistance, please contact me.

Attachment

cc: Patrick Ryan
Bertram Wagnon
Charles Heussler

*Letter to Repn
from Mary Fetterger*

RECEIVED
MAR 26 1981
BUDGET AND MANAGEMENT

ERC Request: Identify the FY83 Budget Plan for formula funding for the Maintenance and Operations EMO's within the Transportation Category to be included with the FY81 Supplemental Budget Request.

Response: The FY83 Budget Plan will include a formula funding based on lane mile costs to preclude large Supplemental Budget Requests for Highways Maintenance and Operations in the future.

This formula will be broken into major categories for various types of highways, roads and trails, and allow for refinements for the conditions contributed to the many variables within the State using historical data.

Consent:

Patrick P. Ryan
3-19-81

MEMORANDUM

State of Alaska MAR 06 1981

BUDGET AND MANAGEMENT

TO: Ron Lehr, Director
Budget & Management
Office of the Governor

DATE: March 5, 1981

FILE NO:

TELEPHONE NO: 465-3900

FROM: *Ronald*
Robert W. Ward
Commissioner
Department of Transportation
and Public Facilities

SUBJECT: M&O FY 81 and 82
Budget Changes

5091402
1,769.5

We have carefully reviewed our current transportation maintenance operations and find that even though we are having a very mild winter, allowing us to make sparing use of maintenance equipment, we are in need of additional funding for the current year in the amount of \$1,769,500. The attached memos from Pat Ryan explain this request as well as a projection which shows that we could make it for 1982 only if we again experienced a very mild winter. Since this is highly unlikely and there is considerable public interest and a need for increasing the level of service available for our transportation system, I am proposing that we add \$1,975,900 to the 1982 Transportation Maintenance and Operation Budget.

During the preparation of the 1981 budget, the M&O units reduced their requests by \$2,124,400 through the use of Form 8's. At the time this budget was submitted, I was aware that the request for the M&O units was going to be tight, but I felt that the year should be started at this reduced level. Now that we are into the year, I am convinced that the public will be much better served through the funding of the supplemental and the budget amendment.

One possible source of funding for part of the supplemental would be the funds appropriated for the rural airport program which will not be required this year. While this will not solve the entire problem, it could account for approximately \$600,000 of the request. We, of course, would need to notify the legislature of intention in this regard before this course of action was undertaken.

The first Finance Committee Hearings on the M&O budgets is Friday, March 5, and I feel that we should make them aware of our request to you. I don't think that it would be very wise for us to go through the legislative hearings without making them aware of our needs.

MEMORANDUM

State of Alaska

TO: Ron Lind, Deputy Commissioner
Administration

DATE: February 25, 1981

Patrick P. Ryan, Deputy Commissioner
Maintenance & Operations

FILE NO: 400H

TELEPHONE NO: 266-1443

FROM: B.L. Wagnon, Assistant Deputy Commissioner
Maintenance & Operations

OBJECT: Supplemental Request

The attached supplemental request for Maintenance and Operations totals \$1,769.5 million. The underlying cause for this short fall is that the curtailment of expenditures planned for FY 81 was less than completely successful. The total of form 8s amount to \$2,124.4 million so the attempt at an across the board reduction was not completely futile.

The overall effect of not receiving the supplemental would be a curtailment of maintenance activities during the 4th quarter of FY 81.

The FY82 budget amendment shall be in Juneau by February 27. The amount will be approximately \$2,124.4 million. The same as the attempted reductions in FY 81.

Attachment

RECEIVED

FEB 26 1981

DOT/PF
COMMISSIONER'S OFFICE

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 12/31/81	FY 81 OTHER OBLIGATIONS 7/1/ to 12/31/81	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 7/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 82 CONTINUED
PERSONAL SERVICES	72.8	110.5	110.1	94.8	94.8	111.0	60.1		50.0	.6	111.4
TRAVEL	5.1	7.5	2.8	2.1	2.1	2.1	3.2		1.0	< 2.17	3.7
INDIRECT SERVICES	125.8	160.7	136.2	153.8	153.8	153.8	56.8		100.0	< 3.07	193.0
COMMODITIES	93.3	69.0	94.4	93.3	93.3	93.3	57.3		34.0	-0-	114.0
EQUIPMENT			2.1								
POST, BLOG. ...	3										
RENTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	297.3	347.7	335.6	334.0	334.0	360.2	179.7		125.0	< 4.5	407.0
GENERAL RECEIPTS											
REQUIRED GF MATCHING											
FROM GENERAL FUND	297.3	347.7	335.6	334.0	334.0	360.2					
FROM-AGENCY RECEIPTS											

AGENCY: TRANSPORTATION PUBLIC FACILITIES

BRU: SOUTHEAST REGION 04/81

COMPONENT: AIRPORTS

REVISED:

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 12/31/81	FY 81 OTHER OBLIGATIONS 7/1/ to —	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 7/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 82 CONTIN
PERSONAL SERVICES	1966.7	1939.3	1874.0	1969.8	1969.8	2161.3	1,111.2		1050.0	:1	2,346
TRAVEL	15.7	11.5	13.6	10.9	10.9	10.9	8.1		4.0	<7.27	22
TRACTUAL SERVICES	2202.3	2829.6	2767.1	2698.1	2695.1	2698.1	1,293.3		1515.0	<100.2	3,207
MODITIES	98.3	753.6	829.6	672.3	672.3	672.3	397.7		275.0	<.4	732
IPMENT	25.9	20.7	15.8	25.8	25.8	25.8	28.6		5.0	<7.87	39
OS, BLDG. ...	50.9	53.6	92.6	53.5	53.5	53.5	53.5		0.	0	
NTS, CLAIMS. ...											
CELLANEOUS											
TOTAL	5297.8	5658.3	5597.7	5430.4	5430.4	5621.9	2582.4		2849.0	<109.5	6349
ERAL RECEIPTS											
UIRED GF MATCHING											
ER GENERAL FUND	5193.0	5556.3	5490.7	5307.9	5307.9	5499.4					
ER-AGENCY RECEIPTS	104.8	102.0	107.0	122.5	122.5	122.5					

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5		7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 11/1/81	FY 81 OTHER OBLIGATIONS 7/1/ to —	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 2/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 82 CONTIN
PERSONAL SERVICES	279.2	351.0	353.6	301.7	289.6	319.6	181.2		198.0	.4	335
VEHICLE	21.4	26.5	21.9	34.5	25.0	25.0	11.8		17.0	1.2	26
TRACTUAL SERVICES	14.8	20.3	10.7	18.2	15.0	15.0	8.8		6.0	.7	11
MODITIES	1.4	7.7	2.5	3.9	3.9	3.9	.6		3.0	.3	45
EQUIPMENT	1.3										
POSTS, BLDG. ...											
INDEMNITIES, CLAIMS.											
MISCELLANEOUS											
TOTAL	318.1	401.5	388.7	358.3	333.5	363.5	202.4		159.0	2.1	383
GENERAL RECEIPTS											
REQUIRED GF MATCHING											
FROM GENERAL FUND	318.1	401.5	388.7	358.3	333.5	303.5	240.4				
INTER-AGENCY RECEIPTS											

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 4/30/81	FY 81 OTHER OBLIGATIONS 7/1/ to _____	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 2/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 82 CONTIN
PERSONAL SERVICES	1523.1	1607.8	1587.8	1707.0	1709.0	1939.3	935.7		1000.0	3.5	1931.
VEHICLE	49.6	60.0	47.6	59.2	46.7	46.7	36.9		10.0	<1.27	67.
TRACTUAL SERVICES	1552.6	1615.2	1664.5	1740.3	1700.0	1700.0	1088.5		575.0	<108.57	791.
COMMODITIES	477.7	462.2	423.8	522.0	522.0	522.0	302.8		900.0	<707	649.
EQUIPMENT	23.2		1.3	4.7	4.8	4.8	2.5		2.3	0	9.1
REPAIRS, BLDG. ...	388.9	388.0	388.0	388.8	388.8	388.8	388.6		—	.2	
INDEMNITIES, CLAIMS, ...											
CELLANEOUS											
TOTAL	4012.1	4134.2	4114.0	4428.0	4431.3	4601.5	2,339.2		1931.2	<175.07	1711.
GENERAL RECEIPTS											
REQUIRED GF MATCHING											
FROM GENERAL FUND	3763.1	3834.6		4183.1	4125.4	4285.6					
INTER-AGENCY RECEIPTS	254.0	294.6		305.9	305.9	305.9					

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. DUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 11/30/81	FY 81 OTHER OBLIGATIONS 7/1/ to —	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 2/1/ to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 81 CONTI
PERSONAL SERVICES	4779.4	4851.3	4850.6	4908.6	4908.6	5523.4	2755.7		2735.0	< .37	6159
TRAVEL	25.5	28.2	21.0	30.2	30.2	30.2	20		20.0	3.2	93
CONTRACTUAL SERVICES	6582.0	7313.4	7498.8	6819.0	7254.0	7099.7	3609.4		3900.0	< 407.17	111
COMMODITIES	2060.6	2727.3	2555.2	2514.1	2514.1	2514.1	1511.9		900.0	< 171.07	2114
EQUIPMENT	32.3	25.0	10.4	30.9	30.9	30.9	32		25.0	.7	21
VEHICLES, BLDG. ...	272.9	74.1	74.1	101.3	101.3	101.3	101.3				
GRANTS, CLAIMS, ...											
SCCELLANEOUS											
TOTAL	13752.7	15019.8	15010.1	14404.1	14589.1	14529.6	8320.5		7510.0	< 600.9	16
GENERAL RECEIPTS											
REQUIRED GF MATCHING											
FROM GENERAL FUND	13752.7			14311.6	14796.4						
INTER-AGENCY RECEIPTS				42.5	42.5						
PROGRAM RECEIPTS				50.0	50.0						

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. DUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 4/30/81	FY 81 OTHER OBLIGATIONS 7/1/ to —	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 2/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 82 CONTIN
PERSONAL SERVICES	723.9	752.4	751.4	812.4	796.6	918.3	1164.1		455.0	4.87	950.
VEHICLE	31.5	35.0	29.4	41.8	35.0	35.0	14.1		90.0	.9	27.
TRAVEL SERVICES	125.4	79.0	77.4	67.2	67.2	67.2	32.1		30.0	5.1	16.
COMMODITIES	5.2	9.8	8.4	10.5	5.2	5.2	3.1		9.0	4.7	5.
EQUIPMENT			1.6								
POST, BLDG. ...											
RENTS, CLAIMS.											
MISCELLANEOUS											
TOTAL	886.0	976.7	866.7	932.4	904.0	1022.6	513.7		571.0	4.8	1073.
GENERAL RECEIPTS											
REQUIRED OF MATCHING											
FROM GENERAL FUND	826.3			869.6	941.2	962.4					
FROM AGENCY RECEIPTS											
IN AID	59.7			62.8	62.8	62.8					

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 11/30/81	FY 81 OTHER OBLIGATIONS 7/1/ to —	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 2/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 81 CONT.
PERSONAL SERVICES	165.0	204.5	205.1	219.2	219.2	234.7	124.5		110.0	.2	241
TRAVEL	2.4	5.0	1.6	7.4	5.0	5.0	1.1		3.0	.7	2
CONTRACTUAL SERVICES	330.5	414.0	383.1	381.7	381.7	481.7	136.5		240.0	5.2	493
COMMODITIES	20.3	15.2	17.4	37.3	30.0	30.0	33.6		25.0	128.6	22
EQUIPMENT	2.3		.4	4.9	2.3	2.3	1.7		.6	-0-	2
LANDS, BLDG. ...											
GRANTS, CLAIMS.											
MISCELLANEOUS											
TOTAL	520.5	638.7	607.6	650.5	638.2	653.7	297.4		378.6	<22.3>	902
FEDERAL RECEIPTS											
REQUIRED OF MATCHING											
OTHER GENERAL FUND	520.5	638.7	607.6	625.8	613.5	629.0					671
INTER-AGENCY RECEIPTS											
PROGRAM RECEIPTS				24.7	24.7	24.7					24

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 1-31/81	FY 81 OTHER OBLIGATIONS 7/1/ to _____	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 2/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY CONT
PERSONAL SERVICES	2317.1	2368.3	2318.4	2430.4	2430.4	2656.0	1434.6		1210.0	11.4	21.4
TRAVEL	50.8	57.5	63.2	61.5	61.5	61.5	64.3		90.0	< 22.8 >	6.5
CONTRACTUAL SERVICES	2313.7	2889.0	3144.9	2518.8	2518.8	2515.8	1167.0		1355.0	< 3.2 >	25.0
COMMODITIES	861.6	953.4	643.0	760.3	760.3	760.3	743.2		150.0	< 132.7 >	7.0
EQUIPMENT	30.7	10.4	9.4	32.8	32.8	32.8	32.3		10.0	.5	2.0
POST, BLDG. ...	157.7	78.2	78.2	110.7	110.7	110.7	111.4		-0-	< .7 >	
DEBTS, CLAIMS, ...											
SCCELLANEOUS											
TOTAL	5231.6	6356.8	6297.1	5914.5	5914.5	6140.1	3542.5		2745.0	< 147.7 >	11.9
FEDERAL RECEIPTS											
REQUIRED OF MATCHING											
OVER GENERAL FUND	5677.6			5888.8	5888.8	6114.4					
INTER-AGENCY RECEIPTS	54.0			257	25.7	25.7					

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 11/30/81	FY 81 OTHER OBLIGATIONS 7/1/ to _____	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 7/1/ to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 82 CONTIN.
PERSONAL SERVICES	302.3	361.3	362.5	227.9	327.9	378.4	267.2		115.0	11.1	391.5
TRAVEL	8.1	9.0	11.0	6.0	6.0	6.0	6.7		5.0	<5.77	9.3
TRACTUAL SERVICES	14.4	46.3	46.7	18.3	18.3	14.3	32.6		12.0	<11.37	5.8
MODITIES	1.3	2.3	2.9	2.3	2.3	2.3	2.2		5.0	.1	7.3
IPMENT	2.5			5.8			0			0	
OS, BLDG. ...											
NTS, CLAIMS.											
CELLANEOUS											
TOTAL	329.1	423.9	423.3	365.3	359.5	410.0	248.7		185.0	<15.17	407.1
ERAL RECEIPTS											
UIRED GF MATCHING											
ER GENERAL FUND	329.1	423.4	423.3	365.3	359.5	410.0	248.7				
ER-AGENCY RECEIPTS											

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 12/31/81	FY 81 OTHER OBLIGATIONS 7/1/ to _____	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 7/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 81 CONTI
PERSONAL SERVICES	724.2	743.5	733.0	635.3	635.3	878.7	509.5		400.0	< 300.3 >	959
TRAVEL	37.1	36.7	35.5	25.6	25.6	41.5	20.0		25.0	< 3.5 >	47
CONTRACTUAL SERVICES	736.2	745.3	743.7	801.3	801.3	830.9	471.4		450.0	< 110.5 >	1141.0
COMMODITIES	131.4	126.1	188.2	168.9	168.9	197.0	128.2		100.0	< 31.2 >	188.3
EQUIPMENT	4.0		3.7	1.5	1.5	1.5	2.7		2.0	< 3.2 >	17.5
RENTS, BLDG.2			< .2 >	
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	1672.9	1731.8	1707.1	1632.6	1632.6	2000.5 1949.6	1152.0		977.0	< 179.4 >	2155
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
FROM GENERAL FUND	1295.8			1323.4	1323.4	1640.4					
FROM AGENCY RECEIPTS											
Program Receipts	377.1			309.2	309.2	309.2					

BASED ON REVISED
 PROGRAM REQUEST
 OF 1-23-81.

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 12/31	FY 81 OTHER OBLIGATIONS 7/1/ to	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 1/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 81 CONTI
PERSONAL SERVICES	3668.8	3775.2	3702.0	3802.0	3802.0	4124.7	2211.2		1910.0	.5	4030
TRAVEL	67.8	80.2	62.6	75.0	75.0	68.0	52.3		35.0	<19.37	84.
INDIRECT SERVICES	3801.3	4792.8	4660.9	4475.0	4475.0	4701.9	1957.6		2750.0	<205.17	5929.
COMMODITIES	1100.2	1020.6	1144.7	1075.0	1075.0	1206.3	919.2		400.0	<112.97	1229.
EQUIPMENT	6.0	10.0	5.5	10.0	10.0	10.0	3.3		5.0	2.7	
LANDS, BLDG. ...	160.0	161.7	161.6	161.7	161.7	161.7	161.7				
GRANTS, CLAIMS, ...											
SCCELLANEOUS											
TOTAL	8804.1		9737.5	9598.7	9598.7	10,272.6	5307.3		5307.3	<334.7	11,168
GENERAL RECEIPTS											
REQUIRED GF MATCHING											
FROM GENERAL FUND	8712.3			9575.2	9575.2	10,249.1					
INTER-AGENCY RECEIPTS	7.7			5.0	5.0	5.0					
PROGRAM RECEIPTS	24.1			18.5	18.5	18.5					

BASED ON REVISED
 PROGRAM REQUEST
 OF 1-23-81

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. DUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 6/30	FY 81 OTHER OBLIGATIONS 7/1/ to 6/30	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 7/1/ to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 81 CONTI
PERSONAL SERVICES	430.6	558.4	554.7	631.7	631.7	214.7	327.2		385.0	2.5	
VEHICLE	19.4	15.5	12.1	15.5	15.5	15.5	5.6		10.0	< .17	
TRACTUAL SERVICES	58.0	60.1	65.7	33.1	33.1	66.0	39.9		25.0	1.1	
MODITIES	-6.0	8.7	2.5	9.7	8.7	3.0	1.5		1.5	-0.2	
EMENT	14.			1.5		1.0	.1		.5	.4	
OS, BLDG. ...											
ENTS, CLAIMS											
CELLANEOUS											
TOTAL	522.6	642.7	640.0	689.5	689.5	800.2	374.3		422.0	3.9	
ERAL RECEIPTS											
UIRED GF MATCHING											
ER GENERAL FUND	522.6	642.7	640.0	689.5	689.5	800.2	374.3				
ER-AGENCY RECEIPTS											

BASCO and REVISION
PROGRAM REQUISITE
1-23-81

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 1-31-81	FY 81 OTHER OBLIGATIONS 7/1/ to —	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 7/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 81 CONTI
PERSONAL SERVICES	621.0	747.9	823.1	2043.0	2043.0	1,281.1	819.5		460.0	1.3	2166
TRAVEL	93.2	87.3	24.7	91.2	91.2	65.0	53.1		20.0	< 8.1 >	101.
CONTRACTUAL SERVICES	3473.6	5088.0	5001.8	2452.0	2452.0	2,767.4	2,272.8		650.0	17.6	2310.
COMMODITIES	89.4	167.7	154.0	334.7	334.7	243.0	257.8		75.0	< 29.8 >	207
EQUIPMENT	153.7		7.6	114.4	114.4	114.4	11.7		50.0	52.7	
POSTS, BLDG. ...											
GRANTS, CLAIMS											
MISCELLANEOUS											
TOTAL	4430.9	6117.9	6016.2	4902.9	5038.3	4,470.9	3,241.2		1350.0	< 24.3 >	5445
GENERAL RECEIPTS											
REQUIRED GF MATCHING											
PER GENERAL FUND	4430.9	6117.9	6016.2	4902.9	5038.3	4,470.9	3,241.2				
INTER-AGENCY RECEIPTS											

TAKEN FROM FY 80
A-10 REPORT DATED
12-31-80.

TAKEN FROM
REVISION PROGRAM
REQUEST DATE
1-23-81

AGENCY: TRANSPORTATION & PUBLIC FACILITIES BRU: INTERIOR DIV

COMPONENT: WORTH SLOPE HAUL ROAD

REVISED: _____

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	0	1
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. DUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 1-31-81	FY 81 OTHER OBLIGATIONS 7/1/ to	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 7/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 81 CONTI
PERSONAL SERVICES	560.2	575.0	572.6	642.7	642.7	714.7	318.3		318.0	:4	1/20
TRAVEL	44.6	35.0	31.1	33.2	33.2	33.2	20.7		20.0	< 7.5 >	1.9
CONTRACTUAL SERVICES	570.8	734.3	642.7	630.7	636.7	636.7	238.7		352.0	< 52.0 >	19.7
COMMODITIES	255.9	214.7	213.4	260.7	260.7	260.7	128.1		130.0	2.6	4.23
EQUIPMENT	3.5		12.1				6.5			< 6.5 >	
LANDS, BLDG. ...	3.5		3.5								
RENTS, CLAIMS, ...											
SCCELLANEOUS											
TOTAL	1438.4	1559.0	1523.6	1573.3	1573.3	1645.3	546.5		968.0	< 63.2 >	2.1
FEDERAL RECEIPTS											
REQUIRED OF MATCHING											
FROM GENERAL FUND	1438.4			1559.3	1559.3	1631.3					
INTER-AGENCY RECEIPTS											
PROGRAM RECEIPTS				13.5	13.5	13.5					

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 1-31-81	FY 81 OTHER ODLIGATIONS 7/1/ to	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 2/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY CO. T
PERSONAL SERVICES	523.3	605.8	541.0	643.1	683.1	751.7	365.9		385.0	.9	75
TRAVEL	10.2	9.3	7.6	8.8	9.8	8.8	3.1		10.0	<4.3>	9
CONTRACTUAL SERVICES	574.2	740.3	760.7	668.7	668.7	668.7	341.2		425.0	<97.6>	78
COMMODITIES	92.9	90.0	56.5	119.1	119.1	119.1	53.3		67.0	<.9>	13
EQUIPMENT	2.0	2.2	.9	2.0	2.0	2.0	2.7		.5	<1.2>	
POSTS, BLDG. ...	4.6	4.7	4.6	4.7	4.7	4.7	4.7		—	—	
GRANTS, CLAIMS											
MISCELLANEOUS											
TOTAL	1367.2	1452.3	1321.3	1496.4	1496.4	1555.0	769.9		887.5	<102.4>	167
GENERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND	1251.2	1436.3	1355.3	1480.4	1480.4	1539.0					
INTER-AGENCY RECEIPTS											
PROGRAM RECEIPTS	16.0	16.0	16.0	16.0	16.0	16.0					

AGENCY: TRANSPORTATION PUBLIC FACILITIES BRU: WESTERN REGION CIVIL COMPONENT: MAINTENANCE REVISED: _____

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1/ to 3/31	FY 81 OTHER OBLIGATIONS 7/1/ to —	FY 81 PROJECTED EXPENDI- TURES + ENCUMBRANCES 2/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 81 CONTIN.
PERSONAL SERVICES	197.8	285.5	284.9	267.6	258.6	246.2	113.8		180.0	2.4	309
TRAVEL	1.7	16.5	12.3	16.4	10.0	10.0	8.9		4.0	<2.9>	11.
TRACTUAL SERVICES	54.8	30.7	2.2	43.1	35.0	35.0	4.5		30.0	.	10.
MODITIES		10.7	.3	10.2	5.0	5.0	.8		4.7		5.
IPMENT				.9			.2		.5	<.7>	
OS, BLDG. ...											
NTS, CLAIMS. ...											
CELLANEOUS											
TOTAL	254.3	342.0	304.7	338.7	308.6	346.2	178.2		215.1	<.7>	348
GENERAL RECEIPTS											
QUIRED GF MATCHING											
IER GENERAL FUND											
ER-AGENCY RECEIPTS	254.3	342.0	304.7	338.7	308.6	346.2	178.2				

1 BRIEFLY DESCRIBE WHAT FY 80 COMPONENT ACTIVITIES HAVE BEEN DISCONTINUED.

A planned reduction in equipment rental of Highway Working Capital Fund vehicles will result in a savings of (677.9) in contractual services. This is the result of the elimination of excess equipment and the full utilization of the remaining vehicles.

A reduction in the purchase of agriculture supplies, structural materials, and supplies and other operating supplies will be affected during FY'81.

These reductions are required to conform to the BRU allocations for this BRU.

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED AND HOW.

To continue the level of maintenance at an acceptable level on existing facilities as well as assuming maintenance responsibilities on newly constructed or reconstructed facilities. This should not have an adverse impact on the Region's ability to accomplish this objective. The bulk of the reduction is the result of the elimination of excess HWCF equipment and the full utilization of the remaining vehicles.

3				
CODE	EXPENDITURES BY OBJECT			AMOUNT
100	PERSONAL SERVICES			()
200	TRAVEL			()
300	CONTRACTUAL SERVICES			(677.9)
400	COMMODITIES			(369.5)
500	EQUIPMENT			()
600	LANDS, BLDGS., ETC.			()
700	GRANTS, CLAIMS, ETC.			()
800	MISCELLANEOUS			()
	TOTAL			(1046.4)
	I-A TRANS. (non-adj)			
FED. RECEIPTS-CODE:				()
GF MATCH				()
GEN. FUND				(1046.4)
I-A RCPTS.				()
PGM RCPTS.				()
OTHER				()
OTHER				()
4	PFT/SEAS	PPT	NON PERM.	TOTAL
NO. POSITIONS DISCONTINUED				
NO. STAFF MONTHS LOST				

AGENCY

GOT/PF

PROGRAM AREA

Highway & Airport M & O

UNU

Central Region

COMPONENT

Highways

REVISED DATE

FY 81

000977

8

COMPONENT DECREASE
(BELOW CONTINUATION)

1 BRIEFLY DESCRIBED WHAT FY 00 COMPONENT ACTIVITIES HAVE BEEN DISCONTINUED.

Reduction to stay within the allowed budget ceilings.

CODE	EXPENDITURES BY OBJECT	AMOUNT
100	PERSONAL SERVICES	()
200	TRAVEL	()
300	CONTRACTUAL SERVICES	()
400	COMMODITIES	(44.3)
600	EQUIPMENT	()
600	LANDS, BLDGS., ETC.	()
700	GRANTS, CLAIMS, ETC.	()
800	MISCELLANEOUS	()
	TOTAL	(44.3)
	I-A TRANS. (non-add)	()
FED. RECEIPTS-CODE:		()
GF MATCH		()
GEN. FUND		(44.3)
I-A RCPTS.		()
PGM RCPTS.		()
OTHER		()
OTHER		()

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED AND HOW.

4	PFT/SEAS	PPT	NON PERM.	TOTAL
NO. POSITIONS DISCONTINUED				()
NO. STAFF MONTHS LOST				()

AGENCY DOT/PF

PROGRAM AREA Highways & Aviation M&O

FY 81

8 COMPONENT DECREASE
(BELOW CONTINUATION)

DRU Southcentral Region

COMPONENT Airports

REVISED DATE 11-10-80

1 BRIEFLY DESCRIBED WHAT FY 80 COMPONENT ACTIVITIES HAVE BEEN DISCONTINUED.

Reduction to stay within the allowed budget ceilings.

CODE	EXPENDITURES BY OBJECT	AMOUNT
100	PERSONAL SERVICES	()
200	TRAVEL	()
300	CONTRACTUAL SERVICES	(121.7)
400	COMMODITIES	(178.5)
500	EQUIPMENT	()
600	LANDS, BLDGS., ETC.	()
700	GRANTS, CLAIMS, ETC.	()
800	MISCELLANEOUS	()
	TOTAL	(300.2)
	I-A TRANS. (non-add)	()
FED. RECEIPTS-CODE:		()
GF MATCH		()
GEN. FUND		(300.2)
I-A PORTS.		()
PGM RCPTS.		()
OTHER		()
OTHER		()

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED AND HOW.

4	PFT/SEAS	PPT	NON PERM.	TOTAL
NO. POSITIONS DISCONTINUED				()
NO. STAFF MONTHS LOST				()

AGENCY

DOT/PF

PROGRAM AREA

Highways & Aviation M&O

BRU

Southcentral Region

COMPONENT

Highways

FY 81

8

COMPONENT DECREASE
(BELOW CONTINUATION)

REVISED
DATE

01069

1 BRIEFLY DESCRIBED WHAT FY 80 COMPONENT ACTIVITIES HAVE BEEN DISCONTINUED.

Reduction of funding to stay within the allowed budget ceiling.

3				
CODE	EXPENDITURES BY OBJECT			AMOUNT
100	PERSONAL SERVICES			()
200	TRAVEL			()
300	CONTRACTUAL SERVICES			(21.8)
400	COMMODITIES			()
500	EQUIPMENT			()
600	LANDS, BLDGS., ETC.			()
700	GRANTS, CLAIMS, ETC.			()
800	MISCELLANEOUS			()
	TOTAL			(21.8)
	I-A TRANS. (non-add)			()
FED. RECEIPTS-CODE:				
GF MATCH				
GEN. FUND				
				(21.8)
I-A RCPTS.				
PGM RCPTS.				
OTHER				
OTHER				
4	PFT/SEAS	PPT	NON PERM.	TOTAL
NO. POSITIONS DISCONTINUED				()
NO. STAFF MONTHS LOST				()

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED AND HOW.

AGENCY DOT/PF

PROGRAM AREA Highways & Aviation M&O

DRU Southcentral Region

COMPONENT Administration

8 COMPONENT DECREASE
(BELOW CONTINUATION)

FY 81

REVISED DATE

01.102

1 BRIEFLY DESCRIBED WHAT FY 80 COMPONENT ACTIVITIES HAVE BEEN DISCONTINUED.

Reduction in personal services in this component to allow for additional funding for the North Slope Haul Road. No positions are being discontinued. Vacancies will be maintained to make the funds available. Decreases in available services to allow for reduction in 200 - 400 accounts.

3		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	(56.5)
200	TRAVEL	(1.7)
300	CONTRACTUAL SERVICES	(56.1)
400	COMMODITIES	(9.8)
500	EQUIPMENT	()
600	LANDS, BLDGS., ETC.	()
700	GRANTS, CLAIMS, ETC.	()
800	MISCELLANEOUS	()
TOTAL		(124.1)
I-A TRANS. (non-add)		
FED. RECEIPTS-CODE:		
GF MATCH		
GEN. FUND		(124.1)
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED AND HOW.

Less funds will be available for preventative maintenance.

4	PFT/SEAS	PPT	NON PERM.	TOTAL
NO. POSITIONS DISCONTINUED				
NO. STAFF MONTHS LOST				

AGENCY DOT/PE

PROGRAM AREA Highways & Aviation

ORU

COMPONENT Airports

FY 81

8 COMPONENT DECREASE
(BELOW CONTINUATION)

REVISED
DATE

001135

1 BRIEFLY DESCRIBED WHAT FY 00 COMPONENT ACTIVITIES HAVE BEEN DISCONTINUED.

Reduction in personal services to allow for additional funding for the Haul Road. No positions are being discontinued. Vacancies will be maintained to make funds available. Decreases in available services to allow for reduction in 200 - 400 accounts.

3		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	(194.1)
200	TRAVEL	(37.6)
300	CONTRACTUAL SERVICES	(92.0)
400	COMMODITIES	(102.6)
500	EQUIPMENT	()
600	LANDS, BLDGS., ETC.	()
700	GRANTS, CLAIMS, ETC.	()
800	MISCELLANEOUS	()
TOTAL		(426.3)
I-A TRANS. (non-odd)		
FED. RECEIPTS-CODE:		
GF MATCH		
GEN. FUND		(426.3)
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED AND HOW.

Reduce funding available for preventative maintenance.

4	PFT/SEAS	PPT	NON PERM.	TOTAL
NO. POSITIONS DISCONTINUED				
NO. STAFF MONTHS LOST				

AGENCY DOT/PF

PROGRAM AREA Highways & Aviation

DIU Interior Region M&O

COMPONENT Highways

8 COMPONENT DECREASE
(BELOW CONTINUATION)

FY 01

REVISED DATE

001167

1 BRIEFLY DESCRIBED WHAT FY 00 COMPONENT ACTIVITIES HAVE BEEN DISCONTINUED.

A planned reduction in Travel (1.8); Contractual Services as follows: Communications (0.4); Repair & Maintenance (30.0); Utilities (7.2); Equipment Rental - other than HWCF (20.1); Commodities (2.0)

CODE	EXPENDITURES BY OBJECT	AMOUNT
100	PERSONAL SERVICES	()
200	TRAVEL	(1.8)
300	CONTRACTUAL SERVICES	(57.7)
400	COMMODITIES	(2.0)
500	EQUIPMENT	()
600	LANDS, BLDGS., ETC.	()
700	GRANTS, CLAIMS, ETC.	()
800	MISCELLANEOUS	()
	TOTAL	(59.7)
	I-A TRANS. (non-add)	
FED. RECEIPTS-CODE:		()
GF MATCH		()
GEN. FUND		(59.7)
I-A RCPTS.		()
PGM RCPTS.		()
OTHER		()
OTHER		()

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED AND HOW.

To continue the level of maintenance at an acceptable level on existing facilities as well as assuming maintenance responsibilities on newly constructed or reconstructed facilities. This should not have an adverse effect on the regions ability to accomplish this objective.

4	PFT/SEAS	PPT	NON PERM.	TOTAL
NO. POSITIONS DISCONTINUED				
NO. STAFF MONTHS LOST				

AGENCY Transportation & Public Facilities

PROGRAM AREA Highway & Aviation M & O

FY 81

8 COMPONENT DECREASE
(BELOW CONTINUATION)

DRU Western Region

COMPONENT Aviation

REVISED DATE 001266

1 BRIEFLY DESCRIBED WHAT FY 00 COMPONENT ACTIVITIES HAVE BEEN DISCONTINUED.

A planned reduction in Travel (0.5); Contractual Services as follows: Communications (0.4), Repair & Maintenance (13.4), Utilities (0.1), Equipment Rental-other than HWCF (1.2), HWCF Equipment Rental (85.6), and Professional Fees & Services (0.1); -- Commodities as follows: Household Supplies (0.2), Professional Supplies (5.5).

3		
CODE	EXPENDITURES BY OBJECT	AMOUNT
100	PERSONAL SERVICES	()
200	TRAVEL	(0.5)
300	CONTRACTUAL SERVICES	(101.1)
400	COMMODITIES	()
500	EQUIPMENT	()
600	LANDS, BLDGS., ETC.	()
700	GRANTS, CLAIMS, ETC.	()
800	MISCELLANEOUS	()
	TOTAL	(101.6)
	(-A TRANS. (non-add)	
FED. RECEIPTS-CODE:		()
GF MATCH		()
GEN. FUND		(101.6)
I-A PORTS.		()
PGM RCPTS.		()
OTHER		()
OTHER		()

2 EXPLAIN WHICH POLICY BUDGET PROGRAM OBJECTIVE IS AFFECTED AND HOW.

To continue the level of maintenance at an acceptable level on existing facilities as well as assuming maintenance responsibilities on newly constructed or reconstructed facilities. This should not have an adverse impact on the region's ability to accomplish this objective. The bulk of the reduction is the result of the elimination of excess HWCF equipment and the full utilization of the remaining vehicles.

4	PFT/SEAS	PPT	NON PERM.	TOTAL
NO. POSITIONS DISCONTINUED				
NO. STAFF MONTHS LOST				

AGENCY DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

PROGRAM AREA HIGHWAYS & AVIATION MAINTENANCE & OPERATIONS

8 COMPONENT DECREASE
(BELOW CONTINUATION)

ORU WESTERN REGION MAINTENANCE & OPERATIONS
COMPONENT HIGHWAYS

FY 81
REVISED DATE 001292

**PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.**

Attachment to Representative Cato letter of May 1, 1981

Requested Amendments to HB 295

- ✓ Section 4 The sum of \$118,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for capital costs related to the opening of the North Slope Haul Road.
- ✓ Section 5 The sum of \$187,000 is appropriated from the general fund to the Department of Transportation and Public Facilities, Interior Region Maintenance and Operations, for the opening of the North Slope Haul Road.

7/79 -
Prin
Year
hills
Operating
 Section 6 The sum of \$477,989 is appropriated from the general fund to the Department of Transportation and Public Facilities for payment of the FY 79 and FY 80 State Equipment Fleet rentals.

Indistinguishable
 Section 7 The sum of \$46,748 is appropriated from the general fund to the Department of Transportation and Public Facilities for payment of Bering Sea storm repaid costs.

Section 8 Section 51, Chapter 120, SLA 1980, page 55, lines 9 and 10 are amended to read as follows:

	<u>Allocations</u>	<u>Appropriations</u>	<u>General Funds</u>	<u>Other</u>
Main & Op. Admin. (9 pos.)	\$1,101,300 [\$1,400,700]	\$2,433,800 [\$2,733,200]	\$1,798,900 [\$2,098,300]	\$634,900

Section 9 Section 286, Chapter 50, SLA 1980, page 86, line 10 is amended to read as follows:

	<u>Appropriations</u>	<u>General Funds</u>
Airport Weather Reporting	\$599,400 [\$300,000]	\$599,400 [\$300,000]

Budget
to fight
Apr
sup
sup
Maintenance
 Section 10 The sum of \$1,769,500 is appropriated from the general fund to the Department of Transportation and Public Facilities for the allocation and appropriation items indicated as follows for the fiscal year ending June 30, 1981:

	<u>Allocations</u>	<u>Appropriation Items</u>
Southeast Region Operations and Maintenance		111,900
Airports	4,500	
Highways	107,400	
Central Region Operations and Maintenance		771,100
Airports	175,000	
Highways	596,100	
Southcentral Region Operations & Maintenance		185,700
Airports	22,300	
Highways	147,700	
Administration	15,700	
Interior Region Operations and Maintenance		534,500
Airports	179,400	
Highways	330,800	
North Slope Haul Road	24,300	
Western Region Operations and Maintenance		166,300
Airports	63,200	
Highways	102,400	
Administration	700	

*Ruth Ann
Paley*

Section 11 The sum of \$227,700 is appropriated from the general fund to the Office of the Governor, Division of Elections for additional fiscal year 1981 operating costs.

Section 12 The sum of \$225,100 is appropriated from the general fund and the sum of \$16,000 is appropriated from program receipts to the Department of Administration, Division of Retirement and Benefits, to pay for FY 79 through FY 81 costs of the Elected Public Officials Retirement System, and to pay for additional legal expenses for the Supplemental Benefits Program.

EPORS ✓

Section 13 The sum of \$2,084,600 is appropriated to the Office of the Governor for FY 81 costs of the negotiated agreement with the Labor, Trades and Crafts bargaining unit signed on April 20, 1981. The fund sources for the total of \$2,084,600 are as follows: \$1,551,700 general fund; \$90,700 federal funds; \$248,500 highway working capital fund; \$189,900 international airport revenue funds; and \$3,800 surplus property revolving fund.

Bill Clark ✓

Section 14 The sum of \$2,000,000 is appropriated from the general fund to the Office of the Governor to fund the National Communications Program.

Section 15 The unexpended and unobligated parts of the appropriations made in sections 1-13 of this Act lapse into the general fund June 30, 1981.

Section 16 The unexpended and unobligated parts of the appropriations made in section 14 of this Act lapses into the general fund June 30, 1982.

Section 17 This Act takes effect immediately in accordance with AS 01.10.070(c).

Ammendment (HB-295)

There is appropriated \$200,000 For "Alaska 1984" to the Commissioner of Economic Development. This appropriation is to cover planning and administration costs for the twenty fifth anniversary celebration of Alaska Statehood.

HB 295 Amendment -- \$13,700 to Maintenance and Operations/
Western Region

In 1979, Maintenance and Operations for the Western Region entered into an agreement with Frank McIntyre to make a winter airstrip closer to the village of Shaktoolik by leveling the tundra. The job was expected to take 100 hours at a cost of \$100/hour for cat time, therefore costing \$10,000.

Due to breakdowns, delays in receiving lube oil and bad weather, the job was delayed until February 1980 and was completed in June. Mr. McIntyre did an excellent job and simply continued to work until he felt the job was completed -- a total of 237 hours. The result is an airstrip which DOT finds is almost good enough to be used year-round.

DOT's Maintenance and Operations' budget did not allow enough funds to pay Mr. McIntyre for the additional hours worked. DOT does say that if this work had been put out to bid, it would have cost 10 times the amount paid. The requested \$13,700 will cover the additional work performed by Mr. McIntyre.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 7, 1981

SUBJECT: CSHB 295

TO: House Transportation Committee

FROM: Donna Spragg Pegues *Donna Spragg Pegues*
Co-Revisor of Statutes

I have drafted this bill in the form requested.

I have some questions and observations.

First, I note for your information that the amendments in your Secs. 10 and 11 are identical to the amendments in Sec. 24 of HCS CSSB 321 (Finance) which is on today's calendar in the House.

I assume that the lapse dates I have put in Secs. 13 - 14 suit your purposes. If you want any change, let me know.

In Sec. 9 the term "repaid costs" is used. I have no idea what this means. Repaid by whom to whom?

Please note that I rounded the amounts in Secs. 8 and 9 to the closest hundred dollars. This has been general drafting policy on appropriation bills for a number of years. However, if you want us to include only the exact amount in the request, let me know and I will make the change.

I think that Sec. 7 is needlessly wordy. I think "capital costs related to" should be eliminated.

In Sec. 4 I avoided using the name of the specific contractor in order to avoid any potential problems of "special legislation".

*Pegues
3525*