HB

154

HOUSE COMMITTEE REPORT

(11)
Date Referred: April 5, 1989 FURTHER REFERRALS:
(Returned from Rules)

Date of Committee Action: 5/5/89

The FINANCE Committee considered: HB 154

HOUSE BILL NO. 154 [SUPPLEMENTAL, SPECIAL, & AMENDED APPROPS]
"An Act amending appropriations and making miscellaneous supplemental and special appropriations; and providing for an effective date."

RECOMMENDATIONS:
[X] be replaced with CSHB 154(Fin) 2d [ ] the same title [X] a new title
[ ] have attached amendment(s)
[X] do pass
[ ] do not pass
[ ] no recommendation
[ ] individual recommendations
[ ] additional referral to the _____ Committee

ADOPTS: H. Finance letter of intent

ATTACHES NEW FISCAL NOTE(s): (Dept) APPROVES PREVIOUS: (Date/Dept)

[ ] fiscal impact _____ [ ] fiscal note(s) _____
[ ] zero fiscal note _____ [ ] zero fiscal note(s) _____
[ ] zero with analysis _____ [ ] zero fn/analysis _____

SIGNING DO PASS:

HOFFMAN
LARSON
KOPPERN
SWACK-HAMMER
BROWN
ULMER
WALLIS

SIGNING: (Check approp. column)

	Do Not Pass	No Rec	Amend
PATRICK	✓		
PHILLIPS	✓		
SITUL		✓	
RIEGER			✓

Chairman's Signature

Alaska State Legislature

HOUSE OF REPRESENTATIVES

Committee on Finance

Official Business

P.O. Box V
State Capitol
Juneau, Alaska 99811

LETTER OF INTENT
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 154 (FINANCE) 2d

May 5, 1989

Adopted

It is the intent of the legislature that no funds in this Act may be used to pay the State of Washington a state sales tax stemming from the two law suits: Washington State v. University of Alaska, and Washington State v. ADF&G/Public Safety. Funds included in the fiscal year 1989 budget for the University of Alaska, Department of Fish and Game, and the Department of Public Safety shall not be used to pay for these claims.

(Washington State v. University of Alaska ($194,300.00))
(Washington State v. ADF&G/Public Safety ($147,957.00))

Co-Chairman, Ron Larson
House Finance Committee

Co-Chairman, Lyman Hoffman
House Finance Committee

Offered: 5/5/89
For Today's Calendar

go1039hH

Original sponsor: Rules/Governor

Funding Information
General Fund $ 91,166,075
Other Funds 14,898,719
$106,064,794

IN THE HOUSE BY THE FINANCE COMMITTEE

CS FOR HOUSE BILL NO. 154 (2d Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making miscellaneous supplemental appropriations for the 1989 fiscal year and prior fiscal years, making supplemental and special appropriations related to the Exxon Valdez oil spill, the state cold weather disaster, and for other purposes, and lapsing a certain prior allocation; and providing for an effective date."

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

* Section 1. (a) The sum of $12,298,000 is appropriated to the Office of the Governor to pay for increases in the costs of state health benefits for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$ 698,100
General Fund Match	210,500
General Fund	7,167,800
General Fund/Program Receipts	220,000
General Fund/Mental Health Trust	401,700
Inter-agency Receipts	833,800
University of Alaska Interest Income	37,800
University of Alaska Dormitory, Food, and Auxiliary Service	109,800
State Corporation Receipts	106,100
Highway Working Capital Fund	588,800
International Airports Revenue Fund	538,200
Public Employees Retirement Fund	77,300

Second Injury Fund Reserve Account	2,700
Disabled Fishermen's Reserve Account	19,900
Surplus Property Revolving Fund	7,600
Teachers' Retirement System Fund	66,200
Veterans' Revolving Loan Fund	12,500
Commercial Fishing Revolving Loan Fund	32,200
University of Alaska Student Tuition Fee and Services	146,500
University of Alaska Indirect Cost Recovery	58,700
Judicial Retirement System	600
National Guard Retirement System	500
University Restricted Receipts	215,600
Permanent Fund Dividend Fund	151,000
Small Business Loan Fund	1,600
Tourism Revolving Loan Fund	800
Capital Improvement Project Receipts	558,300
Mining Revolving Loan Fund	5,400
Child Care Revolving Loan Fund	500
Historical District Revolving Loan Fund	100
Fisheries Enhancement Revolving Loan Fund	7,800
Alternative Energy Revolving Loan Fund	8,800
Residential Energy Conservation Loan Fund	8,700
Power Development Revolving Loan Fund	1,200
Bulk Fuel Revolving Loan Fund	900

(b) The sum of $1,300,000 is appropriated from the general fund, as general fund program receipts from active employee health insurance premiums tax credits, to the Office of the Governor to offset the costs of state health benefit increases for the fiscal year ending June 30, 1989.

(c) The sum of $2,400,000 is appropriated from the general fund, as general fund program receipts received from Aetna active employee extended

liability and maturity reserves, to the Office of the Governor to offset the costs of state health benefit increases for the fiscal year ending June 30, 1989.

* Sec. 2. The sum of $105,130 is appropriated from the general fund to the Office of the Governor, division of elections, for additional costs of the 1988 primary and general elections and for the cost of a special election for House District 13. This appropriation is for the fiscal year ending June 30, 1989.

* Sec. 3. The sum of $76,600 is appropriated from the general fund to the Office of the Governor for the operating costs of the Alaska Finfish Farming Task Force for the fiscal year ending June 30, 1989.

* Sec. 4. The sum of $1,410,000 is appropriated from the general fund to the Department of Administration for longevity bonus payments for the fiscal year ending June 30, 1989.

* Sec. 5. The sum of $348,400 is appropriated from the general fund to the Department of Administration, office of public advocacy, for additional contract costs for the fiscal year ending June 30, 1989.

* Sec. 6. The sum of $70,000 is appropriated from the general fund to the Department of Administration, labor relations agency, for increased legal and administrative costs for the fiscal year ending June 30, 1989.

* Sec. 7. The sum of $97,600 is appropriated from the general fund to the Department of Administration to pay the Internal Revenue Service for backup withholding payments, associated interest, and penalties for all departments for tax years 1985 and 1986.

* Sec. 8. The sum of $215,200 is appropriated from the general fund to the Department of Administration for the settlement agreed to in Blomfield v. State for the fiscal year ending June 30, 1989.

* Sec. 9. The sum of $154,000 is appropriated from the general fund to the Department of Law for litigation costs associated with the Kotzebue

hangar for the fiscal year ending June 30, 1989.

* Sec. 10. The sum of $242,735 is appropriated from the general fund to the Department of Law to pay judgments and claims against the state for the fiscal year ending June 30, 1989.

* Sec. 11. The sum of $200,000 is appropriated from the general fund to the Department of Law to pay increased costs associated with Weiss v. State for the fiscal year ending June 30, 1989.

* Sec. 12. The sum of $46,600 is appropriated from the general fund to the Department of Revenue to refund additional aviation fuel revenue to the Municipality of Anchorage under AS 43.40.010 for the period of January 1, 1984 through June 30, 1988.

* Sec. 13. The sum of $3,411,200 is appropriated from the general fund to the Department of Revenue to refund additional fiscal year 1989 fisheries tax revenue under AS 43.75.130.

* Sec. 14. The sum of $67,000 is appropriated from the permanent fund dividend fund to the Department of Revenue, permanent fund dividend division, to pay additional administrative costs associated with identifying fraudulent or duplicate dividend applications and publication of dividend booklets for the fiscal year ending June 30, 1989.

* Sec. 15. The sum of $7,776,400 is appropriated from the following funding sources to the Department of Education for the public school foundation program for the fiscal year ending June 30, 1989:

General Fund	$5,499,100
P.L. 81-874 Funds	2,277,300

* Sec. 16. The sum of $1,995,010 is appropriated from federal funds received through P.L. 81-874 to the public school foundation account (AS 14.17.010) for distribution to the Anchorage, Fairbanks, and Kodiak school districts for fiscal year 1988 costs of military on-base special education students.

* Sec. 17. The sum of $25,000 is appropriated from the general fund to the Department of Education, Alaska Vocational Technical Center, for replacement of unrealized training and building funds for the fiscal year ending June 30, 1989.

* Sec. 18. The sum of $700,000 is appropriated from the general fund to the Department of Health and Social Services, adult public assistance program, for costs associated with increased caseloads and cost-of-living adjustments for the fiscal year ending June 30, 1989.

* Sec. 19. The sum of $136,600 is appropriated from the general fund to the Department of Health and Social Services, postmortem examination program, to pay for unmet costs of examinations and burials ordered by the courts for the fiscal year ending June 30, 1989.

* Sec. 20. The sum of $3,032,100 is appropriated to the Department of Health and Social Services, medicaid facilities program, to pay for costs associated with increased caseloads and price increases for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$1,515,100
General Fund Match	1,517,000

* Sec. 21. The sum of $1,723,900 is appropriated to the Department of Health and Social Services, medicaid non-facilities program, to pay for unmet costs associated with increased caseloads and price increases for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$ 527,100
General Fund Match	1,196,800

* Sec. 22. The sum of $1,084,400 is appropriated from the general fund to the Department of Health and Social Services, general relief medical program, to pay for unmet costs associated with increased caseloads and prices for the fiscal year ending June 30, 1989.

* Sec. 23. The sum of $115,000 is appropriated to the Department of

Health and Social Services, medical assistance - central administration program, to pay for unmet costs associated with increased legal fees for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$57,500
General Fund Match	57,500

* Sec. 24. The sum of $844,800 is appropriated to the Department of Health and Social Services, medical assistance - claims processing program, to pay for unmet costs associated with increased claims volume and needed system changes for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$633,600
General Fund Match	211,200

* Sec. 25. The sum of $165,000 is appropriated from the general fund to the Department of Health and Social Services, purchased services - residential child care program, to pay for unmet costs associated with out-of-state placements for the fiscal year ending June 30, 1989.

* Sec. 26. The sum of $53,700 is appropriated from federal receipts to the Department of Health and Social Services, medicaid - Indian Health Service program, to pay for unmet costs associated with increased caseloads and prices for the fiscal year ending June 30. 1989.

* Sec. 27. The sum of $216,000 is appropriated from federal receipts to the Department of Health and Social Services, medicaid - state facilities program, to pay for unmet costs associated with increased caseloads and prices for the fiscal year ending June 30, 1989.

* Sec. 28. The sum of $230,250 is appropriated from the general fund to the Department of Health and Social Services, public assistance administration program, to pay the first of four installments to the federal government in settlement of the 1981 food stamp program sanction. This appropriation is for the fiscal year ending June 30, 1989.

* Sec. 29. The sum of $1,024,000 is appropriated from the second injury fund to the Department of Labor, workers' compensation program, to pay for unmet costs associated with lump-sum settlements for the fiscal year ending June 30, 1989.

* Sec. 30. The sum of $53,700 is appropriated from the general fund to the Department of Military and Veterans' Affairs for additional costs of the veterans' burial allowance program for the fiscal year ending June 30, 1989.

* Sec. 31. The sum of $3,557 is appropriated from the general fund to the Department of Military and Veterans' Affairs for additional utility costs for the fiscal year ending June 30, 1988.

* Sec. 32. The sum of $50,000 is appropriated from the general fund to the Department of Natural Resources, division of parks and outdoor recreation, for federal land and water conservation fund match for the Kachemak Bay land exchange for the fiscal year ending June 30, 1989.

* Sec. 33. The sum of $20,000 is appropriated from the general fund to the Department of Natural Resources, division of parks and outdoor recreation, for legal services in the Blanas Investments, Inc., claim for the fiscal year ending June 30, 1989.

* Sec. 34. The sum of $28,000 is transferred from the Agriculture Reserve Loan Fund to the general fund and is appropriated from the general fund to the Department of Natural Resources for completion of the sewage pretreatment facility at the Mt. McKinley Meat and Sausage Plant for the fiscal year ending June 30, 1989.

* Sec. 35. The sum of $2,100,000 is appropriated from federal receipts to the Department of Natural Resources for fire suppression activities for the fiscal year ending June 30, 1989.

* Sec. 36. The sum of $240,000 is appropriated from the general fund to the Department of Fish and Game, division of administration, for the cost

of administering the fish and game licensing program for the fiscal year ending June 30, 1989.

* Sec. 37. The sum of $246,409 is appropriated to the Department of Fish and Game, division of wildlife conservation, to offset unrealized federal receipts in fiscal years 1986 and 1987, as identified in the legislative audit of the Department of Fish and Game for fiscal year 1987, from the following sources in the amounts listed

General Fund	$140,000
Fish and Game Fund	106,409

* Sec. 38. The sum of $198,500 is appropriated from the general fund to the Department of Public Safety, violent crimes compensation board, for payment of claims for the fiscal year ending June 30, 1989.

* Sec. 39. The sum of $85,000 is appropriated from the general fund to the Department of Public Safety to pay increased prisoner transportation costs associated with the opening of the Spring Creek Correctional Center for the fiscal year ending June 30, 1989.

* Sec. 40. The sum of $658,800 is appropriated from the general fund to the Department of Corrections to comply with arbitrators' decisions on labor issues for the 1987 and 1988 fiscal years.

* Sec. 41. The sum of $1,550,000 is appropriated from the general fund to the Department of Corrections for additional major medical expenses for the fiscal year ending June 30, 1989.

* Sec. 42. The sum of $20,000 is appropriated from the general fund to the Department of Corrections for payment of the Cleary Monitor for the fiscal year ending June 30, 1989.

* Sec. 43. The sum of $300,000 is appropriated from the general fund to the Department of Community and Regional Affairs for payment as an organizational grant to the Lake and Peninsula Borough under AS 29.05.190 for the fiscal year ending June 30, 1989.

* Sec. 44. The sum of $27,852 is appropriated from the general fund to the Department of Community and Regional Affairs to pay revenue sharing entitlements for the unincorporated communities of Red Devil and Oscarville for the fiscal year ending June 30, 1989.

* Sec. 45. (a) The sum of $30,800 is appropriated from the Atka trust fund account in the general fund to the Department of Community and Regional Affairs for payment to the City of Atka under AS 44.47.150 for the fiscal year ending June 30, 1989.

(b) The sum of $50,000 is appropriated from the general fund to the Department of Community and Regional Affairs for payment as an organizational grant to the City of Atka under AS 29.05.180 for the fiscal year ending June 30, 1989.

* Sec. 46. (a) The sum of $425,000 is appropriated from the general fund to the Department of Community and Regional Affairs to pay additional costs for day care assistance for the fiscal year ending June 30, 1989.

(b) The unexpended balance of the portion of the appropriation made in sec. 24, ch. 95, SLA 1987, page 102, line 24, that is allocated on page 102, line 25 (Child Care - $11,100,700), lapses into the general fund June 30, 1989.

* Sec. 47. The sum of $1,000,000 is appropriated from the following funding sources to the Department of Transportation and Public Facilities, Alaska marine highway system, for vessel operations for the fiscal year ending June 30, 1989:

General Fund	$400,000
General Fund Program Receipts	$600,000

* Sec. 48. The sum of $298,600 is appropriated from the general fund to the Department of Transportation and Public Facilities, disabled business enterprise/external equal employment opportunity component, for the costs of office operations and for the costs of an internal task force created in

response to a federal review that found the program to be in non-compliance with federal regulations. This appropriation is for the fiscal year ending June 30, 1989.

* Sec. 49. The sum of $1,932,200 is appropriated from the general fund to the Department of Transportation and Public Facilities, maintenance and operations components, for additional snow and ice removal for the fiscal year ending June 30, 1989.

* Sec. 50. The sum of $88,200 is appropriated from the general fund to the Department of Transportation and Public Facilities, Alaska marine highway system, for payment of outstanding bills for the fiscal year ending June 30, 1988.

* Sec. 51. The sum of $200,000 is appropriated from the general fund to the University of Alaska to pay extraordinary costs associated with severe cold weather experienced in January and February 1989 for the fiscal year ending June 30, 1989.

* Sec. 52. The sum of $20,000 is appropriated from the general fund to the University of Alaska, Fairbanks, to pay the state share of the Conference on Shared Living Resources of the Bering Sea for the fiscal year ending June 30, 1989.

* Sec. 53. The sum of $153,481 is appropriated from the general fund to the following agencies for the fiscal year ending June 30, 1989, to pay miscellaneous claims and stale-dated warrants:

Administration	$45,053
Law	605
Health and Social Services	1,700
Commerce and Economic Development	1,494
Military and Veterans' Affairs	1,114
Fish and Game	4,297
Public Safety	5,253

Corrections	3,600
Community and Regional Affairs	74,710
Transportation and Public Facilities	15,655

* Sec. 54. The sum of $18,520 is appropriated from the general fund to the Legislative Council for operation of the Task Force on Guiding and Game for the fiscal year ending June 30, 1989.

* Sec. 55. (a) The sum of $35,700,000 is appropriated from the general fund to the Office of the Governor for expenditures by state agencies that are necessary and appropriate, and that, in the best judgment of the attorney general, are reimbursable from third parties as Exxon Valdez oil spill related expenses for

(1) social, economic, and environmental assessments of the oil spill as set out in 43 CFR 11;

(2) other social, economic, and environmental assessments; and

(3) mitigation of the effects of the oil spill.

(b) The expenditure of funds for the purposes set out in (a)(2) and (3) of this section is conditioned upon the

(1) submission to the Legislative Budget and Audit Committee by the governor of a report setting out a procedure to ensure that all expenditures under (a)(2) and (3) of this section are necessary and appropriate and, in the best judgment of the attorney general, are reimbursable from third parties as Exxon Valdez oil spill related expenditures; and

(2) approval of those procedures by the committee.

(c) The appropriation made by this section shall be allocated between the fiscal years ending June 30, 1989 and June 30, 1990.

(d) The unexpended and unobligated balance of the appropriation made by this section lapses February 15, 1990.

* Sec. 56. (a) The sum of $3,500,000 is appropriated from the general fund to the Department of Law for litigation costs associated with the

Exxon Valdez oil spill.

(b) The sum of $277,400 is appropriated from the general fund to the Department of Public Safety to meet increased demands on state agency operations for fish and wildlife protection, fire prevention, and state trooper enforcement activities directly relating to the Exxon Valdez oil spill.

(c) The sum of $312,100 is appropriated from the general fund to the Department of Labor to meet increased demands on state agency operations for occupational safety and health monitoring, employment services staffing, and local hire promotion and enforcement directly relating to the Exxon Valdez oil spill.

(d) The sum of $142,200 is appropriated from the general fund to the Department of Commerce and Economic Development to meet increased demands on state agency operations for weight station operations and division of insurance, claims adjustment assistance, directly relating to the Exxon Valdez oil spill.

(e) The unexpended and unobligated balances of the appropriations made by this section lapse February 15, 1990.

* Sec. 57. It is the intent of the legislature that funds appropriated under secs. 55 and 56 of this Act will not be used to fund salaries and benefits for existing, budgeted state positions. State agencies are authorized to establish, fund, and use program or project employees for the duration of the Exxon Valdez oil spill program. All allocations from the appropriations made in secs. 55 and 56 of this Act and all state agency expenditures from those allocations shall be charged to the fund source code 1051 Exxon Valdez oil spill. The departments expending funds under these sections shall ensure that positions needed to supervise contractual services or perform necessary in-house tasks will be deleted upon completion of the project for which the position is needed. The departments

expending funds under these sections for contractual or personal services shall ensure that Alaska residents are hired to perform the services to the maximum extent possible. The governor shall report on compliance with this intent by the first day of the Second Session of the Sixteenth Alaska State Legislature in conjunction with a status report on the activities related to the Exxon Valdez oil spill.

* Sec. 58. (a) The sum of $750,000 is appropriated from the general fund to the fisheries enhancement revolving loan fund (AS 16.10.505) to provide emergency loans to private nonprofit hatcheries in Prince William Sound for expenses arising from the Exxon Valdez oil spill.

(b) The appropriation made by this section is for capitalization of a loan fund and does not lapse under AS 37.25.010.

* Sec. 59. (a) The sum of $25,000 is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.316 to Alaska Legal Services Corporation for services to indigent persons affected by the Exxon Valdez oil spill.

(b) The appropriation made by this section lapses into the general fund June 30, 1990.

* Sec. 60. The sum of $2,500,000 is appropriated from the general fund to the Department of Environmental Conservation for payment as grants under the village safe water program to communities in the Northwest Arctic Borough for sewer and water repair.

* Sec. 61. The sum of $1,462,000 is appropriated from the general fund to the Department of Education for payment as a grant under AS 37.05.316 to the Southwest Region Rural Education Attendance Area for reconstruction of the Aleknagik school.

* Sec. 62. The sum of $500,000 is appropriated from the general fund to the Department of Environmental Conservation for payment as a grant under the village safe water program for repair of the water system in Noatak.

* Sec. 63. The sum of $78,000 is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Tanana for repair of the sprinkler system in the Tanana Elder's residence.

* Sec. 64. The sum of $417,850 is appropriated from the general fund to the Department of Military and Veterans' Affairs, emergency management assistance, for the City of Nome for sewer and water system repair and other associated costs of the statewide cold-weather disaster.

* Sec. 65. The sum of $700,000 is appropriated from the general fund to the Department of Environmental Conservation for clean-up of the Unalakleet oil discharge.

* Sec. 66. The sum of $2,000,000 is appropriated from the general fund to the Department of Military and Veterans' Affairs, disaster relief fund, for the statewide emergency declaration of disaster January 28, 1989 for repair, renovation, and replacement of equipment and sewer and water systems damaged as a result of the severe cold weather and to provide economic relief to communities that have experienced undue hardship due to increased utility and maintenance costs resulting from the statewide cold-weather disaster. The unobligated and unexpended balance of this appropriation lapses to the general fund June 30, 1989.

* Sec. 67. The sum of $600,000 is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Matanuska-Susitna Borough for design, repair, upgrade, and construction of the Houston septage facility.

* Sec. 68. The sum of $10,000 is appropriated from the general fund to the Department of Natural Resources, division of forestry, Big Lake office, to provide winter access for firewood harvest on state lands.

* Sec. 69. (a) The sum of $2,300,000 is appropriated from the general fund to the Department of Corrections for the planning, design,

expansion, and renovation of correctional facilities.

(b) The appropriation made by this section lapses into the general fund June 30, 1991.

* Sec. 70. The sum of $2,250,000 is appropriated from the general fund to the Department of Corrections for the jail care costs of persons remanded for misdemeanor crimes under local ordinances for the fiscal year ending June 30, 1989.

* Sec. 71. The sum of $65,000 is appropriated from the general fund to the Department of Education for payment as a grant under AS 37.05.316 to the Alaska Gateway School District/Dot Lake School to repair the sewer and upgrade the water system.

* Sec. 72. The sum of $78,000 is appropriated from the general fund to the Department of Education for payment as a grant under AS 37.05.316 to the Alaska Gateway School District/Eagle School to repair the power plant system.

* Sec. 73. The sum of $94,000 is appropriated from the general fund to the Department of Education for payment as a grant under AS 37.05.316 to the Alaska Gateway School District/Northway School for emergency septage repair.

* Sec. 74. The sum of $1,000,000 is appropriated from the general fund to the University of Alaska for statewide repairs and renovations.

* Sec. 75. The appropriations made in secs. 60 - 65, 68, and 71 - 74 of this Act are for capital projects and lapse under AS 37.25.020.

* Sec. 76. This Act takes effect immediately under AS 01.10.070(c).

(11)
Date Referred: February 6, 1989 FURTHER REFERRALS:

Date of Committee Action: 3/9/89

The FINANCE Committee recommends that:

HOUSE BILL NO. 154 [SUPPLEMENTAL, SPECIAL, & AMENDED APPROPS]
"An Act amending appropriations and making miscellaneous supplemental and special appropriations; and providing for an effective date."

[✓] be replaced with CS HB 154 (Fin) [ ] the same title [✓] a new title

[ ] have attached amendment(s)

[ ] do pass
[ ] do not pass
[✓] no recommendation
[ ] individual recommendations
[ ] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):

[ ] fiscal impact
[ ] zero fiscal note
[ ] zero with analysis

APPROVES PREVIOUS:

[ ] fiscal note(s) published:

_____

[ ] zero fiscal notes(s) published:

_____

SIGNING DO PASS:

Larson
Walli's
Hoffman
Brown
Swackhammer

SIGNING OTHER THAN DO PASS:
(Do Not Pass, No Recommendation, Amend)

Rieger No Recommendation
Phillips No Pass
Barnes
Shultz
Ulmer needs amendment
Koponen (Incomplete)

co-
Chairman's signature
co-

Original sponsor: Rules/Governor

Funding Information

General Fund	$19,059,550
Other Funds	5,979,300
	$25,038,850

IN THE HOUSE BY THE FINANCE COMMITTEE

CS FOR HOUSE BILL NO. 154 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making miscellaneous supplemental appropriations for the 1989 fiscal year and prior fiscal years and lapsing a certain prior allocation; and providing for an effective date."

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

* Section 1. The sum of $105,130 is appropriated from the general fund to the Office of the Governor, division of elections, for additional costs of the 1988 primary and general elections and for the cost of a special election for House District 13. This appropriation is for the fiscal year ending June 30, 1989.

* Sec. 2. The sum of $348,400 is appropriated from the general fund to the Department of Administration, office of public advocacy, for additional contract costs for the fiscal year ending June 30, 1989.

* Sec. 3. The sum of $70,000 is appropriated from the general fund to the Department of Administration, labor relations agency, for increased legal and administrative costs for the fiscal year ending June 30, 1989.

* Sec. 4. The sum of $1,410,000 is appropriated from the general fund to the Department of Administration for longevity bonus payments for the fiscal year ending June 30, 1989.

* Sec. 5. The sum of $215,200 is appropriated from the general fund to the Department of Administration for the settlement agreed to in Blomfield v. State for the fiscal year ending June 30, 1989.

* Sec. 6. The sum of $192,150 is appropriated from the general fund to the Department of Law to pay judgments and claims against the state for the

fiscal year ending June 30, 1989.

* Sec. 7. The sum of $46,600 is appropriated from the general fund to the Department of Revenue to refund additional aviation fuel revenue to the Municipality of Anchorage under AS 43.40.010 for the period of January 1, 1984 through June 30, 1988.

* Sec. 8. The sum of $3,411,200 is appropriated from the general fund to the Department of Revenue to refund additional fiscal year 1989 fisheries tax revenue under AS 43.75.130.

* Sec. 9. The sum of $7,776,400 is appropriated from the following funding sources to the Department of Education for the public school foundation program for the fiscal year ending June 30, 1989:

General Funds	$5,499,100
PL 81-874 Funds	2,277,300

* Sec. 10. The sum of $700,000 is appropriated from the general fund to the Department of Health and Social Services, adult public assistance program, for costs associated with increased caseloads and cost-of-living adjustments for the fiscal year ending June 30, 1989.

* Sec. 11. The sum of $136,600 is appropriated from the general fund to the Department of Health and Social Services, postmortem examination program, to pay for unmet costs of examinations and burials ordered by the courts for the fiscal year ending June 30, 1989.

* Sec. 12. The sum of $3,032,100 is appropriated to the Department of Health and Social Services, medicaid facilities program, to pay for costs associated with increased caseloads and price increases for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$1,515,100
General Fund Match	1,517,000

* Sec. 13. The sum of $1,723,900 is appropriated to the Department of Health and Social Services, medicaid non-facilities program, to pay for

unmet costs associated with increased caseloads and price increases for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$ 527,100
General Fund Match	1,196,800

* Sec. 14. The sum of $1,984,400 is appropriated from the general fund to the Department of Health and Social Services, general relief medical program, to pay for unmet costs associated with increased caseloads and prices for the fiscal year ending June 30, 1989.

* Sec. 15. The sum of $115,000 is appropriated to the Department of Health and Social Services, medical assistance -- central administration program, to pay for unmet costs associated with increased legal fees for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$57,500
General Fund Match	57,500

* Sec. 16. The sum of $844,800 is appropriated to the Department of Health and Social Services, medical assistance -- claims processing program, to pay for unmet costs associated with increased claims volume and needed system changes for the fiscal year ending June 30, 1989, from the following sources:

Federal Receipts	$633,600
General Fund Match	211,200

* Sec. 17. The sum of $165,000 is appropriated from the general fund to the Department of Health and Social Services, purchased services -- residential child care program, to pay for unmet costs associated with out-of-state placements for the fiscal year ending June 30, 1989.

* Sec. 18. The sum of $53,700 in federal receipts is appropriated to the Department of Health and Social Services, medicaid -- Indian Health Service program, to pay for unmet costs associated with increased caseloads and prices for the fiscal year ending June 30, 1989.

* Sec. 19. The sum of $216,000 in federal receipts is appropriated to the Department of Health and Social Services, medicaid -- state facilities program, to pay for unmet costs associated with increased caseloads and prices for the fiscal year ending June 30, 1989.

* Sec. 20. The sum of $230,250 is appropriated from the general fund to the Department of Health and Social Services, public assistance administration program, to pay the first of four installments to the federal government in settlement of the 1981 food stamp program sanction. This appropriation is for the fiscal year ending June 30, 1989.

* Sec. 21. The sum of $699,000 is appropriated from the second injury fund to the Department of Labor, workers' compensation program, to pay for unmet costs associated with lump-sum settlements for the fiscal year ending June 30, 1989.

* Sec. 22. The sum of $53,700 is appropriated from the general fund to the Department of Military and Veterans' Affairs for additional costs of the veterans' burial allowance program for the fiscal year ending June 30, 1989.

* Sec. 23. The sum of $50,000 is appropriated from the general fund to the Department of Natural Resources, division of land and water management, to conduct land and timber appraisals needed to complete the Kachemak Bay land exchange for the fiscal year ending June 30, 1989.

* Sec. 24. The sum of $50,000 is appropriated from the general fund to the Department of Community and Regional Affairs for payment as an organizational grant to the City of Atka under AS 29.05.180 for the fiscal year ending June 30, 1989.

* Sec. 25. The sum of $27,852 is appropriated from the general fund to the Department of Community and Regional Affairs to pay revenue sharing entitlements for the unincorporated communities of Red Devil and Oscarville for the fiscal year ending June 30, 1989.

* Sec. 26. (a) The sum of $425,000 is appropriated from the general fund to the Department of Community and Regional Affairs to pay additional costs for day care assistance for the fiscal year ending June 30, 1989.

(b) The unexpended balance of the portion of the appropriation made in sec. 24, ch. 95, SLA 1987, page 102, line 24, that is allocated on page 102, line 25 (Child Care -- $11,100,700), lapses into the general fund.

* Sec. 27. The sum of $795,000 is appropriated from the general fund to the Department of Transportation and Public Facilities, maintenance and operations components, for additional snow and ice removal for the fiscal year ending June 30, 1989.

* Sec. 28. The sum of $142,948 is appropriated from the general fund to the following agencies to pay miscellaneous claims and stale-dated warrants:

Administration	$36,600
Law	605
Health and Social Services	1,700
Military and Veterans' Affairs	1,114
Fish and Game	3,711
Public Safety	5,253
Corrections	3,600
Community and Regional Affairs	74,710
Transportation and Public Facilities	15,655

* Sec. 29. The sum of $18,520 is appropriated from the general fund to the Legislative Council for operation of the Task Force on Guiding and Game for the fiscal year ending June 30, 1989.

* Sec. 30. Section 29 of this Act takes effect upon the effective date of an Act enacted by the First Session of the Sixteenth Alaska State Legislature that extends the termination date of the Task Force on Guiding and Game.

* Sec. 31. Except for sec. 29 of this Act, this Act takes effect immediately under AS 01.10.070(c).

INFO. BASED ON BILL AS ORIGINALLY introduced

FY 89 SUPPLEMENTAL APPROPRIATION SECTIONAL ANALYSIS (HB 154)

SEC.	DEPARTMENT	PURPOSE	GEN FUND	OTHER FUNDS	TOTAL
1	GOVERNOR	HEALTH BENEFITS	15,342.3	6,454.6	21,796.9
2	GOVERNOR	ELECTIONS/ADD'L COSTS & E.D. 13 NEW ELECTION	105.1		105.1
3.1	GOVERNOR	MARICULTURE PROGRAM IMPLEMENTATION-GOV COORD DIV	19.7		19.7
3.2	NATURAL RESOURCES	MARICULTURE PROGRAM IMPLEMENTATION-LAND/WATER	63.1		63.1
3.3	FISH & GAME	MARICULTURE PROGRAM IMPLEMENTATION-F.R.E.D.	13.7		13.7
3.4	FISH & GAME	MARICULTURE PROGRAM IMPLEMENTATION-HABITAT	15.4		15.4
3.5	ENV CONSERVATION	MARICULTURE PROGRAM IMPLEMENTATION-ENV HEALTH	43.4		43.4
3.6	ENV CONSERVATION	MARICULTURE PROGRAM IMPLEMENTATION-ENV QUALITY	42.0		42.0
4	GOVERNOR	FINFISH FARMING TASK FORCE	50.0		50.0
5	ADMINISTRATION	LONGEVITY BONUS PAYMENTS	1,410.0		1,410.0
6	ADMINISTRATION	PUBLIC ADVOCACY ADDITIONAL COSTS	348.4		348.4
7	ADMINISTRATION	LABOR REALTIONS AGENCY INCREASED LEGAL/ADMIN	70.0		70.0
8	LAW	JUDGEMENTS & CLAIMS	340.1		340.1
9	LAW	MENTAL HEALTH TRUST LITIGATION (WEISS V. STATE)	200.0		200.0
10	REVENUE	REFUND ADDITIONAL AVIATION FUEL TAX/ANCHORAGE	46.6		46.6
11	REVENUE	REFUND ADDITIONAL FISHERIES TAX	3,411.2		3,411.2
12	REVENUE	PFD PROGRAM/ADD'L ADMIN COSTS		67.0	67.0
13.1	EDUCATION	FOUNDATION FORMULA PROGRAM	1,999.1	2,277.3	4,276.4
13.2	EDUCATION	FOUNDATION FORMULA PROGRAM/LANGUAGE AMENDMT	0.0		0.0
14	EDUCATION	AVTEC-REPLACE UNREALIZED TRAINING/BLDG FUNDS	50.0		50.0
15	HEALTH & SOC SERV	ADULT PUBLIC ASSIST/CASELOAD & COLA	1,159.0		1,159.0
16	HEALTH & SOC SERV	POSTMORTEM EXAMINATION PROGRAM	136.6		136.6
17	HEALTH & SOC SERV	MEDICAID-FACILITIES/CASELOAD-PRICE INCREASES	1,517.0	1,515.1	3,032.1
18	HEALTH & SOC SERV	MEDICAID-NONFACILITIES /CASELOAD-PRICE INCREASES	527.7	527.1	1,054.8
19	HEALTH & SOC SERV	GEN RELIEF MEDICAL/INCREASED CASELOAD-PRICE	421.9		421.9
20	HEALTH & SOC SERV	MEDICAL ASSISTANCE ADMIN/CENTRAL ADMIN-LEGAL	57.5	57.5	115.0
21	HEALTH & SOC SERV	MEDICAL ASSISTANCE/CLAIMS PROCESSING-CHANGES	211.2	633.6	844.8
22	HEALTH & SOC SERV	PURCHASED SERVICES/RESIDENT CARE-OUT/STATE CARE	165.0		165.0
23	HEALTH & SOC SERV	MEDICAID-INDIAN HEALTH SERVICE CASELOAD-PRICES		53.7	53.7
24	HEALTH & SOC SERV	MEDICAID-STATE FACILITIES CASELOAD-PRICES		216.0	216.0
25	HEALTH & SOC SERV	PUBLIC ASSISTANCE ADMIN/FOOD STAMP SANCTION	230.3		230.3
26	LABOR	WORKERS COMP LUMP-SUM SETTLEMENTS		984.0	984.0
27	MILITARY & VET AFFAIRS	VETERANS' BURIAL ALLOWANCE	53.7		53.7
28	MILITARY & VET AFFAIRS	ADDITIONAL UTILITY COSTS	3.6		3.6
29	NATURAL RESOURCES	KACHEMAK BAY LAND EXCHANGE-APPRAISALS	50.0		50.0
30	NATURAL RESOURCES	PARKS /LEGAL SERVICES-BLANAS CLAIM	20.0		20.0
31	NATURAL RESOURCES	MISCELLANEOUS OVEREXPENDITURES	16.6		16.6

32	FISH & GAME	ADMINISTRATION/LICENSING PROGRAM COSTS	300.0		300.0
33	PUBLIC SAFETY	VIOLENT CRIMES COMP BOARD/CLAIMS	198.5		198.5
34	PUBLIC SAFETY	SPRING CR CORR CTR-PRISONER TRANSP COSTS	85.0		85.0
35	CORRECTIONS	LABOR ISSUES/ARBITRATORS' DECISIONS	658.8		658.8
36	CORRECTIONS	INMATE MAJOR MEDICAL EXPENSES	1,601.4		1,601.4
37	CORRECTIONS	CLEARY MONITOR PAYMENT	20.0		20.0
38	COMM & REG AFFAIRS	ATKA ORGANIZATIONAL GRANT	50.0		50.0
39	COMM & REG AFFAIRS	REVENUE SHARING/RED DEVIL, OSCARVILLE ENTITLEM'TS	27.9		27.9
40	COMM & REG AFFAIRS	CHILD CARE-EXTEND LAPSE	0.0		0.0
41	TRANSPORTATION/PF	M & O-STATE EQUIPMENT FLEET EXPENSES	614.4		614.4
42	TRANSPORTATION/PF	NAVY HOMEPORTING COSTS	150.0		150.0
43	TRANSPORTATION/PF	D.B.E./EXTERNAL EEO OPERATIONS & TASKFORCE	298.6		298.6
44	TRANSPORTATION/PF	N. REGION M & O-FBKS REG OFFICE BLDG SAFETY UPGRADE	334.4		334.4
45	TRANSPORTATION/PF	M & O-SNOW/ICE REMOVAL	795.0		795.0
46	TRANSPORTATION/PF	MARINE HIGHWAY-OUTSTANDING BILLS	55.6		55.6
47	UNIVERSITY	GEOPHYSICAL INST.-EARTHQUAKE/VOLCANO MONITORING	300.0		300.0
48	UNIVERSITY	WASHINGTON STATE TAX JUDGEMENT	194.3		194.3
49	UNIVERSITY	UAF-CONFERENCE/SHARED LIVING RESOURCES/BERING SEA	20.0		20.0
50.1	ADMINISTRATION	MISC CLAIMS & STALE-DATED WARRANTS	36.6		36.6
50.2	LAW	MISC CLAIMS & STALE-DATED WARRANTS	0.6		0.6
50.3	HEALTH & SOC SERV	MISC CLAIMS & STALE-DATED WARRANTS	1.7		1.7
50.4	MILITARY & VET AFFAIRS	MISC CLAIMS & STALE-DATED WARRANTS	1.1		1.1
50.5	PUBLIC SAFETY	MISC CLAIMS & STALE-DATED WARRANTS	5.3		5.3
50.6	CORRECTIONS	MISC CLAIMS & STALE-DATED WARRANTS	3.6		3.6
50.7	COMM & REG AFFAIRS	MISC CLAIMS & STALE-DATED WARRANTS	74.7		74.7
50.8	TRANSPORTATION/PF	MISC CLAIMS & STALE-DATED WARRANTS	15.7		15.7
	TOTAL		33,983.4	12,785.9	46,769.3
		GOVERNORS AMENDMENTS (2-15-89)			
	FISH & GAME	MISC CLAIMS & STALE-DATED WARRANTS	3.7		3.7
	ADMINISTRATION	BLOMFELD V. STATE SETTLEMENT	215.2		215.2
	PUBLIC SAFETY	PSEA MONETARY AGREEMENT	460.8		460.8
	TRANSPORTATION/PF	PSEA MONETARY AGREEMENT	14.0	1,901.0	1,915.0
	AMENDED TOTAL		34,677.1	14,686.9	49,364.0

INFO BASED ON BILL AS ORIGINALLY INTRODUCED

FY 89 SUPPLEMENTALS

DEPARTMENTS	GENERAL FUND	TOTAL FUNDS
STATEWIDE		
Health Benefit Increase	15,342.3	21,796.9
GOVERNOR		
Elections - General and Primary	105.1	105.1
Mariculture/Aquatic Farming	19.7	19.7
Finfish Farming Task Force	50.0	50.0
Sub-Total	174.8	174.8
ADMINISTRATION		
Longevity Bonus	1,410.0	1,410.0
Office of Public Advocacy	348.4	348.4
Labor Relations Agency	70.0	70.0
Miscellaneous Claims and Stale-Dated Warrants	36.6	36.6
Sub-Total	1,865.0	1,865.0
LAW		
Judgements and Claims	340.1	340.1
Weiss V. State	200.0	200.0
Miscellaneous Claims and Stale-Dated Warrants	.6	.6
Sub-Total	540.7	540.7
REVENUE		
Shared Taxes - Aviation Fuel	46.6	46.6
Shared Taxes - Raw Fish	3,411.2	3,411.2
Permanent Fund Dividend Division	0.0	67.0
Sub-Total	3,457.8	3,524.8
EDUCATION		
Foundation Program	1,999.1(1)	4,276.4(1)
Alaska Vocational Technical Center	50.0	50.0
Sub-Total	2,049.1	4,326.4
HEALTH & SOCIAL SERVICES		
Adult Public Assistance	1,159.0	1,159.0
Postmortem Examinations	136.6	136.6
Medicaid - Facilities & Non-Facilities	2,044.7	4,086.9
GR Medical	421.9	421.9
Medical Assistance - Central Administration	57.5	115.0
Medical Assistance - Claims	211.2	844.8
Residential Child Care	165.0	165.0
Medicaid - Indian Health Service	0.0	53.7
Medicaid - State Facilities	0.0	216.0
Food Stamps	230.3	230.3
Miscellaneous Claims and Stale-Dated Warrants	1.7	1.7
Sub-Total	4,427.9	7,430.9
LABOR		
2nd Injury Fund	0.0	984.0

(1) Total supplemental is $5,499.1 general fund, and is reduced $3,400.0 based upon a proposed FY89 appropriation amendment.

DBR10/SUPFIN/02-14-89

DEPARTMENTS	GENERAL FUND	TOTAL FUNDS
MILITARY & VETERANS AFFAIRS		
Veterans Burial Allowance	53.7	53.7
Miscellaneous FY88 Unpaid Bills	3.6	3.6
Miscellaneous Claims and Stale-Dated Warrants	1.1	1.1
Sub-Total	58.4	58.4
NATURAL RESOURCES		
Mariculture/Aquatic Farming	63.1	63.1
Kachemak Bay Land Exchange	50.0	50.0
Legal Services/Blanas	20.0	20.0
Miscellaneous FY88 Unpaid Bills	16.6	16.6
Sub-Total	149.7	149.7
FISH AND GAME		
Fish and Game Licensing	300.0	300.0
Mariculture/Aquatic Farming	29.1	29.1
Miscellaneous Claims and Stale-Dated Warrants	3.7	3.7
Sub-Total	332.8	332.8
PUBLIC SAFETY		
Violent Crimes Compensation	198.5	198.5
Prisoner Transportation	85.0	85.0
Miscellaneous Claims and Stale-Dated Warrants	5.3	5.3
Sub-Total	288.8	288.8
ENVIRONMENTAL CONSERVATION		
Mariculture/Aquatic Farming	85.4	85.4
CORRECTIONS		
Arbitration Decisions	658.8	658.8
Major Medical	1,601.4	1,601.4
Cleary Monitor	20.0	20.0
Miscellaneous Claims and Stale-Dated Warrants	3.6	3.6
Sub-Total	2,283.8	2,283.8
COMMUNITY & REGIONAL AFFAIRS		
Incorporation Grant (City of Atka)	50.0	50.0
Revenue Sharing (Red Devil and Oscarville)	27.9	27.9
Day Care Assistance	0.0(2)	0.0(2)
Miscellaneous Claims and Stale-Dated Warrants	74.7	74.7
Sub-Total	152.6	152.6
TRANSPORTATION AND PUBLIC FACILITIES		
State Equipment Fleet	614.4	614.4
Navy Homeporting	150.0	150.0
Disadvantaged Business Enterprise/ExEEO	298.6	298.6
Fairbanks Office Building	334.4	334.4
Maintenance & Operations Snow Removal	795.0	795.0
Marine Highways FY88 Unpaid Bills	55.6	55.6
Miscellaneous Claims and Stale-Dated Warrants	15.7	15.7
Sub-Total	2,263.7	2,263.7

(2) Based upon a prior year lapse extension, supplemental funding is available for FY89 and FY90.

DEPARTMENTS	GENERAL FUND	TOTAL FUNDS
UNIVERSITY OF ALASKA		
Statewide Earthquake and Volcano Monitoring	300.0	300.0
Duwamish Shipyard Tax Judgement	194.3	194.3
Bering Sea Shared Living Resources Conference	20.0	20.0
Sub-Total	514.3	514.3
TOTAL	33,987.1	46,773.0
AMENDMENTS:		
ADMINISTRATION		
Blomfield v. State	215.2	215.2
PUBLIC SAFETY		
PSEA Monetary Agreement	460.8	460.8
TRANSPORTATION AND PUBLIC FACILITIES		
PSEA Monetary Agreement	14.0	1,915.0
REVISED TOTAL	34,677.1	49,364.0

Misc. Agencies

STATE OF ALASKA

STEVE COWPER, GOVERNOR

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-3568

April 14, 1989

The Honorable Ron Larson, Co-Chairman
House Finance Committee
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Subject: Amendments/Additions to the FY 89 Supplemental Request (HB 154)

Dear Representative Larson:

I respectfully request the following amendments and additions to House Bill No. 154, as amended by previous requests:

1. Please replace Section 1 with the following:

* Sec. 1. (a) The sum of $12,488,900 is appropriated to the Office of the Governor to pay for increases in the costs of State health benefits, from the following sources:

Federal Receipts	698,100
General Fund Match	210,500
General Fund	7,358,700
General Fund/Program Receipts	220,000
General Fund/Mental Health Trust	401,700
Inter-Agency Receipts	833,800
U/A Interest Income	37,800
U/A Dormitory/Food/Auxiliary Service	109,800
State Corporation Receipts	106,100
Highway Working Capital Fund	588,800
International Airport Revenue Fund	538,200
Public Employees Retirement Fund	77,300
Second Injury Fund Reserve Account	2,700
Disabled Fishermans Reserve Account	19,900

ae75/wp50/cor

Surplus Property Revolving Fund	7,600
Teachers Retirement System Fund	66,200
Veterans Revolving Loan Fund	12,500
Commercial Fishing Loan Fund	32,200
U/A Student Tuition/Fees/Service	146,500
U/A Indirect Cost Recovery	58,700
Judicial Retirement System	600
National Guard Retirement System	500
University Restricted Receipts	215,600
Permanent Fund Dividend Fund	151,000
Small Business Loan Fund	1,600
Tourism Revolving Loan Fund	800
Capital Improvement Project Receipts	558,300
Mining Revolving Loan Fund	5,400
Child Care Revolving Loan Fund	500
Historical District Revolving Loan Fund	100
Fisheries Enhancement Revolving Loan Fund	7,800
Alternative Energy Revolving Loan Fund	8,800
Residential Energy Conservation Loan Fund	8,700
Power Development Revolving Loan Fund	1,200
Bulk Fuel Revolving Loan Fund	900
TOTAL	**12,488,900**

(b) The sum of $1,300,000 is appropriated as general fund/progra. receipts from active employee Health Insurance Premiums Tax Credits to the Office of the Governor to be used to offset the costs of state health benefits increases.

(c) The sum of $2,400,000 is appropriated as general fund/program receipts returned from AETNA active employee extended Liability and Maturity Reserves to the Office of the Governor to be used to offset costs of state health benefits increases.

2. Section 8 is amended to read:

* Sec. 8. The sum of <u>$375,298</u> [$360,327] is appropriated from the general fund to the Department of Law to pay judgments and claims against the state for the fiscal year ending June 30, 1989.

ae75/wp50/cor

3. Section 9 is amended to read:

* Sec. 9. The sum of $323,000 [$200,000] is appropriated from the general fund to the Department of Law to pay increased costs associated with Weiss v. State for the fiscal year ending June 30, 1989.

4. Section 32 is amended to read:

* Sec. 32. The sum of $240,000 [$300,000] is appropriated from the general fund to the Department of Fish and Game, Division of Administration, for the cost of administering the Fish and Game licensing program for the fiscal year ending June 30, 1989.

5. Section 45 is amended to read:

* Sec. 45. The sum of $1,932,200 [$795,000] is appropriated from the general fund to the Department of Transportation and Public Facilities, Maintenance and Operations components, for additional snow and ice removal for the fiscal year ending June 30, 1989.

6. Section 46 is amended to read:

* Sec. 46. The sum of $88,200 [$55,528] is appropriated from the general fund to the Department of Transportation and Public Facilities, Alaska Marine Highway System, for payment of outstanding bills for the fiscal year ending June 30, 1988/

7. Section 50 is amended to read:

* Sec. 50. The sum of $153,481 [$146,834] is appropriated from the general fund to the following agencies to pay miscellaneous claims and state dated warrants:

Administration	$ 45,053	[$39,900]
Law	605	
Health and Social Services	1,700	
Commerce and Economic Development	1,494	
Military and Veterans Affairs	1,114	
Fish and Game	4,297	
Public Safety	5,253	
Corrections	3,600	
Community and Regional Affairs	74,710	
Transportation and Public Facilities	15,655	

8. In addition, I request that the following be added:

* Sec. ___. The sum of $97,600 is appropriated from the general fund to the Department of Administration to pay the Internal Revenue Service for backup withholding payments, associated interest and penalties for all departments for tax years 1985 and 1986.

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* Sec.___. The sum of $1,995,010 is appropriated from federal funds received through PL 81-874 to the public school foundation account for distribution to the Anchorage, Fairbanks, and Kodiak school districts for FY 88 costs of military on-base special education students.

Enclosed is a summary of HB 154, which outlines the bill as introduced February 6, 1989, with a revised column which incorporates all amendments.

Sincerely,

Alison M. Elgee

Alison M. Elgee
Director
Division of Budget Review

ae75/wp50/cor

FY 89 SUPPLEMENTAL

DEPARTMENT	HB154A GENERAL FUNDS	HB154A TOTAL FUNDS	REVISED GENERAL FUNDS	REVISED TOTAL FUNDS
STATEWIDE				
Health Benefit Increase	15,342.3	21,796.9	8,190.9	12,488.9 (1)
GOVERNOR				
Elections - General and Primary	105.1	105.1	105.1	105.1
Mariculture/Aquatic Farming	19.7	19.7	19.7	19.7
Finfish Farming Task Force	50.0	50.0	50.0	50.0
Sub-Total	174.8	174.8	174.8	174.8
ADMINISTRATION				
Longevity Bonus	1,410.0	1,410.0	1,410.0	1,410.0
Office of Public Advocacy	348.4	348.4	348.4	348.4
Labor Relations Agency	70.0	70.0	70.0	70.0
Labor, Trades, and Crafts Arbitrators Decision	0.0	0.0	248.6	248.6
Blomfield v. State	0.0	0.0	215.2	215.2
IRS Backup Withholding Payments	0.0	0.0	97.6	97.6
Miscellaneous Claims and Stale-Dated Warrants	36.6	36.6	45.1	45.1
Sub-Total	1,865.0	1,865.0	2,434.9	2,434.9
LAW				
Judgements and Claims	340.1	340.1	375.3	375.3
Weiss V. State	200.0	200.0	323.0	323.0
Kotzebue Hanger Litigation	0.0	0.0	154.0	154.0
Miscellaneous Claims and Stale-Dated Warrants	.6	.6	.6	.6
Sub-Total	540.7	540.7	852.9	852.9
REVENUE				
Shared Taxes - Aviation Fuel	46.6	46.6	46.6	46.6
Shared Taxes - Raw Fish	3,411.2	3,411.2	3,411.2	3,411.2
Permanent Fund Dividend Division	0.0	67.0	0.0	67.0
Sub-Total	3,457.8	3,524.8	3,457.8	3,524.8

(1) Includes $3,700.0 in general fund/program receipts, from Active Employee Health Insurance Premiums Tax Credits and Extended Liability and Maturity Reserves.

DEPARTMENT	HB154A GENERAL FUNDS	HB154A TOTAL FUNDS	REVISED GENERAL FUNDS	REVISED TOTAL FUNDS
EDUCATION				
Foundation Program (Note: FY89 Approp. Amend.)	1,999.1	4,276.4	1,999.1	4,276.4
Alaska Vocational Technical Center	50.0	50.0	50.0	50.0
FY88 Military On-Base Special Education Students	0.0	0.0	0.0	1,995.0
Sub-Total	2,049.1	4,326.4	2,049.1	6,321.4
HEALTH & SOCIAL SERVICES				
Adult Public Assistance	1,159.0	1,159.0	700.0	700.0
Postmortem Examinations	136.6	136.6	136.6	136.6
Medicaid - Facilities	1,517.0	3,032.1	1,517.0	3,032.1
Medicaid - Non-Facilites	527.7	1,054.8	1,196.8	1,723.9
GR Medical	421.9	421.9	1,084.4	1,084.4
Medical Assistance - Central Administration	57.5	115.0	57.5	115.0
Medical Assistance - Claims	211.2	844.8	211.2	844.8
Residential Child Care	165.0	165.0	165.0	165.0
Medicaid - Indian Health Service	0.0	53.7	0.0	53.7
Medicaid - State Facilities	0.0	216.0	0.0	216.0
Food Stamps	230.3	230.3	230.3	230.3
Miscellaneous Claims and Stale-Dated Warrants	1.7	1.7	1.7	1.7
Sub-Total	4,427.9	7,430.9	5,300.5	8,303.5
LABOR				
2nd Injury Fund	0.0	984.0	0.0	984.0
COMMERCE & ECONOMIC DEVELOPMENT				
Miscellaneous Claims and Stale-Dated Warrants	0.0	0.0	1.5	1.5
MILITARY & VETERANS AFFAIRS				
Veterans Burial Allowance	53.7	53.7	53.7	53.7
Miscellaneous FY88 Unpaid Bills	3.6	3.6	3.6	3.6
Miscellaneous Claims and Stale-Dated Warrants	1.1	1.1	1.1	1.1
Sub-Total	58.4	58.4	58.4	58.4

DEPARTMENT	HB154A GENERAL FUNDS	HB154A TOTAL FUNDS	REVISED GENERAL FUNDS	REVISED TOTAL FUNDS
NATURAL RESOURCES				
Mariculture/Aquatic Farming	63.1	63.1	63.1	63.1
Kachemak Bay Land Exchange	50.0	50.0	50.0	50.0
Legal Services/Blanas	20.0	20.0	20.0	20.0
Waste Water Pretreatment Facility	0.0	0.0	0.0	28.0
Fire Suppression	0.0	0.0	0.0	2,100.0
Miscellaneous FY88 Unpaid Bills	16.6	16.6	0.0	0.0
Sub-Total	149.7	149.7	133.1	2,261.1
FISH AND GAME				
Fish and Game Licensing	300.0	300.0	240.0	240.0
Mariculture/Aquatic Farming	29.1	29.1	29.1	29.1
Wildlife Conservation Audit Exceptions	0.0	0.0	140.0	246.4
Miscellaneous Claims and Stale-Dated Warrants	0.0	0.0	4.3	4.3
Sub-Total	329.1	329.1	413.4	519.8
PUBLIC SAFETY				
Violent Crimes Compensation	198.5	198.5	198.5	198.5
Contract Jails (Prisoner Transportation)	85.0	85.0	85.0	85.0
PSEA Arbitrators Decision	0.0	0.0	460.8	460.8
Miscellaneous Claims and Stale-Dated Warrants	5.3	5.3	5.3	5.3
Sub-Total	288.8	288.8	749.6	749.6
ENVIRONMENTAL CONSERVATION				
Mariculture/Aquatic Farming	85.4	85.4	85.4	85.4
CORRECTIONS				
Arbitration Decisions	658.8	658.8	658.8	658.8
Major Medical	1,601.4	1,601.4	1,601.4	1,601.4
Cleary Monitor	20.0	20.0	20.0	20.0
Miscellaneous Claims and Stale-Dated Warrants	3.6	3.6	3.6	3.6
Sub-Total	2,283.8	2,283.8	2,283.8	2,283.8
COMMUNITY & REGIONAL AFFAIRS				
Incorporation Grant (City of Atka)	50.0	50.0	50.0	50.0
Revenue Sharing (Red Devil and Oscarville)	27.9	27.9	27.9	27.9
Day Care Assistance (Note: FY88 Lapse)	425.0	425.0	425.0	425.0
Miscellaneous Claims and Stale-Dated Warrants	74.7	74.7	74.7	74.7
Sub-Total	577.6	577.6	577.6	577.6

DEPARTMENT	HB154A GENERAL FUNDS	HB154A TOTAL FUNDS	REVISED GENERAL FUNDS	REVISED TOTAL FUNDS
TRANSPORTATION AND PUBLIC FACILITIES				
State Equipment Fleet (Vendor Payments)	614.4	614.4	614.4	614.4
Navy Homeporting	150.0	150.0	150.0	150.0
Disadvantaged Business Enterprise/ExEEO	298.6	298.6	298.6	298.6
Fairbanks Office Building ESTIMATE	334.4	334.4	334.4	334.4
Maintenance & Operations Snow Removal ESTIMATE	795.0	795.0	1,932.2	1,932.2
Marine Highways Vessel Operations	0.0	0.0	1,000.0	1,000.0
Marine Highways FY88 Unpaid Bills	55.5	55.5	88.2	88.2
PSEA Arbitrators Decision	0.0	0.0	14.0	1,915.0
Miscellaneous Claims and Stale-Dated Warrants	15.7	15.7	15.7	15.7
Sub-Total	2,263.6	2,263.6	4,447.5	6,348.5
UNIVERSITY OF ALASKA				
Statewide Earthquake and Volcano Monitoring	300.0	300.0	225.0	225.0
Duwamish Shipyard Tax Judgement	194.3	194.3	194.3	194.3
Severe Cold Weather Expenses	0.0	0.0	288.4	288.4
Bering Sea Shared Living Resources Conference	20.0	20.0	20.0	20.0
Sub-Total	514.3	514.3	727.7	727.7
TOTAL	34,408.3	47,194.2	31,938.9	48,698.6

Misc. Agencies

STATE OF ALASKA

STEVE COWPER, GOVERNOR

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-3568

April 7, 1989

The Honorable Ron Larson, Co-Chairman
House Finance Committee
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Subject: Amendments/Additions to the FY 89 Governor's original Supplemental Bill (HB 154)

Dear Representative Larson:

I respectfully request the following changes and additions to HB 154 (the Governor's original Supplemental Bill).

1. Please replace Section 1 with the following:

*Sec. 1. (a) The sum of $14,792,600 is appropriated to the Office of the Governor to pay for increases in the costs of State health benefits, from the following sources:

Federal Receipts	698,100
General Fund Match	210,500
General Fund	9,758,700
General Fund/Program Receipts	220,000
General Fund/Mental Health Trust	401,700
Inter-Agency Receipts	833,800
U/A Interest Income	37,800
U/A Dormitory/Food/Auxiliary Service	109,800
State Corporation Receipts	9,800
Highway Working Capital Fund	588,800
International Airport Revenue Fund	538,200
Public Employees Retirement Fund	77,300
Second Injury Fund Reserve Account	2,700
Disabled Fishermans Reserve Account	19,900
Surplus Property Revolving Fund	7,600
Teachers Retirement System Fund	66,200
Veterans Revolving Loan Fund	12,500
Commercial Fishing Loan Fund	32,200
U/A Student Tuition/Fees/Service	146,500
U/A Indirect Cost Recovery	58,700
Judicial Retirement System	0,600
National Guard Retirement System	0,500
University Restricted Receipts	215,600

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Permanent Fund Dividend Fund	151,000
Small Business Loan Fund	1,600
Tourism Revolving Loan Fund	0,800
Capital Improvement Project Receipts	558,300
Mining Revolving Loan Fund	5,400
Child Care Revolving Loan Fund	0,500
Historical District Revolving Loan Fund	0,100
Fisheries Enhancement Revolving Loan Fund	7,800
Alternative Energy Revolving Loan Fund	8,800
Residential Energy Conservation Loan Fund	8,700
Power Development Revolving Loan Fund	1,200
Bulk Fuel Revolving Loan Fund	0,900
TOTAL	**14,792,600**

(b) The sum of $1,300,000 is appropriated as general fund/program receipts from active employee Health Insurance Premiums Tax Credits to the Office of the Governor to be used to offset the costs of state health benefits increases.

2. HB 154 - Section 8 is amended to read:

*Sec. 8. The sum of $\underline{\$360,327}$ [$340,107] is appropriated from the general fund to the Department of Law to pay judgments and claims against the state for the fiscal year ending June 30, 1989.

3. HB 154 - Section 47 is amended to read:

*Sec. 47. The sum of $\underline{\$225,000}$ [$300,000] is appropriated from the general fund to the University of Alaska, Geophysical Institute, to operate the statewide earthquake and volcano monitoring program for the fiscal year ending June 30, 1989.

4. HB 154 - Section 50 is amended to read:

*Sec. 50. The sum of $\underline{\$146,834}$ [$139,237] is appropriated from the general fund to the following agencies to pay miscellaneous claims and stale-dated warrants:

Administration	$\underline{\$39,900}$ [$36,600]
Law	0,605
Health and Social Services	1,700
Military and Veterans Affairs	1,114
Fish and Game	4,297
Public Safety	5,253
Corrections	3,600
Community and Regional Affairs	74,710
Transportation and Public Facilities	15,655

5. In addition, I request that the following be added to the bill:

*Sec. ___. The sum of $248,545 is appropriated from the general fund to the Department of Administration to pay the costs of an arbitrators award to Labor, Trades, and Crafts employees.

*Sec. ___. The sum of $288,392 is appropriated from the general fund to the University of Alaska to pay extraordinary costs associated with severe cold weather experienced in January and February 1989.

*Sec. ___. The sum of $154,000 is appropriated from the general fund to the Department of Law for litigation costs associated with the Kotzebue Hanger. The unexpended, unobligated balance of this appropriation lapses into the general fund June 30, 1990.

*Sec. ___. The sum of $1,000,000 is appropriated from the general fund to the Department of Transportation and Public Facilities, Alaska Marine Highways System, for vessel operations for the fiscal year ending June 30, 1989.

*Sec. ___. The sum of $246,409 is appropriated to the Department of Fish and Game, Division of Wildlife Conservation, to offset unrealized federal receipts in fiscal years 1986 and 1987, as identified in the Legislative audit of the Department for fiscal year 1987, from the following sources:

General Fund	$140,000
Fish and Game Fund	106,409

*Sec. _____. The sum of $28,000 is appropriated from the Agricultural Revolving Loan Fund to the Department of Natural Resources, Division of Agriculture for completion of a wastewater pretreatment facility at Mount McKinley Meat and Sausage Plant in Palmer.

*Sec. ___. The sum of $2,100,000 in federal funds is appropriated to the Department of Natural Resources, Statewide Fire Suppression Program for state fire suppression efforts on federal lands in Alaska and the lower 48 states during FY89.

6. Withdraw Section 31; Department of Natural Resources - $16,624 FY88 miscellaneous bills.

Sincerely,

Alison M. Elgee
Director
Division of Budget Review

Enclosures

cc: The Honorable Johne Binkley
The Honorable Rick Uehling

Misc. Agencies

STEVE COWPER, GOVERNOR

OFFICE OF THE GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-3568

OFFICE OF MANAGEMENT AND BUDGET

February 15, 1989

The Honorable Ron Larson, Co-Chairman
House Finance Committee
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Subject: Amendments/Additions to the FY 89 Supplemental

Dear Representative Larson:

I respectfully request that House Bill 154 "An Act amending appropriations and making miscellaneous supplemental and special appropriation; and providing for an effective date" be amended as follows:

* Sec. 50. The sum of $142,948 [$139,237] is appropriated from the general fund to the following agencies to pay miscellaneous claims and stale dated warrants:

Administration	$36,600
Law	605
Health & Social Services	1,700
Military and Veterans Affairs	1,114
Fish and Game	3,711
Public Safety	5,253
Corrections	3,600
Community & Regional Affairs	74,710
Transportation & Public Facilities	15,655

In addition, I request that the following be added to the bill:

* Sec. _____. The sum of $215,200 is appropriated from the general fund to the Department of Administration, for the settlement agreed to in Blomfield v. State for the fiscal year ending June 30, 1989.

* Sec. _____. The sum of $460,812 is appropriated from the general fund to the Department of Public Safety, for the monetary terms of the agreement with the Public Safety Employees Association for the fiscal year 1988 and 1989, the appropriation will lapse into the general fund June 30, 1989.

* Sec. _____. The sum of $1,915,000 is appropriated to the Department of Transportation and Public Facilities, for the

monetary terms of the agreement with the Public Safety Employees Association, for the fiscal year ending June 30, 1989, from the following sources:

General Fund	$ 14,000
International Airport Revenue Fund	$1,901,000

Copies of the agency memoranda in support of the above additions are attached.

Sincerely,

Alison M. Elgee

Alison M. Elgee
Director
Division of Budget Review

Enclosures

cc: The Honorable Johne Binkley
The Honorable Rick Uehling

ae58/wp50/cor

Misc. Agencies

STATE OF ALASKA

STEVE COWPER, GOVERNOR

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-3568

February 13, 1989

The Honorable Lyman Hoffman, Co-Chairman
House Finance Committee
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Subject: Corrections to HB 154 - "An Act amending appropriations and making miscellaneous supplemental and special appropriations".

Dear Representative Larson:

Additional review of HB 154 indicates that technical corrections need to be made in two sections of the bill.

1. The citation referenced in Section 40 is incorrect. Please delete current Section 40 and replace with the following new section:

> * Sec. 40. The unexpended balance of the appropriation made in Sec. 24, Ch.95, SLA 1987, page 102, line 24, that is allocated on page 102, line 25 (Child Care - $11,100,700), lapses into the general fund on June 30, 1990.

2. The source of the appropriation in Section 46 was inadvertently left blank. It should be the general fund. Therefore, Section 46 should read as follows:

> * Sec. 46. The sum of $55,528 is appropriated from the general fund to the Department of Transportation and Public Facilities, Alaska Marine Highway System, for payment of outstanding bills for the fiscal year ending June 30, 1988.

Your consideration of this request is appreciated.

Sincerely,

Alison M. Elgee

Alison M. Elgee
Director
Division of Budget Review

cc: The Honorable Johne Binkley
The Honorable Rick Uehling

01-A33LH

Misc. Agencies

AMENDMENT

TO: CS HB 154 (2d Finance)

For an Act entitled: "An Act making miscellaneous supplemental appropriations for the 1989 fiscal year and prior fiscal years and for making a special appropriation for the effects of the statewide cold-weather disaster and lapsing a certain prior allocation; and providing for an effective date."

Section ____. The sum of $2,500,000 is appropriated from the general fund to the Department of Environmental Conservation for grants under the village safewater program to communities in the Northwest Arctic Borough for sewer and water repair.

Section ____. The sum of $1,462,000 is appropriated from the general fund to the Department of Education for a grant to the Southwest Region Rural Education Attendance Area for reconstruction of the Aleknagik school.

Section. ____. The sum of $500,000 is appropriated from the general fund to the Department of Environmental Conservation under the village safe water program for repair of the water system in Noatak.

Section ____. The sum of $78,000 is appropriated from the general fund to the Department of Administration as a grant under AS 37.05.315 to the City of Tanana for repair of the sprinkler system in the Tanana Elder's residence.

Section ____. The sum of $417,850 is appropriated from the general fund to the Department of Military and Veterans' Affairs, emergency management assistance, for the City of Nome for sewer and water system repair and other associated costs of the statewide cold-weather disaster.

Section ____. The sum of $700,000 is appropriated from the general fund to the Department of Environmental Conservation for clean-up of the Unalakleet oil discharge.

Section ____. The sum of $2,000,000 is appropriated from the general fund to the Department of Military and Veterans' Affairs, disaster relief fund, for the statewide emergency declaration of disaster January 28, 1989 for repair, renovation, and replacement of equipment and sewer and water systems damaged as a result of the severe cold weather and to provide economic relief to communities that have experienced undue hardship due to increased utility and maintenance costs resulting from the statewide cold-weather disaster. The unobligated and unexpended balance of this appropriation lapses to the general fund June 30, 1989.

Section ____. The amount of $600,000 is appropriated from the general fund to the Department of Administration for payment as a grant to the Matanuska-Susitna Borough for design, repair, upgrade, and construction of the Houston Septage Facility.

Section.____. The amount of $10,000 is appropriated from the general fund to the Department of Natural Resources for the Division of Forestry Big Lake office to provide winter access for firewood harvest on state lands.

Section ____. The appropriation made in secs. _____ of this Act are for capital projects and are subject to AS 37.25.020.

Misc. Agencies

LETTER OF INTENT

CSHB 154 (FIN)

Rep. C.E. Swackhammer

It is the intent of the 16th Legislature that no funds in this act may be used to pay the State of Washington a state sales tax stemming from the two law suits, Washington State v. University of Alaska and Washington State v. ADF&G/Public Safety. Funds included in the Fiscal Year 1989 budget for the University of Alaska, Department of Fish & Game and the Department of Public Safety shall not be used to pay for this decision.

Washington State v. University of Alaska ($194,300.00)

Washington State v. ADF&G/Public Safety ($147,957.00)

(d) It is the intent of the legislature that funds appropriated under this section shall not be used to fund existing, budgeted state ~~employee~~ position salaries and benefits. State agencies are authorized to establish, fund and make use of program or project employees for the duration of the Prince William Sound oil spill program. All allocations from the appropriation in this section and all state agency expenditures from those allocations shall be charged to the fund source code 1051 Prince William Sound Oil Spill. The governor shall report on compliance with this intent by the first day of the Second Session of the Sixteenth Alaska State Legislature and in conjunction with a status report on the activities related to the Exxon Valdez oil spill.

Brown HB154
4/26/89

Sec. 60 (a) The sum of $1,500,000 is appropriated from the general fund to meet increased demands on community and social services as a direct result of the Exxon Valdez oil spill to be allocated as follows:

Department of Labor $235,000
Department of Commerce $257,100
Department of Public Safety $277,400
Office of the Governor $730,500

(b) the expenditure of funds allocated to the Office of the Governor is conditioned upon the procedure outlined in Sec. 58 (b)(1).

(c) the unexpended and ..... lapses Feb. 15, 1990.

(Reduce amount in Sec. 58 (a) $36,500.0 to $35,000.0 and renumber sections accordingly)

DOA

#0-2

AMENDMENT TO HB 154(FIN)

BY ULMER

SEC.____. The sum of $32,300 is appropriated from the general fund to the Alaska Public Broadcasting Commission for payment as a grant to the Alaska Public Radio Network to fund coverage of the Prince William Sound oil spill for the fiscal year ending June 30, 1989.

APRN
VOICES OF ALASKA

Alaska Public Radio Network ★ 4640 Old Seward Highway ★ Suite 202 ★ Anchorage, Alaska 99503 ★ (907) 563-7733

April 4, 1989

Barnaby Dow
Office of Rep. Mike Davis
P.O. Box V
Juneau, Alaska 99811

Dear Barnaby:

In response to your request, APRN and its member stations have incurred the following expenses in providing emergency coverage of the Prince William Sound oil spill:

Staffing:

Expenses were incurred in contracting for full-time reporting capability in Valdez and Cordova, as well as marshalling additional member station and Network reporting and engineering staff. On-site personnel included Clare Richardson and Brian Mann (contract), Steve Heimel, Chris Bydalek and Peter Kenyon (APRN), Bob King (KDLG), and Jeff Brown (KTOO). Other staffing includes Sumner MacLeish, John Greeley and Bruce Scandling (KTOO), Rosanne Smith and Robert Houk (KSKA) and Corey Flintoff, Diana Derby, Johanna Eurich, Larry Yaroch, Susan Braine, and Ruby Parker (APRN). On-site xpenses include housing, food, air transportation, contract fees and overtime wages and benefits. Other expense was APRN, KCHU, KTOO and KSKA staff overtime for weekend and night work for providing statewide coverage and national reports to NPR, CBC and other networks. Finally there was one day of consulting engineering time for set-up and repair of essential equipment.

Contract labor:	5,112
Staff overtime expense:	9,687
Regular staff time:	donated
Housing:	3,835
Food:	2,555
Air transportation:	2,909
Ground transportation:	donated
TOTAL PERSONNEL	$24,098

Communications:

Expenses include installation of special phone lines at Valdez Civic Center and Valdez City Council chambers for broadcast of live press conferences, installation of bridge at Alascom for statewide distribution, purchase of 15 additional quarter-hours of satellite time for special news updates, long-distance phone for feed of news reports and actualities from and to Valdez, and to national networks, extra use of KCHU telephones by national and foreign press.

Line installations	600
Press conferences (44)	4,400
Satellite time (extra)	1,020
Satellite time (regular)	donated
Long-distance (APRN, KCHU, KTOO, KSKA)	5,300
TOTAL COMMUNICATIONS	$11,320

Other:

Includes bringing on-line 2 additional Otari MX505-B tape machines and one computer/wordprocessor at KCHU, repair of one computer, extra energy costs for weekend24 hour broadcast expansion, recording tape, production supplies and miscellaneous expenses.

Equipment	8,500
Energy	665
Computer repair	200
Recording tape	3,500
Production supplies (reels, blades, etc.)	200
Miscellaneous	500
TOTAL OTHER EXPENSES	$13,565

GRAND TOTAL/ESTIMATED COSTS THROUGH 4/12/89 $48,983

We have to date received $1,600 in small donations from members of the public (APRN), a $15,000 commitment from the City of Valdez, and a $100 gift from Time Magazine. Therefore, our total need is $32,283.

Thanks in advance for your assistance. If you have questions, please call me ASAP at 563-7733.

Sincerely,

Diane S. Kaplan
Executive Director

APRN
VOICES OF ALASKA
Alaska Public Radio Network ★ 4640 Old Seward Highway ★ Suite 202 ★ Anchorage, Alaska 99503 ★ (907) 563-7733

TO: KATHRYN, REP. MIKE DAVIS'S OFFICE
FR: DIANE KAPLAN, APRN
RE: COST BREAK-OUT FOR DISASTER COVERAGE
DT: 4/5/89

GIVE OR TAKE A FEW BUCKS, THE COST BREAK-OUT FOR THE $48,983 IN EXTRAORDINARY DISASTER COVERAGE EXPENSES IS:

KCHU, VALDEZ	$24,799
APRN	16,563
KTOO, JUNEAU	3,711
KSKA, ANCHORAGE	1,010
KDLG, DILLINGHAM	1,900
MISC. STATIONS	1,000

PLEASE CALL IF YOU HAVE ANY QUESTIONS.

Withdrawn

AMENDMENT TO HB 154 BY ULMER

SEC._____. The amount of $73,565 is appropriated from the general fund to the Alaska Public Broadcasting Commission for grants to public stations for television coverage of the Exxon Valdez oil spill for the fiscal year ending June 30, 1989.

Backup for public T.V. related to the Exxon Valdez oil spill:

KAKM-Anchorage	$58,850.0
KTOO-Juneau	6,250.0
KYUK-Bethel	8,465.0
TOTAL	$73,565.0

AMENDMENT TO HB 154(FIN) BY IJLMER

SEC.____. The sum of $116,790 is appropriated from the general fund to the Alaska Public Broadcasting Commission for grants to APRN and public stations for radio coverage of the Exxon Valdez oil spill for the fiscal year ending June 30, 1989.

Backup for Public Radio supplemental:

Alaska Public Radio Network (inc. KSKA in Anchorage)	$52,302.0
KCHU-Valdez	42,839.0
KTOO-Juneau	15,325.0
KLDG-Dillingham	2,871.0
KYUK-Bethel	1,388.0
Misc. Stations	2,065.0
TOTAL	$116,790.0

Alaska State Legislature

Representative Fran Ulmer

P.O. Box V
Juneau, Alaska 99811
(907) 465-4947

HOUSE OF REPRESENTATIVES

MEMORANDUM

TO: All House Finance Members

FROM: Rep. Fran Ulmer

DATE: March 7, 1989

RE: Information on Office of Public Advocacy and Labor Relations Agency supplemental requests

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Attached you will find information regarding the supplemental requests from the Department of Administration, Office on Public Advocacy and the Labor Relations Agency. Please take this information under your consideration as the Finance Committee begins its deliberations on the proposed supplemental bills.

STATE OF ALASKA

STEVE COWPER, GOVERNOR

OFFICE OF PUBLIC ADVOCACY

900 W. 5TH AVENUE
SUITE 525
ANCHORAGE, ALASKA 99501
PHONE: (907) 274-1684

February 28, 1989

The Honorable Fran Ulmer
Alaska State Representative
P.O. Box V
Juneau, AK 99811-3100

Dear Representative Ulmer:

I received a request from your office yesterday to elaborate upon the Office of Public Advocacy (OPA) need for a supplemental appropriation of $285.3 as presented in my memorandum to Mike Maher, Director of the Division of Administrative Services, dated January 20, 1989. You also asked that I describe the probable consequences of a failure to fund the OPA request for supplemental appropriation.

OPA provides non-staff representation through contracts with attorneys and other professionals throughout the state and through volunteer or "no contract" professionals who are paid according to a State regulation. Both types of representation are compensated from contractual funds in the OPA budget.

In the memorandum OPA described a short-fall of 243.8 dollars for OPA contract cases. This figure was derived from an individual analysis of all existing OPA contracts throughout the state and a straight line projection from the first six months of the fiscal year. In other words, we assumed that the cost for a given contract would remain constant throughout the remainder of the fiscal year. Such a projection results in a very conservative estimate because it assumes no increase in caseload growth rate between the first and second half of FY 89.

The consequences of a failure to fund the OPA request for supplemental appropriation would be immediate and dramatic. As you know, OPA has no right to refuse cases when appointed pursuant to a Superior Court order. We are obligated to provide representation in every case within the OPA statute. This provision of legal representation is mandated by the Alaska constitution and by statutes enacted by the Alaska legislature.

Failure to fund the supplemental request would mean that OPA, and thus the State of Alaska, would be unable to meet its contractual obligation to provide payment for services rendered pursuant to the FY 89 contracts. While the State would remain liable for all previous services rendered, contractors would terminate their services under the contracts. OPA contractors were providing representation in 2,062 adult and child cases as of January 1989. Such a situation would be unprecedented and I do not know how the different Superior Courts throughout the state would respond to motions to withdraw filed in this enormous number of cases. However, two major changes have occurred in the delivery of representation services since the establishment of OPA in 1984. First, when OPA was established the Alaska Supreme Court gave up its previous authority under the Alaska Rules of Court to involuntarily appoint members of the Alaska Bar to provide representation. The responsibility for providing representation was transferred from the Alaska Court System to OPA. Second, the Alaska Supreme Court held in DeLisio v. Superior Court that involuntarily appointed attorneys were entitled to the market rate for their services.

Thus, if the Court were to enact an emergency rule allowing them to make involuntary appoints in these 2,000 cases, the State of Alaska would be liable for paying the market rate for attorney services. As you know, OPA has significantly reduced the average cost per case for both contract and "no contract" cases since its establishment. There is simply no question but that the cost of those services would at least triple or quadruple if drafted attorneys were entitled to market rates for their services.

The same situation would obtain for volunteer or "no contract" cases where the total shortfall is $41.5. These individuals are appointed through OPA by the Court because they have volunteered to work at the greatly reduced rates offered under the OPA regulation. These individuals are currently providing representation in 907 cases statewide. It is unlikely that many of these individuals, who are currently working at roughly half the market rate for their services, would be willing to continue to work for nothing.

A failure to pay these individuals would destroy the volunteer program. This program, as the above caseload figure suggests, is absolutely critical in the delivery of representation services mandated by the Alaska constitution and by statute. There is simply no way that OPA can anticipate and contract for every type of case for which we are responsible in every locality of the state. The volunteer program was established in 1985 at the suggestion of then Chief Justice Rabinowitz. It has worked well and I do not know how we would function without it.

In summary, a failure to fund the OPA request for supplemental appropriation would, in the short-term, cause a severe disruption in the representation of nearly 3,000 children and adults in active cases now before the courts of Alaska and would ultimately result in far higher cost to the State then that currently requested. Further, the destruction of the volunteer program would dramatically undercut OPA's future ability to fulfill its statutory mandate to provide representation whenever ordered by the Court.

I would be happy to respond at any time to further inquiries on this important matter. Thank you for your time and consideration.

Sincerely,

Brant McGee
Director

BM/tln
8/2D2/022805-9
cc: Commissioner John M. Andrews
Department of Administration

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF ADMINISTRATION

P.O. BOX C
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200

OFFICE OF THE COMMISSIONER

March 6, 1989

The Honorable Fran Ulmer
Alaska State Representative
P. O. Box V
Juneau, AK 99811

Dear Representative Ulmer:

RE: Labor Relations Agency
FY 89 Supplemental $70.0

You have requested additional information related to the impact of closing down the Labor Relations Agency. The Labor Relations Agency (LRA) has a variety of responsibilities in administering the Public Employment Relations Act and maintaining labor stability between the Executive branch of government, including the University of Alaska, and its employees eligible to bargain collectively concerning wages, hours of work, and other terms and conditions of employment.

Some of these responsibilities are:

1. Defining appropriate bargaining units;

2. Determining which employees, on an individual basis, are to be placed in which bargaining unit;

3. Investigating petitions from labor organizations to represent employees in each bargaining unit, holding elections, and certifying the proper collective bargaining representative for each bargaining unit;

4. Investigating accusations of unfair labor practices by any party, holding hearings, and issuing findings either dismissing the complaint or issuing a cease and desist order to the guilty party;

5. Deciding by individual duties which employees have the unlimited right to strike, which employees have a limited right to strike, and which employees may not engage in a work stoppage and are therefore entitled to binding interest arbitration for the settlement of wages, hours, and terms and conditions of employment;

6. Determining when bargaining impasse exists and ordering mediation by a third party, and determining when binding arbitration is appropriate for those employees who are precluded from striking;

7. Conducting, after exhaustion of mediation, elections in each bargaining unit to determine if the employees wish to exercise their right to strike.

As a result of a 21% funding decrease over the last three years and a vast increase in labor relations activity surrounding the union election, the LRA ran into serious funding problems early in FY 89.

If the requested supplemental appropriation is not approved, it is anticipated the LRA will be without funds effective April 1, 1989. The two contractors that support the LRA (administrative support and legal services) will be directed to perform no more services because no funds will exist to pay them.

During the period no funding will exist, April 1 until June 30, 1989, the State will be engaged in collective bargaining for new agreements with eight separate bargaining units, including the GGU unit of approximately 7,500 employees, the University of Alaska, and the three marine unions.

In the absence of the LRA during this period, some of the functions may of necessity be deferred to the courts for resolution (e.g. unfair labor practice charges). Others may be left to the devices of the parties for resolution, including wildcat work stoppages.

In addition, currently two major petitions are before the LRA for determination of appropriate bargaining units, and the LRA is litigating a suit brought by a decertified bargaining representative.

The LRA's level of activity cannot be controlled by the LRA or the State's administrators. The workload is generated primarily by or at the request of organized labor.

Failure of the legislature to approve the requested supplemental appropriation cannot be offset by transferring funds from other budgetary components because there are no funds available for such transfer.

Failure of the supplemental appropriation provides a real threat to tenuous labor peace between the State and its employees.

If we may further assist you in this matter, please contact Mike Maher at 465-2277.

Sincerely,

John M. Andrews
Commissioner

JMA/MM/pl
1D4/0303-01
cc: The Honorable Randy Phillips
Alaska State Representative
P. O. Box V
Juneau, AK 99811

The Honorable Kay Brown
Alaska State Representative
P. O. Box V
Juneau, AK 99811

The Honorable H. A. "Red" Boucher
Alaska State Representative
P. O. Box V
Juneau, AK 99811

The Honorable Ron Larson
Alaska State Representative
P. O. Box V
Juneau, AK 99811

The Honorable Lyman Hoffman
Alaska State Representative
P. O. Box V
Juneau, AK 99811

Jay Hogan
Office of Representative Ron Larson
P. O. Box V
Juneau, AK 99811

Division of Administrative Services
Department of Administration

withdrawn

CSHB 154 (Finance) WALLIS

Add a new section to CSHB 154 (Fin) to read:

Sec. ____. The sum of $120,000 is appropriated from the general fund to the Alaska Public Broadcasting Commission for grants topublic stations to replace lost federal revenue in FY 89.

Alaska's public broadcast stations have lost over $180,000 in Federal funding in the current year. These losses are in addition to the over one and a half million dollars of State reductions since FY'86. The Federal losses now threaten Alaska stations' ability to keep supporting the Alaska Public Radio Network, which is playing such a vital role in informing all of us about the oil spill and other important public policy matters. The Federal losses are also preventing public television stations from purchasing important national programs and could cause the cancellation of local and state-wide television productions.

This appropriation for $120,000 will provide only 2/3 of the total. The stations hope they will be able to raise 1/3 of the lost funds from local and other sources. By making the funds available in the current year, we help the stations deal with the losses immediately and help prevent further losses in the future.

DOA

MEMORANDUM State of Alaska

TO: Mike Maher
Director
Division of Administrative Services
Department of Administration

DATE: April 6, 1989

FILE NO:

TELEPHONE NO: 465-2240

THRU:

SUBJECT: Stale-Dated Warrants
Supplemental Appropriation

FROM: Keith Busch
Director
Division of Finance
Department of Administration

Please add the following warrants to the yearly request for a supplemental appropriation to cover the payment of stale-dated warrants. Total for this memorandum is $5,261.10. Please add this amount to the miscellaneous appropriation being prepared by your division. Details are listed below. Copies of stale-dated warrants are attached. There may be a few more stale-dated warrants to add to the list, please advise when cutoff will be for more additions.

Name of Payee	Issue Date	Warrant No.	Amount
Robert S. Richart P.O. Box 1903-06 Anchorage, AK 99519	11/27/84	06402943	$ 331.29
Helene J. Hennings P.O. Box 7-027 Anchorage, AK 99510	12/10/86	10966553	4,090.81
Baugh Const. & Eng. Co. P.O. Box 4-1515 Anchorage, AK 99509	08/19/85	20087488	836.00
Roger C. Wassillie General Delivery Twin Hills, AK 99576	03/29/86	20375206	3.00
This memorandum:			$ 5,261.10
Previous memorandums:			$21,592.01
Total Stale-dated warrants:			$26,853.11

KB/MN/pal
6/3D1/040607-9
Attachments: Copies of Stale-dated Warrants
cc: Charles E. Taylor
Deputy Commissioner
Administrative Management
Department of Administration

REQUEST FOR STOP PAYMENT
OF ALASKA PERMAMENT FUND DIVIDEND WARRANT

RECEIVED
JAN 27 1989
DEPARTMENT OF REVENUE
PFD DIVISION
ANCHORAGE INFO. OFFICE

I request that payment be stopped on the Alaska Permanent Fund Dividend warrant described below, and that a new warrant be issued.

Warrant Was Issued To: ROBERT S RICH JR
Please print name clearly (First, MI, Last)

X Current Address: P.O. Box 1903-06 Anchorage Alaska 99519-0306
Street or P.O. Box City State Zip

Dividend Year: 1984 ✓ Amount: 331.29

Warrant Date: 11-27-84 ✓ Warrant Number: 6402943 ✓

SD 2/11/87

Batch Number: 04245 DLN: 404-24438

I certify that the warrant described above was issued to me or to a child for whom I am listed as the "sponsor" on the dividend application form.

I am making this request for stop payment because:

☒ It has been more than eight weeks since the warrant was issued and it has not been received.

☐ The warrant was lost. (Explain on the back of this form.)

☐ The warrant was accidentally destroyed. (Explain on the back of this form.)

☐ The warrant was stolen.

RECEIVED
JAN 27
DEPARTMENT OF REVENUE
PFD DIVISION
JUNEAU INFORMATION OFFICE

I agree to return this warrant to the Department of Revenue if I locate it.

If the warrant was issued to a child, both parents must sign below. In the case of a one parent family, one signature is sufficient.

X Robert S Rich Jr. Signature

27 Jan 89 msg 272-5807
X Date Daytime Telephone

Signature

Date Daytime Telephone

Y 548 110 1855 Social Security Number*

Social Security Number*

*You are not required to provide any social security number requested on this form. However, if the social security number was provided on the Permanent Fund Dividend application, providing it here will help the Department of Revenue to identify the correct record.

You may deliver this form to any Revenue Public Service Center or mail it to:

Alaska Department of Revenue
Public Services Division
1111 West 8th Room 108
Juneau, Alaska 99801

FOR OFFICE USE ONLY
1. Status: Stale Dated
2. Date Sent to Fiscal:
3. Microfilm #:

04-432 Front (Rev. 4/86)

STATE OF ALASKA

89-52/1252 No. 10966553

02-01-70-01

THIS WARRANT WILL BE DEEMED PAID UNLESS REDEEMED WITHIN TWO YEARS AFTER DATE OF ISSUE PER AS 37.05.180

TREASURY WARRANT

PAYROLL

DO NOT FOLD SPINDLE OR MUTILATE

DATE OF ISSUE 12-10-86

PAY

DOLLARS | CENTS

**4,090.81

NOT VALID FOR OVER $10,000.00

Stale Dated

PR121086

TO THE ORDER OF HELENE J HENNINGS
POUCH 7-027
ANCHORAGE AK
99510

THE SEAL OF THE STATE OF ALASKA

DEC 20 88

Steve Cowper
GOVERNOR

NO. 10966553 4,090.81 NATIONAL BANK OF ALASKA
ANCHORAGE, ALASKA

"10966553" "125200523" "000040908 1"

STATE OF ALASKA

ROUTE SLIP

TO: Mail Station	Department	Division
0204	Admin	Finance

Attention: Peggy Chandler

JJ

- ☐ Approval
- ☐ Signature
- ☐ Comment
- ☐ Contact Me
- ☐ Prepare Reply
- ☐ For Your File
- ☐ Note & Return
- ☐ Initial & Return
- ☐ Return as Requested
- ☐ Return for Approval
- ☐ Necessary Action
- ☐ For Your Information

Remarks: Stale dated warrant
Need appropriation for
it.

FROM: Mail Station	Department	Division
	Admin Services	
By: Judy Elphic		Date: 3-16-89

02-002 (REV 3-84)

of Administrati
ministrative Ser
IS # 0208
0811

TREASURY WARRANT
STATE OF ALASKA

SD 9/24/87

89-52/1252 NO. 20087488

DATE OF ISSUE
8 19 85
MO DAY YR

DOLLARS	CENTS
$ **********	836 00

PAY

$836.00

TO THE ORDER OF

00000 20087488 20090622

BAUGH CONST & ENG CO

BOX 4-1515
ANCHORAGE AK 99509-0000

William J. Sheffield
GOVERNOR

⑈20087488⑈ ⑆125200523⑆

REMITTANCE ADVICE - STATE OF ALASKA TREASURY WARRANT - NOT NEGOTIABLE STOCK CONTROL NO. 20090622

WARRANT NO.	MO	DAY	YR	VENDOR:	VENDOR ID.
20087488	08	19	85	BAUGH CONST & ENG CO	BCE84736

STATE OFFICE	PHONE	DOCUMENT	AMOUNT PAID
JORGENSEN 1 2	907 465-2436	A00144740010	$836.00

TYPE	REFERENCE NUMBER	DATE	COMMENTS	AMOUNT
INV	24	04 25 85	DEPT OF NATURAL RESOURCES	836.00
IND	850425	00 00 00		0.00

FOR SHELVING AND BACKING IN THE CLOSET IN ROOM 19 PER MEMORANDUM DATED 4/5/85

SD 9-24-87

MAKE INQUIRIES ABOUT PAYMENT TO OFFICE LISTED ABOVE

I'm not sure what to do with this. The vendor just found it in their drawer & now want another check. I say we don't owe them, its their fault they lost it for...

Roger C. Wassillie
P.O. Box General Delivery
Twin Hills, Alaska 99576-0000

March 22, 1989

State of Alaska
Pouch
Juneau, Alaska 99811
ATTN: Treasury Warrant

Dear Sir:

I would like to be reissued another check for $3.00. The initial check dated 03/29/86 was returned because it was stale dated. The check number is: 20375206. I lost it and found it, cashed it but the bank returned it.

Should you have any questions, please feel free to call me at : (907)525-4213.

Sincerely,

R C Wassillie

Roger C. Wassillie
General Delivery
Twin Hills, AK 99576-0000

This warrant will be deemed paid unless redeemed within two years after the date of issue per AS 37.05.180

DATE OF ISSUE
03 29 86
MO DAY YR

TREASURY WARRANT
STATE OF ALASKA

MAR 16 89

Stale Dated

89-52/1252 NO. 20375206

$3.00

PAY

DOLLARS	CENTS
$ **********	3 00

TO THE ORDER OF

00000 20375206 20380561

ROGER C WASSILLIE
GEN DEL
TWIN HILLS AK 99576-0000

MAR 13 89

William J. Sheffield
GOVERNOR

"20375206" :125200523: "0000000300"

DOA

MEMORANDUM State of Alaska

TO: Alison Elgee
Director
Division of Budget Review
Office of Management and Budget
Office of the Governor

DATE: April 7, 1989

FILE NO:

TELEPHONE NO: 465-2200

THRU:

SUBJECT: FY 89 Supplemental

FROM: John M. Andrews
Commissioner
Department of Administration

The Department of Administration has identified an additional obligation of $97.6 to be included in the department's miscellaneous claims supplemental. The Division of Finance has been working with Internal Revenue Service (IRS) auditors to reconcile amounts owed by the State to the federal government. This obligation is a result of the State's failure to file backup withholding on payments to various vendors by several departments during the 1985 and 1986 tax years. This problem has since been corrected in the State accounting system (AKSAS) with an edit that prevents a warrant from being generated unless there is an appropriate tax identification number for the vendor on file. The amount owed to the federal government is comprised of the backup withholding, civil penalties and interest compounded at 11% per annum. The supplemental amount includes a prorated amount for interest through July when the warrant will be issued to the federal government.

If you have any questions regarding this request or require additional information, please contact Mike Maher at 465-2277.

JMA/MM/pl
1D4/0406-01

Internal Revenue Service

District
Director

Department of the Treasury

P.O. Box 101500, Anchorage, Alaska 99510

Joe Thomas, Supervisor
State of Alaska, Div. of Finance
Box C
Juneau, Alaska 99811

April 3, 1989

Dear Mr. Thomas,

I have computed the amounts due through July 31, 1989. When the bill is approved please give me a call so that we can compute the exact amount that would be due from the State of Alaska.

Form Number	Tax Period	Tax Balance	Accumulated Interest	Amount Owed
941	03/31/85	$4,823.56	$2,642.28	$ 7,465.84
941	06/30/85	4,823.56	2,418.43	7,241.99
941	09/30/85	4,823.56	2,216.06	7,039.62
941	12/31/85	4,823.56	2,029.42	6,852.98
941	03/31/86	8,862.27	3,425.36	12,287.63
941	06/30/86	8,862.27	3,129.72	11,991.99
941	09/30/86	8,862.27	2,860.79	11,723.06
941	12/31/86	8,862.27	2,597.87	11,421.43
Civ Pen	12/31/85	4,000.00	366.45	4,366.45
Civ Pen	12/31/86	7,007.37	625.89	7,633.26
Civ Pen	12/31/87	8,749.36	841.17	9,591.17
			Total Due	$97,615.42

If you have any questions please call me at (907)261-4375.

Sincerely,

Randy Blair
Revenue Officer Examiner

Internal Revenue Service | **Department of the Treasury**

District Director

P.O. Box 101500, Anchorage, Alaska 99510

RECEIVED
DIVISION OF FINANCE
'89 MAR 9 AM 9 26

Joe Thomas, Supervisor
State of Alaska, Div. of Finance
Box C
Juneau, Alaska 99811

Dear Mr. Thomas,

Thank you for the additional information supplied. Based on that information, I have requested an adjustment to the State of Alaska's account. Enclosed is a list of the individual and companies that meet the criteria for abatement of the backup withholding.

The following list reflects the adjusted tax and interest due through March 23, 1989:

Form Number	Tax Period	Tax Balance	Accumulated Interest	Amount Owed
941	03/31/85	$4,823.56	$2,331.54	$ 7,155.10
941	06/30/85	4,823.56	2,112.70	6,936.26
941	09/30/85	4,823.56	1,923.06	6,746.62
941	12/31/85	4,823.56	1,744.18	6,567.74
941	03/31/86	8,862.27	2,913.92	11,776.19
941	06/30/86	8,862.27	2,630.58	11,492.85
941	09/30/86	8,862.27	2,372.84	11,235.11
941	12/31/86	8,862.27	2,120.87	10,983.14
Civ Pen	12/31/85	4,000.00	184.71	4,184.71
Civ Pen	12/31/86	7,007.37	308.17	7,315.54
Civ Pen	12/31/87	8,749.36	442.61	9,191.97
			Total Due	$93,584.23

If payment is not made by this date I will proceed with enforced collections to satisfy this liability. If you have any questions please call me at (907)261-4375.

Sincerely,

Randy Blair
Revenue Officer Examiner

Enclosures: Pub 1388, list of vendors, breakdown by qtr.

4/4/89
ST

The attached is the list of vendors per the IRS audit on which the State is being required to pay backup withholding.

The total amount owed for the 1985 and 1986 tax years per Randy Blair's calculations is:

Backup withholding	$54,743.32	(we show $54,761.28)
B/U W/H interest	18,149.69	
Civil penalties	11,007.37	
Civil penalty interest	492.88	
Total Due by 3/23/89	$84,393.26	

The $8,300 civil penalty for tax period ending 12/31/87 and related interest is not a result of this IRS audit. It is due to the Department of Corrections failure to file 1099 INT on magnetic media and is a separate issue. However, any request for supplemental appropriation should include this penalty and the related interest.

Per Randy Blair, IRS Anchorage (261-4375), the amount due will increase on a daily basis at 11% per annum (.030196471% per day). Therefore, the supplemental request should include sufficient funds to pay for additional interest from 3/23/89 until the date paid.

The total due, per IRS, as of 3/23/89 for 1985, 1986, and 1987 was $93,584.23 (see attached letter).

List of vendors with only the failure to file penalty.

Vendor	Payment Amount	Corporation	form 4669 furnished	PENALTY
1985				
ARH84003	18,750.00		18,750.00	50.00
BEI85296	850.00		850.00	50.00
BES85344	1,750.00		1,750.00	50.00
BIC84174	1,390.00		1,390.00	50.00
CAG84238	2,262.50		2,262.50	50.00
CAP85344	1,122.50		1,122.50	50.00
CHD85274	919.20		919.20	50.00
CTS85361	782.50		782.50	50.00
DCS86022	840.00		840.00	50.00
DOH84234	8,500.00		8,500.00	50.00
DUK84306	25,375.50		25,375.50	50.00
FRI84348	2,575.34		2,575.34	50.00
FTA85234	59,291.85		59,291.85	50.00
GEW85263	868.00		868.00	50.00
GHT84355	708.00		708.00	50.00
GLW84348	7,560.00		7,560.00	50.00
GWE84103	1,085.00		1,085.00	50.00
JCL85263	831.25		831.25	50.00
JEN86022	986.00		986.00	50.00
JOB86022	4,800.00		4,800.00	50.00
JPY84017	10,087.50		10,087.50	50.00
LAD84237	4,767.00		4,767.00	50.00
MAM84018	5,807.80		5,807.80	50.00
MGI85326	800.00		800.00	50.00
MGN84101	2,830.00		2,830.00	50.00
NEC86022	905.00		905.00	50.00
NON86022	2,709.32		2,709.32	50.00
NUR85365	750.00		750.00	50.00
PAM86022	925.00		925.00	50.00
PEA84292	950.80		950.80	50.00
PPT84264	1,295.00		1,295.00	50.00
QUT84055	1,385.00		1,385.00	50.00
REM84334	1,068.00		1,068.00	50.00
RMP85263	3,030.00		3,030.00	50.00
ROS85240	18,897.80		18,897.80	50.00
ROT84035	663.00		663.00	50.00
RSM85297	8,140.00		8,140.00	50.00
SJC85340	1,660.00		1,660.00	50.00
STP85226	2,680.00		2,680.00	50.00
TEE85326	5,000.00		5,000.00	50.00
THD85344	2,606.25		2,606.25	50.00
TJB85287	18,000.00		18,000.00	50.00
TLF86028	1,886.58		1,886.58	50.00
TVC85316	2,602.30		2,602.30	50.00
TVP84010	1,455.00		1,455.00	50.00
WGI85358	2,000.00		2,000.00	50.00
Failure to file penalty at $50				$2,300.00

List of vendors with required backup withholding and penalty.

AKSAS Vendor Number	Vendor Payment Amount	Reason for excluding from reporting: Vendor is a Corporation	Reason for excluding from reporting: Valid form 4669 furnished	Reportable Backup W/H Required	Penalty
1985					
AEA85263	1,128.00			1,128.00	50.00
ALC84075	750.00			750.00	50.00
ALL84103	1,499.85			1,499.85	50.00
ASP84355	600.00			600.00	50.00
AUA85214	1,100.00			1,100.00	50.00
BAE84216	2,654.45			2,654.45	50.00
BAR84024	4,955.91			4,955.91	50.00
BOW84227	1,788.12			1,788.12	50.00
CHM84122	1,175.00		1,175.00	1,175.00	50.00
CHU85284	1,880.00			1,880.00	50.00
DAA84017	984.00			984.00	50.00
DIC84348	719.00			719.00	50.00
FRF86013	2,400.00			2,400.00	50.00
FTC85295	1,480.00			1,480.00	50.00
GLM84075	1,842.50			1,842.50	50.00
GRM85333	1,494.00			1,494.00	50.00
GWR86015	4,000.00			4,000.00	50.00
IRN84278	1,100.00			1,100.00	50.00
IRR84017	1,064.58			1,064.58	50.00
JOS85350	660.00			660.00	50.00
KAL84285	600.00			600.00	50.00
KLC85212	5,119.00			5,119.00	50.00
LCD84770	3,309.00			3,309.00	50.00
LRF84171	4,174.00			4,174.00	50.00
MAD85344	1,028.50			1,028.50	50.00
NIE84208	22,105.66			22,105.66	50.00
NMD84094	663.00			663.00	50.00
NOC86028	752.00			752.00	50.00
RAK84335	1,804.60			1,804.60	50.00
RUT84334	890.00			890.00	50.00
SUD84164	3,357.67			3,357.67	50.00
TIW85326	990.00		990.00	990.00	50.00
TOT84285	13,906.90			13,906.90	50.00
VIM84266	4,500.00		4,500.00	4,500.00	50.00
1985	96,475.74		6,665.00	96,475.74	
Backup Withholding at 20%				$19,295.15	
Failure to file penalty at $50					1,700.00

AKSAS Vendor Number	Vendor Payment Amount	Reason for excluding from reporting: Vendor is a Corporation	Reason for excluding from reporting: Valid form 4669 furnished	Reportable Backup W/H Required	Penalty
1986					
ACS85288	637.50			637.50	100.00
ASP84355	3,500.00			3,500.00	100.00
BRS86210	5,000.00			5,000.00	100.00
CBH86143	9,191.60			9,191.60	100.00
CJE85330	790.00		790.00	790.00	100.00
CSS86100	1,845.00			1,845.00	100.00
DAD84313	625.00			625.00	100.00
DLS85340	625.00			625.00	100.00
FTC85295	2,685.00			2,685.00	100.00
GRM86029	2,650.00			2,650.00	100.00
GWR86015	4,500.00			4,500.00	100.00
HBP85024	944.30			944.30	100.00
HOE86260	4,262.50			4,262.50	100.00
JDP86231	3,835.34			3,835.34	100.00
JOR86251	738.00			738.00	100.00
KAR85343	1,914.00			1,914.00	100.00
KBM84826	4,240.00			4,240.00	100.00
KID86035	14,395.66			14,395.66	100.00
LLG85203	5,325.00			5,325.00	100.00
LMS86336	1,120.00			1,120.00	100.00
MDM86318	1,900.00		1,900.00	1,900.00	100.00
MED85351	1,374.75			1,374.75	100.00
MOT86016	987.50			987.50	100.00
PAD86118	600.00			600.00	100.00
PEJ86245	675.00			675.00	100.00
PJS86263	4,200.00	4,200.00		4,200.00	~~100.00~~
PWC86003	88,416.00			88,416.00	100.00
REM85344	900.00			900.00	100.00
SUB85287	1,270.00			1,270.00	100.00
SUD84164	3,320.25			3,320.25	100.00
TLF86028	1,440.00			1,440.00	100.00
UNH85360	1,360.00			1,360.00	100.00
WIO86076	2,063.25		2,063.25	2,063.25	100.00
1986	177,330.65	4,200.00	4,753.25	177,330.65	
Backup Withholding at 20%				$35,466.13	
Failure to file penalty at $100					3,200.00
Total Backup Withholding 1985 and 1986				$54,761.28	

1986			
ANH86136	69,545.95	69,545.95	100.00
APE86120	2,216.42	2,216.42	100.00
APS86052	3,040.00	3,040.00	100.00
ASR86260	36,015.00	36,015.00	100.00
BAM86055	1,882.00	1,882.00	100.00
BEE85228	6,808.97	6,808.97	100.00
BEI85296	3,180.00	3,180.00	100.00
DAH86147	1,310.00	1,310.00	100.00
DAW84356	830.00	830.00	100.00
DIC84348	3,808.80	3,808.80	100.00
DTS86247	6,964.95	6,964.95	100.00
EMS86293	935.00	935.00	100.00
GWA84150	1,430.00	1,430.00	100.00
HAB84159	3,100.00	3,100.00	100.00
HAO86246	1,200.00	1,200.00	100.00
HAR84124	39,991.65	39,991.65	100.00
IGD84142	8,832.00	8,832.00	100.00
JAP86023	900.00	900.00	100.00
JPY84017	19,062.50	19,062.50	100.00
KIJ86094	11,691.00	11,691.00	100.00
LAD84237	1,084.00	1,084.00	100.00
LEM86003	2,540.00	2,540.00	100.00
LIP85298	1,000.00	1,000.00	100.00
MIC86288	2,250.00	2,250.00	100.00
NAJ84111	17,000.00	17,000.00	100.00
NRM84237	5,573.00	5,573.00	100.00
OFF86309	4,325.53	4,325.53	100.00
PAH86008	840.00	840.00	100.00
PSA84355	22,707.50	22,707.50	100.00
PTL86059	1,310.00	1,310.00	100.00
RET86016	1,120.00	1,120.00	100.00
RLP86303	2,250.00	2,250.00	100.00
SAA84179	687.75	687.75	100.00
SHW86141	1,020.00	1,020.00	100.00
TTC86330	2,380.00	2,380.00	100.00
TVP84010	2,343.20	2,343.20	100.00
VES86337	1,609.30	1,609.30	100.00
VIM84266	2,500.00	2,500.00	100.00
Failure to file penalty at $100			$3,800.00
Total Penalties			$11,000.00

Vendors which required backup withholding in 1985
Breakdown by Department

Vendor Number	Department 02	04	05	06	10	11	12	20	21	25	41	Totals
[illegible]									1,128.00			1,128.00
ALC84075											750.00	750.00
ALL84103							1,499.85					1,499.85
ASP84355											600.00	600.00
AUA85214										1,100.00		1,100.00
BAE84216				2,654.45								2,654.45
BAR84024								4,955.91				4,955.91
BDW84227	1,788.12											1,788.12
CHM84122				1,175.00								1,175.00
CHU85284				1,880.00								1,880.00
DAA84017				984.00								984.00
DIC84348							719.00					719.00
FRF86013			2,400.00									2,400.00
FTC85295			1,225.00	255.00								1,480.00
GLM84075				1,842.50								1,842.50
GRM85333					1,494.00							1,[illegible].00
GWR86015						4,000.00						4,[illegible].00
IRN84278			1,100.00									1,100.00
IRR84017	1,064.58											1,064.58
JOS85350					660.00							660.00
KAL84285				600.00								600.00
KLC85212					5,119.00							5,119.00
LCD84770			81.00	3,228.00								3,309.00
LRF84171					4,174.00							4,174.00
MAD85344	1,028.50											1,028.50
NIE84208										22,105.66		22,105.66
NMD84094				663.00								663.00
NOC86028											752.00	752.00
RAK84335	1,207.00									597.60		1,804.60
RUT84334				890.00								890.00
SUD84164			400.00	2,957.67								3,357.67
TIW85326					990.00							990.00
TOT84285		753.60			13,153.30							13,906.90
VIM84266	4,500.00											4,500.00
Totals	9,588.20	753.60	5,206.00	17,129.62	25,590.30	4,000.00	2,218.85	4,955.91	1,128.00	23,803.26	2,102.00	96,475.74
Backup W/H at 20%	1,917.64	150.72	1,041.20	3,425.92	5,118.06	800.00	443.77	991.18	225.60	4,760.65	420.40	19,295.15
PERCENT	9.94	0.78	5.40	17.76	26.53	4.15	2.30	5.14	1.17	24.67	2.18	100.00

Penalties assessed for failure to file in 1985
Breakdown by department

Vendor Number	02	03	04	05	06	08	10	11	12	20	21	25	41	Total
AEA85263											50.00			50.00
ALC84075													50.00	50.00
ALL84103									50.00					50.00
ARH84003												50.00		50.00
ASP84355													50.00	50.00
AUA85214												50.00		50.00
BAE84216					50.00									50.00
BAR84024										50.00				50.00
BEI85296					50.00									50.00
BES85344														50.00
BIC84174					50.00									50.00
BOW84227	50.00													50.00
CAC84238				50.00										50.00
CAP85344						50.00								50.00
CHD85274					50.00									50.00
CHM84122					50.00									50.00
CHU85284					50.00									50.00
CTS85361					50.00									50.00
DAA84017					50.00									50.00
DCS86022								50.00						50.00
DIC84348									50.00					50.00
DOH84234												50.00		50.00
DUK84306												50.00		50.00
FRF86013				50.00										50.00
FRI84348					50.00									50.00
FTA85234										50.00				50.00
FTC85295				25.00	25.00									50.00
GEW85263	50.00													50.00
GHT84355	50.00													50.00
GLM84075					50.00									50.00
GLW84348	25.00				25.00									50.00
GRM85333							50.00							50.00
GWE84103				25.00						25.00				50.00
GWR86015								50.00						50.00
IRN84278				50.00										50.00
IRR84017	50.00													50.00
JCL85263					50.00									50.00
JEN86022								50.00						50.00
JOB86022								50.00						50.00
JOS85350							50.00							50.00
JPY84017					50.00									50.00
KAL84285					50.00									50.00
KLC85212							50.00							50.00
LAD84237				12.50	12.50		12.50		12.50					50.00
LCO84770				25.00	25.00									50.00
LRF84171							50.00							50.00
MAD85344	50.00													50.00

[illegible]					50.00									50.00
[illegible]										50.00				50.00
HGW84101							50.00							50.00
[illegible]								50.00						50.00
NIE84208												50.00		50.00
NMD84094					50.00									50.00
NOC86028													50.00	50.00
NOW86022														50.00
NUR85365				50.00										50.00
PAM86022								50.00						50.00
PEA84292					50.00									50.00
PPT84264				25.00	25.00									50.00
QUT84055										50.00				50.00
RAK84335	25.00											25.00		50.00
REM84334					50.00									50.00
RMP85263					50.00									50.00
ROS85240		50.00												50.00
ROT84035					50.00									50.00
RSM85297		50.00												50.00
RUT84334					50.00									50.00
SJC85340					25.00								25.00	50.00
STP85226														50.00
SUD84164				25.00	25.00									50.00
TEE85326								50.00						50.00
THD85344	16.67		16.67									16.66		50.00
TIW85326							50.00							50.00
TJB85287												50.00		50.00
TLF86028													30.00	50.00
TOT84285			25.00				25.00							50.00
TVC85316		12.50		12.50	12.50				12.50					50.00
TVP84010							50.00							50.00
VIM84266	50.00													50.00
WGI85358		50.00												50.00
Total	366.67	162.50	41.67	350.00	1,175.00	50.00	387.50	350.00	125.00	225.00	50.00	341.66	225.00	4,000.00
PERCENT	9.17	4.06	1.04	8.75	29.38	1.25	9.69	8.75	3.13	5.63	1.25	8.54	5.63	100.00

Vendors which required backup withholding in 1986
Breakdown by Department

Vendor Number	Department 02	03	04	05	06	09	10	11	12	18	21	25	31	41	Totals
[illegible]				637.50											637.50
[illegible]									3,500.00						3,500.00
BRS86210							5,000.00								5,000.00
CBH86143					9,191.60										9,191.60
CJE85330					790.00										790.00
CSS86100							1,845.00								1,845.00
DAD84313					625.00										625.00
DLS85340				625.00											625.00
FTC85295				2,685.00											2,685.00
GRM86029							2,650.00								2,650.00
GWR86015								4,500.00							4,500.00
HBP85024			944.30												944.30
HOE86260						262.50		4,000.00							4,262.50
JDP86231		3,835.34													3,835.34
JOR86251								738.00							738.00
KAR85343				1,914.00											1,914.00
KBM84826	4,000.00													240.00	4,240.00
KID86035											14,395.66				14,395.66
LLG85203												5,325.00			5,325.00
LMS86336										1,120.00					1,120.00
MDM86318					1,900.00										1,900.00
MED35351				810.00	222.50				342.25						1,374.75
MOT86016					987.50										987.50
PAD86118													600.00		600.00
PEJ86245		675.00													675.00
PJS86268		4,200.00													4,200.00
PWC86003												88,416.00			88,416.00
REM85344							900.00								900.00
SUB85287					1,270.00										1,270.00
SUD84164					3,320.25										3,320.25
TLF86028									1,440.00						1,440.00
UNH85360					1,360.00										1,360.00
WIO86076	2,063.25														2,063.25
TOTALS	6,063.25	8,710.34	944.30	6,671.50	19,666.85	262.50	10,395.00	9,238.00	5,282.25	1,120.00	14,395.66	93,741.00	600.00	240.00	177,330.65
BACKUP W/H AT 20%	1,212.65	1,742.07	188.86	1,334.30	3,933.37	52.50	2,079.00	1,847.60	1,056.45	224.00	2,879.13	18,748.20	120.00	48.00	35,466.13
PERCENT	3.42	4.91	0.53	3.76	11.09	0.15	5.86	5.21	2.98	0.63	8.12	52.86	0.34	0.14	100.00

Penalties assessed for failure to file in 1986
Breakdown by department

Vendor Number	02	03	04	05	06	08	09	10	11	12	20	21	25	31	41	Total
ACS85288				100.00												100.00
ANH86136					100.00											100.00
APE86120		100.00														100.00
APB86032					100.00											100.00
ASP84355										100.00						100.00
ASR86260										50.00			50.00			100.00
BAH86055					100.00											100.00
BEE85228								100.00								100.00
BEI85296					100.00											100.00
BRS86210								100.00								100.00
CBH86143					100.00											100.00
CJE85330					100.00											100.00
CSS86100								100.00								100.00
DAD84313					100.00											100.00
DAH86147	50.00														50.00	100.00
DAW84356									100.00							100.00
DIC84348										100.00						100.00
DLS85340				100.00												100.00
DTS86247								100.00								100.00
EMS86293								100.00								100.00
FTC85295				100.00												100.00
GRH86029								100.00								100.00
GWA84150								100.00								100.00
GWR86015									100.00							100.00
HAB84159	100.00															100.00
HAO86246										100.00						100.00
HAR84124									100.00							100.00
HBP85024			100.00													100.00
HOE86260							50.00		50.00							100.00
IGD84142													100.00			100.00
JAP86023		100.00														100.00
JDP86231		100.00														100.00
JOR86251									100.00							100.00
JPY84017					100.00											100.00
KAR85343				100.00												100.00
KBM84826	50.00														50.00	100.00
KID86035												100.00				100.00
KIJ86094													100.00			100.00
LAD84237				100.00												100.00
LEN86003	50.00			50.00												100.00
LIP85298								100.00								100.00
LLG85203													100.00			100.00
LMS86336										100.00						100.00
MDM86318					100.00											100.00
MED85351				33.33	33.33					33.34						100.00
MIC86288											100.00					100.00

[illegible]					100.00											100.00
[illegible]																100.00
[illegible]				50.00									100.00			100.00
OFF86309										100.00	50.00					100.00
PAD86118																100.00
PAH86008					100.00									100.00		100.00
PEJ86245		100.00														100.00
PSA84395																100.00
PTL86059					100.00						100.00					100.00
PWC86003																100.00
REH85344								100.00					100.00			100.00
RET86016									100.00							100.00
RLP86303													100.00			100.00
SAA84179											100.00					100.00
SHW86141				100.00												100.00
SUB85287					100.00											100.00
SUD84164					100.00											100.00
TLF86028									100.00							100.00
TTC86330							100.00									100.00
TVP84010						100.00										100.00
UNH85360					100.00											100.00
VES86337																100.00
VIM84266	100.00										100.00					100.00
WIO86076	100.00															100.00
																100.00
TOTAL	450.00	400.00	100.00	733.33	1,533.33	100.00	150.00	900.00	650.00	583.34	450.00	100.00	650.00	100.00	100.00	7,000.00
PERCENT OF TOTAL	6.43	5.71	1.43	10.48	21.90	1.43	2.14	12.86	9.29	8.33	6.43	1.43	9.29	1.43	1.43	100.00

MEMORANDUM State of Alaska

TO: Alison Elgee
Director
Division of Budget Review
Office of Management and Budget
Office of the Governor

DATE: March 15, 1989

FILE NO:

TELEPHONE NO: 465-4404

THRU: John M. Andrews
Commissioner
Department of Administration

SUBJECT: Arbitration Award
LTC: 12-26-86

4/6/89: Benefit portion of this award not required to meet Arbitrator's decision can reduce to wages only — $248,545 - JL - DBR

FROM: Bruce Cummings
Director
Division of Labor Relations
Department of Administration

As explained in more detail below, we request that the Governor's supplemental request be amended by an additional $333,050 in personal services to cover the State's liability for an arbitrator's award.

By Executive Order, President Reagan directed that most executive departments and agencies of the federal government be closed on December 26, 1986. Public Employees Local #71 representing the Labor, Trades and Crafts (LTC) bargaining unit filed a grievance alleging that the Executive Order constituted a presidential proclamation, which entitled all LTC employees who worked on December 26, 1986, to overtime for all hours worked under the existing LTC Agreement. An arbitrator upheld that position in early 1988. The State subsequently took the unusual step of appealing the arbitrator's decision to Superior Court. The court concluded that there were no grounds to overturn the decision, given the substantial presumption in favor of upholding the authority of an arbitrator in such circumstances.

Each departmental Personnel Officer was asked to estimate the financial impact of the arbitration award. The estimates reported below reflect wage entitlements including leave reinstatement as indicated as well as benefits figured at 34 percent.

Department	Additional Expense		
	Wages	Leave Reinstatement Included?	Benefits
Administration	$ 28,946		$ 9,841
Law	0	(No LTC employees)	0
Revenue	0	(No LTC employees)	0
Education	1,709	Yes	581

Health and Social Services	13,075	Yes	4,445
Labor	7.060	Yes	2,400
Commerce and Economic Development	0	(No LTC employees)	0
Military and Veterans Affairs	2,500	Yes	850
Natural Resources	2,053	Yes	698
Fish and Game	4,687	Yes	1,593
Public Safety	1,930	Yes	656
Environmental Conservation	760	Yes	258
Corrections	7,872	Yes	2,676
Community and Regional Affairs	0	(No LTC employees)	0
Transportation and Public Facilities	177,953	Yes	60,504
Total	$248,545		$84,502
Overall Total	$333,047		

BC/DMC/lt
9/8D3/031407-9

MARCH 17 - FY 89
BUDGET [illegible]
PLEASE [illegible]
MEETING ON [illegible]

HB154

John M. Andrews, Commissioner
Department of Administration
March 13, 1989

HEALTH INSURANCE BARGAINING AGREEMENTS

The question has come up:
Why are we requesting a supplemental appropriation for employee health insurance costs when we have not been implementing the health insurance "caps" already negotiated at the bargaining table? Why have we not been reducing these costs when and where we could?

The short answer is:
In May of 1988 we announced just such a plan, striving to avoid a supplemental appropriation request for FY 89. That plan was quickly and vigorously rejected by spokesmen from both the Legislative and Judicial branches of government. Both branches refused to participate in the plan, and thereby rendered it financially unfeasible. The plan was therefore cancelled; hence the supplemental request.

The longer answer is:
1) In May, 1988, we announced a plan by which we could begin to reduce employee health insurance premiums and possibly avoid another supplemental appropriation request for these expenses for FY 89. This plan called for:
   a) Implementation of all health insurance "caps" negotiated to date at the bargaining table, even though only a minority of employees subject to collective bargaining had agreed to such "caps",
   b) Like reductions in health insurance benefits for all State employees not covered by collective bargaining -- including management employees in the executive branch and all employees in the legislative and judicial branches, and
   c) A State self-insurance program which, though somewhat risky, could help bring total FY 89 health insurance costs into line with the existing FY 89 appropriation.

   The whole point of this plan was to do whatever it took to begin to bring these costs under control and avoid another supplemental appropriation request.

2) We received two types of responses to this announcement from the other two branches of State government:
   a) Legislators complained that we didn't tell them earlier that extra funds would be needed; if we had, they would be funded during the session.
   b) Spokesmen from both the Legislature and the Court System insisted that either we cancel this plan or they would refuse to participate in it. Their argument was that we should delay any implementation of negotiated "caps" until at least a majority of employees would be included. Put another way, their position was that equal and fair treatment of all

3/17/89

employees was more important than early reduction in some portion of the cost of employee health insurance.

3) In response to this position on the part of the other two branches of government, we made the following decisions in the summer of 1988:
   a) To adopt a "fairness" approach among groups of employees. We decided to delay implementation of the negotiated cost-containment "caps" until some agreement could be reached with the General Government Unit -- the GGU comprising about 60% of all State employees.
   b) To set aside the "self-insurance" idea: Self-insurance was a risky idea in any case, given the generous provisions of the State employee health insurance plan. Without the changes we had proposed to the plan that would have reduced the risk to an acceptable level, self-insurance was no longer a responsible approach.
   c) To try to negotiate a $307/month "cap" with GGU. This dollar amount corresponded to the then-current actual premium and to the amount budgeted for FY 89. We decided to continue to pursue this amount as the "cap", even though we were expecting the premiums to increase by at lease 25% during FY 89.
   d) To seek a supplemental appropriation for the projected FY 89 cost increases, should we not be successful in negotiating a "cap" with GGU.

4) The current situation on these decisions is as follows:
   a) The "fairness to all employees" approach remains in place. While we await some progress in negotiations with GGU, we are trying to get all the other bargaining units to agree to accept whatever "cap" is eventually agreed to by GGU.
   b) The "self-insurance" provision remains on the back burner, awaiting a clearer definition of the features of the fixed-cost plan that would result from collective bargaining.
   c) The premiums have increased by about 40%, rather than the 25% we expected last summer. As these premiums have increased, so has our position at the bargaining table. We are trying to cap the costs <u>somewhere</u>, at least no greater than the current premium amount of about $430/month.
   d) We still have no agreement with GGU on anything. Since last summer, their representative union has changed hands and we have had to start over again from scratch at the bargaining table.

Given all of this, we are left with no choice but to continue to solve this problem through collective bargaining (even though progress there is barely discernible) and to continue to request a supplemental appropriation (even though this is not a popular idea).

FY89 Health Benefits Supplemental $21,796,900

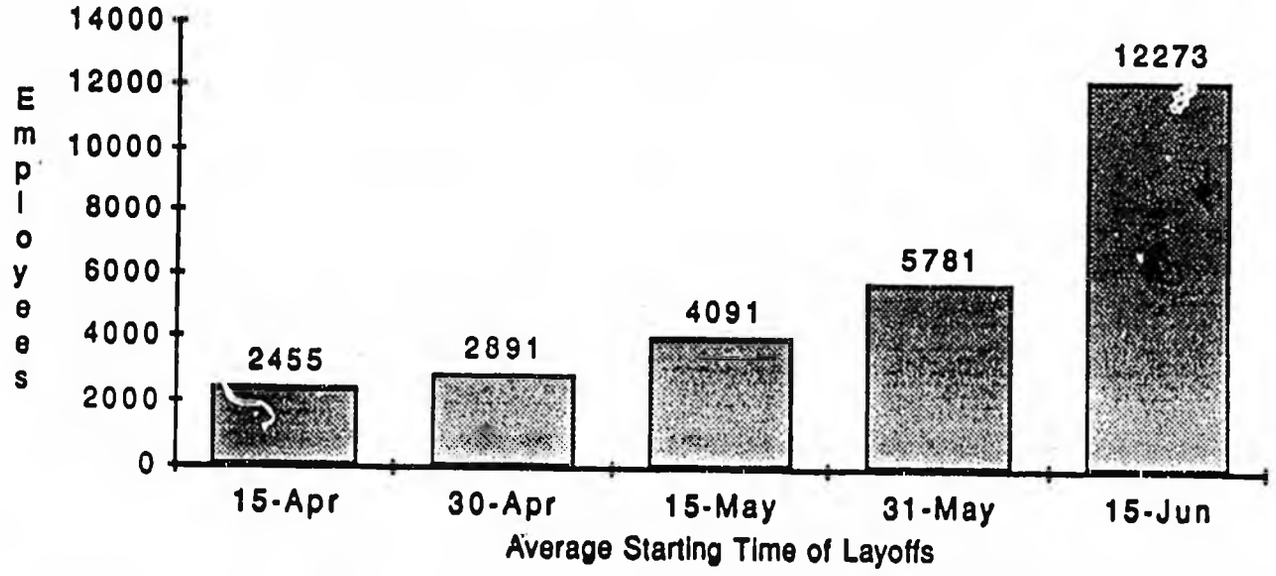
Median Annual Cost of a State Employee $42,625

Monthly Cost $3,552

Layoffs Required to Recover Funding Shortfall

	Months Left In Fiscal Year	Recovered Per Employee	# Employees Laid Off	Marginal Increase
April 15th	2.5	$8,880	2,455	+40/day
May 15th	1.5	$5,328	4,091	+100/day
June 15th	0.5	$1,776	12,273	+1,000/day

SCOPE OF LAYOFFS, BY STARTING TIME



CED

* Sec.____. (a) The sum of $187,100 is appropriated from the general fund to the Department of Commerce and Economic Development to meet increased demands on state agency operations for Weight Station Operations and Division of Insurance Claims Adjustment Assistance, directly relating to the Exxon Valdez oil spill.

(b) The unexpended and unobligated portion of the appropriation made by this section lapses February 15, 1990.

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Insurance Consumer Handbook FY 89

AGENCY CONTACT/PHONE NUMBER:
Joan Brown 465-2597

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Division of Insurance proposes to contract for the preparation and publication of a new consumer handbook. This publication will contain data on how to file insurance claims properly so that they are not delayed in processing. It will also contain relevant sections of the division's new Unfair Claim Settlement Practices regulation and information on what claimants should expect from insurers in claim handling.

The division estimates claims for damages will be filed totalling $1.5 to $2.0 billion, so the information in the proposed handbook is extremely important.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel		
300	Contractual Services	10.0	
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	10.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	10.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

/ / Enhance Existing Service Compared to FY89

/X/ New Service Compared to FY89

/ / Continuation of FY89 Service Level

/ / Formula Program

/ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

6964M

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Commerce and Economic Development

BRU Insurance

COMPONENT Operations

PROJECT

FY 90

Page 1 of 1

Revised Date:

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Public Hearings on Insurance Matters FY 89

AGENCY CONTACT/PHONE NUMBER:
Joan Brown 465-2597

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Division of Insurance plans to hold a series of public hearings in Valdez and surrounding communities to answer insurance questions. In addition, staff members will be on-site for several days at a time to provide on-going assistance in order to mitigate the expected flood of calls and complaints from confused or irate residents in the affected communities.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel	10.0	
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	10.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	10.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

/ / Enhance Existing Service Compared to FY89
/X/ New Service Compared to FY89
/ / Continuation of FY89 Service Level
/ / Formula Program
/ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

6964M-3

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority ____ of ____

AGENCY Commerce and Economic Development

BRU Insurance

COMPONENT Operations

PROJECT

FY 90

Revised Date:

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)

Public Hearings on Insurance Matters FY 90

AGENCY CONTACT/PHONE NUMBER:

Joan Brown 465-2597

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Division of Insurance plans to hold a series of public hearings in Valdez and surrounding communities to answer insurance questions. In addition, staff members will be on-site for several days at a time to provide on-going assistance in order to mitigate the expected flood of calls and complaints from confused or irate residents in the affected communities.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel	30.0	
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	30.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	30.0	
1005	CF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

/ / Enhance Existing Service Compared to FY89

/X/ New Service Compared to FY89

/ / Continuation of FY89 Service Level

/ / Formula Program

/ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

6964M-5

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority ____ of ____

AGENCY Commerce and Economic Development

BRU Insurance

COMPONENT Operations

PROJECT

FY 90

Revised Date:

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Valdez Oil Spill Recovery Support

AGENCY CONTACT/PHONE NUMBER:
Marvin Rieger / 345-7750

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

This increment is required to protect the state highway system during the Valdez oil spill recovery effort. The Department of Transportation and Public Facilities and the Department of Public Safety have requested that the Valdez weigh station be staffed during this effort, to protect the traveling public and the state's highway system by monitoring and controlling oversize/overweight vehicles. The increment provides for staffing from July 1, 1989 through September 30, 1989 and from March 1, 1990 through June 30, 1990. This schedule was developed because it is not anticipated that substantial truck traffic associated with recovery efforts will be present during the winter months. The travel funds provide for one supervisory trip to Valdez in September to assist in preparing the facility for winter closing and one trip in March to open the facility again. The contractual services funds provide for a rent-a-can during the staffed period, snow removal, and utilities. The supply funds provide for heating fuel and office and janitorial supplies.

The personal services cost estimates were based upon using the existing seasonal position as the supervisor and hiring three temporary employees for the required period.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	84.8	
200	Travel	.6	
300	Contractual Services	3.1	
400	Supplies	1.1	
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	89.6	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund		
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT	7.0	
	Non Permanent	21.0	
	Staff Months	28.0	

/ / Enhance Existing Service Compared to FY89
/X/ New Service Compared to FY89
/ / Continuation of FY89 Service Level
/ / Formula Program
/ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

7025M

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Commerce and Economic Development

BRU Division of Measurement Standards

COMPONENT _____

... Valdez Oil Spill Recovery

FY 90

Page 1 of 1

Revised Date:

MEMORANDUM

State of Alaska

TO *Guy Bell, Director*
Division of Administrative Services

DATE *April 11, 1989*

FILE NO *D.3.0.*

TELEPHONE NO *(907) 345-7750*

THRU *Edward Mosel, Director*

SUBJECT *Valdez Weigh Station Costs*

FROM *Aves D. Thompson, Chief*
Division of Measurement Standards
Department of Commerce and
Economic Development

The attached worksheet is an update based upon the requirement to keep the Valdez weigh station open 24 hours per day, 7 days per week. There will be an additional requirement for small amounts of overtime to maintain this schedule.

A small, high speed fax machine was placed in the facility to process and receive oversize/overweight permits. It was anticipated that the fax lease cost would be a charge-back item for the duration of the project. The only other projected costs, at this point, are for operating supplies.

cc: Marvin Rieger, Administrative Officer
MaryAnn Ammi, Accounting Technician I

FY-96 Personal Services — Valdez Weigh Station — [illegible]

Division of Measurement Standards

PIN	Name	Loc	PEC	Salary #1	Mo	Salary #2	Mo	Total Salary	Total Benefits	Total Costs
085078-S	Ma.	Fox	W/S	$2,155.00	2.7	$0.00	0.0	$5,818.50	$2,438.40	$8,256.90
085092-S	Rief	Fox	W/S	$2,155.00	2.7	$0.00	0.0	$5,818.50	$2,438.40	$8,256.90
085079-S	Hogg	Sta	W/S	$2,072.00	2.7	$0.00	0.0	$5,594.40	$2,389.54	$7,983.94
085085-S	Green	Vez	W/S	$2,895.00	2.7	$0.00	0.0	$7,816.50	$2,873.36	$10,689.86
								$25,047.90	$10,140.00	$35,188.00
						Long Term Per Diem				$12,300.00
						Total Cost				$47,488.20

DATED

MEMORANDUM State of Alaska

TO: Alison Elgee, Director
Division of Budget Review
Office of Management and Budget
Office of the Governor

DATE: April 11, 1989

FILE NO.:

TELEPHONE NO.: 465-2505

SUBJECT: Miscellaneous Claims

FROM: Guy Bell, ~~Director~~
Division of Administrative Services
Department of Commerce and Economic Development

The Department of Commerce and Economic Development requests the following three items be included as miscellaneous claims in the supplemental appropriation bill. All three items are valid obligations of the state, and were incurred prior to FY 88. There were sufficient funds lapsed in their respective fiscal year operating appropriations to cover the expenses.

Agency	FY and Appropriation Number	Vendor	Amount
AK Public Utilities Commission	29525-87	Ricoh Corp.	$ 231.00
AK Public Utilities Commission	29596-86 29526-86	Professional Travel Service	$1,064.20
Division of Measurement Standards	29502-86	Mark Air Inc.	$ 197.91

Copies of the outstanding bills and lapsed authorization balance reports are attached. Please call me if you have any questions.

GB/mst0076S
041189a
Attachments

FROM TERMINAL 0327 ON PRINTER 0325: DATE=89191 ; TIME=09:15:51

PRO-TR: TABLE - LAPSE BALANCE 04/11/89
CY: 1989 APPN: 29525 (1987) - AK PUBLIC UTIL COMM

LAPSED EXPENDITURE AUTHORIZATIONS.....	-304681.15
LESS: RESTRICTIONS (ZERO WHEN POSITIVE).....	-296528.00
AVAILABLE LAPSED (ZERO WHEN POSITIVE).....	-7553.15
PLUS: LAPSE ADJUSTMENTS	
LAPSE BALANCE (ZERO WHEN POSITIVE)	-7553.15

RICOH CORPORATION

5 DEDRICK PLACE, WEST CALDWELL, N.J. 07006
PHONE: (201) 882-2000 FAX (201) 673-0681

MAIL REMITTANCE TO
BOX 993
BOWLING GREEN STATION
NEW YORK, NEWYORK 10004

INVOICE NUMBER	DATE	PAGE
01747966	07/31/86	1

DV 11 ZN 40

SOLD TO
STATE OF ALASKA
ALASKA PUBLIC UTILITIES COMM.
420 "L" STREET
SUITE 100
ANCHORAGE AK 99501

SHIP TO
STATE OF ALASKA
ALASKA PUBLIC UTILITIES COMM.
420 "L" STREET
SUITE 100
ANCHORAGE AK 99501

ORDER NUMBER	CUSTOMER NUMBER	SERIAL NUMBER	CUSTOMER P.O. NUMBER	TERMS
RG128557	00203814/0000	6741107000	690412	NET 30 DAYS

DESCRIPTION	PERIOD	QUANTITY	UNIT PRICE	AMOUNT
RENTAL OF FT4085 COPIER				
MACHINE RENTAL USAGE	(JUL 1,1986 TO JUL 31,1986)	1	168.00	168.00
METER USAGE:	05/31/86 - 06/30/86			
METER READ:	32,695 - 34,928			
METER COPIES:	2,233			
LESS COPY CREDITS:				
LESS ALLOWANCE:	5,000			
METER BILL -METER CHARGE		2233		.00
DF-11				
ACCESSORY RENTAL		1	30.00	30.00
CS1030 SORTER				
ACCESSORY RENTAL		1	33.00	33.00
COPIER TABLE "C"				
ACCESSORY RENTAL			.00	.00
SALES TAX EXEMPT				
****** P00 690412	HAS EXPIRED 09/30/85			

RICOH certifies that this is a duplicate original.
8/8/88

RECEIVED
SEP 1 1986
JUNEAU FISCAL OFFICE

FED. ID# 13-1975301
Direct Inqs. to Customer Service Mgr. at 714-863-05[illegible]

PLEASE REMIT PAYMENT WITH ONE COPY OF INVOICE TO ENSURE PROPER CREDIT TO REMITTANCE ADDRESS ABOVE

231.00
PAY THIS AMOUNT

DF-2001

FROM TERMINAL: DJ27 ON PRINTER DJ25: DATE=89161 , TIME=09:16:49

ANALYST: FINAB - LAPSE BALANCE 04/11/89
CY: 1989 APPN: 29596 (1986) - APOC OPERATIONS

LAPSED EXPENDITURE AUTHORIZATIONS.....	-121144.54
LESS: RESTRICTIONS (ZERO WHEN POSITIVE).....	
AVAILABLE LAPSED (ZERO WHEN POSITIVE).....	-121144.54
PLUS: LAPSE ADJUSTMENTS	36.07
LAPSE BALANCE (ZERO WHEN POSITIVE).....	-139783.47

PF1=[END]

ONLINE AUDIT TRAIL ACTIVITY FOR: 01/10/89 THRU 04/10/89

Professional Travel Service
"Your travel source"
400 L Street, Suite 101
Anchorage, AK 99501-1925
(907) 276-1117/(907) 272-8424

PLEASE PAY FROM THIS

INVOICE

NO OTHER COPY WILL BE SENT

MONINSKI/TED*12934-PM

DEPARTMENT OF COMMERCE
ALASKA PUBLIC UTILITIES COMMISSION
420 L ST SUITE 100
ANCHORAGE AK 99501
12934

APR 30 1986 16289

DEPARTURE CITY	ARRIVAL CITY	AIR CARRIER	FLIGHT NO.	DATE	DEPARTS	ARRIVES	STATUS

05 MAY 86 - MONDAY

WESTERN 720 COACH CLASS
LV: ANCHORAGE 905A ONE STOP CONFIRMED
AR: SALT LAKE CTY 438P
BREAKFAST-SNACK SEAT-29K

WESTERN 98 COACH CLASS
LV: SALT LAKE CTY 620P NONSTOP CONFIRMED
AR: KANSAS CITY/IN 934P
SNACK SEAT- 4A

07 MAY 86 - WEDNESDAY

WESTERN 95 COACH CLASS
LV: KANSAS CITY/IN 300P NONSTOP CONFIRMED
AR: SALT LAKE CTY 426P
SNACK SEAT- 8F

WESTERN 735 COACH CLASS
LV: SALT LAKE CTY 535P ONE STOP CONFIRMED
AR: ANCHORAGE 925P
SNACK-DINNER SEAT-29A

SEATS 29J..4A..8F..20D

****

THANK YOU FOR YOUR BUSINESS.
HAVE A NICE TRIP AND PLEASE REMEMBER TO RECONFIRM YOUR FLIGHTS.

****

TICKET NUMBER/S:
MONINSKI/TED 7638652445 CHECK 1064.2

AIR TRANSPORTATION 1024.00 TAX 40.20 TTL 1064.2
SUB TOTAL 1064.2
AMOUNT DUE 1064.2

AMOUNT 1064.20 SV 86

PVN TSM 99999 ARD 08040

EN OR (CC) 08533C026 CC 7255

APPROVED

PROGRAM

This invoice represents an immediate transfer of funds from our agency to the participating carriers upon issuance of tickets.
TERMS: NET 10 DAYS
All accounts not paid when due are subject to a SERVICE CHARGE of 1½% per month.

ASTA

Travel Service
Your travel source

400 L Street, Suite 101
Anchorage, AK 99501-1625
(907) 276-1117/(907) 272-8424

INVOICE

NO OTHER COPY WILL BE SENT.

FIGURA/MARK*12934-PM

DEPARTMENT OF COMMERCE
ALASKA PUBLIC UTILITIES COMMISSION
420 L ST SUITE 100
ANCHORAGE AK 99501
12934

APR 30 1986 | 16288

DEPARTURE CITY	ARRIVAL CITY	AIR CARRIER	FLIGHT NO.	DATE	DEPARTS	ARRIVES	STATUS
05 MAY 86 - MONDAY							
WESTERN		720 COACH CLASS					
LV: ANCHORAGE					905A		CONFIRMED
AR: SALT LAKE CTY					438P		
BREAKFAST-SNACK							
WESTERN		98 COACH CLASS					
LV: SALT LAKE CTY					620P		CONFIRMED
AR: KANSAS CITY/IN					934P		
SNACK							
09 MAY 86 - FRIDAY							
WESTERN		95 COACH CLASS					
LV: KANSAS CITY/IN					300P		CONFIRMED
AR: SALT LAKE CTY					426P		
SNACK							
WESTERN		735 COACH CLASS					
LV: SALT LAKE CTY					535P		CONFIRMED
AR: ANCHORAGE					925P		
SNACK-DINNER							

SEATS 29K..4B..8E..20E

****

THANK YOU FOR YOUR BUSINESS.
HAVE A NICE TRIP AND PLEASE REMEMBER TO RECONFIRM YOUR FLIGHTS.

****

TICKET NUMBER/S:
FIGURA/MARK 7638652444 CHECK 1064.20

AIR TRANSPORTATION	1024.00	TAX	40.20	TTL	1064.20
		SUB TOTAL			1064.20
		AMOUNT DUE			1064.20

7/2/87

I certify this to be a true copy. Pamela Abely Gen Mgr.

This invoice represents an immediate transfer of funds from our agency to the participating carriers upon issuance of tickets
TERMS: NET 10 DAYS
All accounts not paid when due are subject to a SERVICE CHARGE of 1½% per month

ASTA

ACTIVITY REPORT

FUND 11100 GENERAL FUND

DEPARTMENT: 08 COMMERCE & ECONOMIC DEVELOPMENT
OPERATING APPNS

APPN ENTITY NUMBER	DESCRIPTION	ITD AUTHORIZATIONS FOR JUNE	ACTUAL	BALANCE		REST. REVENUE RECEIVABLE	OVER-EXPENDED OVER-COLLECTED	LAPSED
29501-87	MEASUREMENT STANDARD							
	EXPENDITURES	2,124,490	2,124,174	316				1,009-
	RESTRICTED REV	200,500-	200,500-	0				0
29501-88	MEASUREMENT STANDARD							
	EXPENDITURES	2,103,000	2,069,438	33,561				0
	RESTRICTED REV	235,300-	238,372-	0	******	3,072		0
29502-86	MEAS STDS OPERATIONS							
	EXPENDITURES	2,082,338	2,082,338	0				3,061-
	RESTRICTED REV	197,000-	197,000-	0				0
29505-85	BANKING & SECURITIES							
	EXPENDITURES	960,818	960,818	0				28,281-
	RESTRICTED REV	113,295-	113,295-	0				1,704
29505-86	FINANCIAL INSTITUTNS							
	EXPENDITURES	1,009,418	1,009,418	0				14,081-
	RESTRICTED REV	163,210-	163,210-	0				2,289
29505-87	FINANCIAL INSTITUTNS							
	EXPENDITURES	989,923	981,949	7,973				5,376-
	RESTRICTED REV	114,300-	110,546-	3,753-				0
29505-88	FINANCIAL INSTITUTNS							
	EXPENDITURES	1,014,100	990,405	23,694				0
	RESTRICTED REV	99,100-	105,088-	0	******	5,988		0

Supplemental

DIVISION OF
MEASUREMENT STANDARDS

JUN 16 1988

MARKAIR, INC.
P.O. BOX 196769
ANCHORAGE, ALASKA
99519-6769

S T A T E M E N T O F A C C O U N T

DATE 5/31/88 PAGE 1

STATE/AK COMM. & ECONOM. DEV.
COMMERCE & ECONOMIC DEVELOP.
FISCAL SECTION, POUCH D
JUNEAU , AK
99811

CUSTOMER NO. 61050

DATE	INVOICE NO.	TYPE	DESCRIPTION		AMOUNT	BALANCE
6 20 86	4060021523	IN	MAIN/JOHN	*	53.47	53.47
9 25 86	4200044433	IN	STR/CARNEY/630740	*	92.00	92.00
6 20 86	4460250717	IN	MAIN/JOHN	*	144.44	144.44
6 20 86	4460259319	IN	PETERSON/TOM	*	672.00	672.00
3 27 87	4460366995	IN	STR631417/BENEPE/PA	*	246.00	246.00
5 26 87	4520031067	IN	XBAG	*	45.00	45.00
1 7 86	603116-214577	IN	STR630736/CARNEY	*44602	46.00	46.00

AFD 08250

08537001-

72250

TA { main 6/16-20/88 Anc/Beth

RECEIVED
JUN 2 1988
JUNEAU FISCAL OFFICE
JUNEAU FISCAL OFFICE

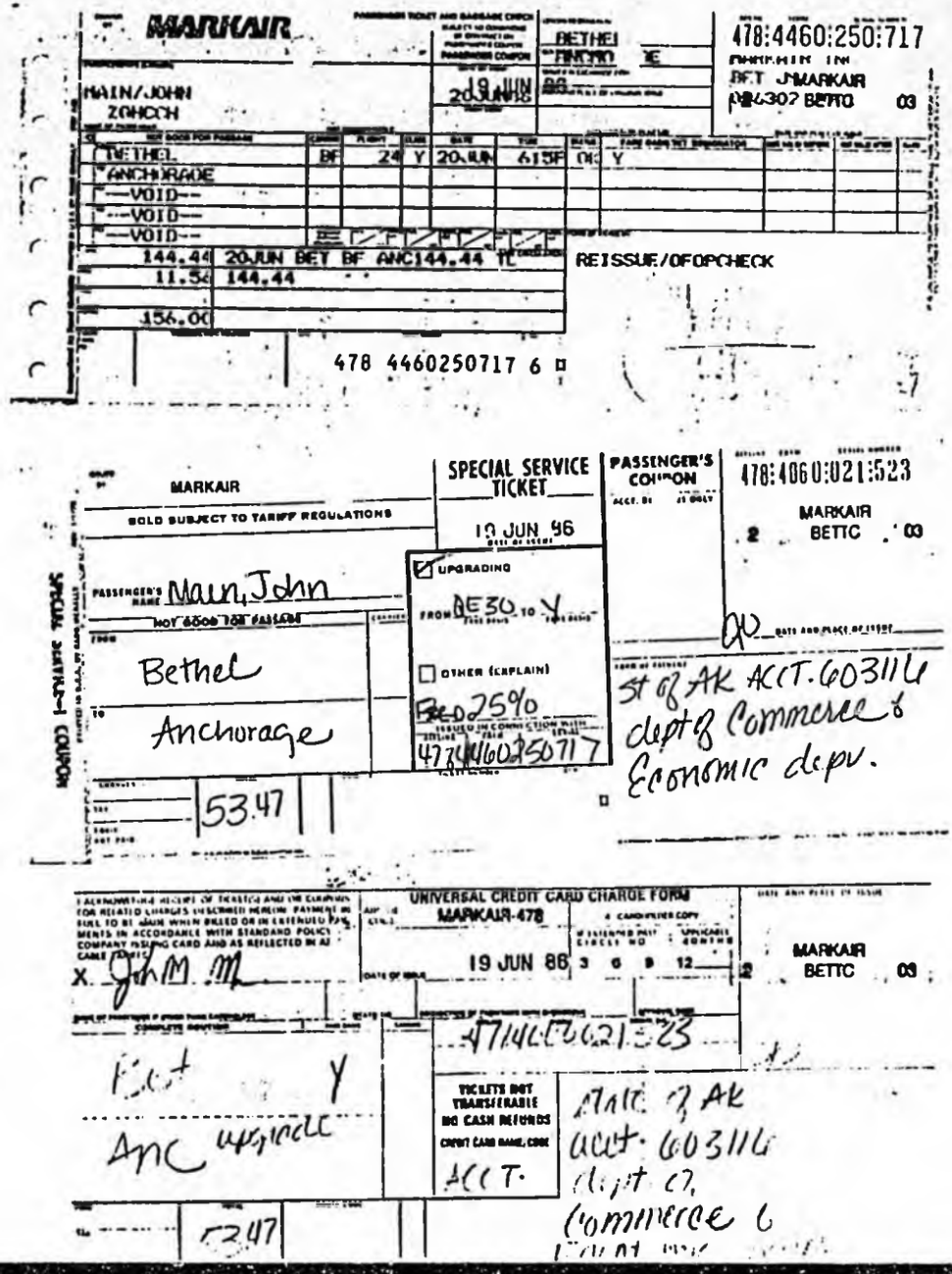
use current year funds 6/28/88
for new Ringer

** BALANCE DUE 1,298.91

CURRENT	31-60	61-90	> 90
			1,298.91

*** QUESTIONS REGARDING ACCOUNT? ***

PLEASE CALL JACKIE CHRISTENS (907) 266-6792



MARKAIR

MAIN/JOHN
ZGHCCH

19 JUN
20JUN86

BETHEL
ANCHORAGE
---VOID---
---VOID---
---VOID---

TO BETHEL	BF	24	Y	20JUN	615P	OK	Y			
ANCHORAGE										
---VOID---										
---VOID---										
---VOID---										

144.44 20JUN BET BF ANC144.44 YC
11.56 144.44
156.00

REISSUE/OFOPCHECK

478 4460250717 6

478:4460:250:717
BFT JMARKAIR
BETTC 03

MARKAIR

SOLD SUBJECT TO TARIFF REGULATIONS

SPECIAL SERVICE TICKET

19 JUN 86

PASSENGER'S NAME Main, John

☑ UPGRADING FROM BE30 TO Y

☐ OTHER (EXPLAIN)

FARE 25%

ISSUED IN CONNECTION WITH 477 4460250717

Bethel

Anchorage

53.47

PASSENGER'S COPY

478:4060:021:523

MARKAIR
BETTC 03

St of AK ACCT. 603116
dept of Commerce &
Economic dev.

UNIVERSAL CREDIT CARD CHARGE FORM

MARKAIR-478

19 JUN 86

3 6 9 12

MARKAIR
BETTC 03

X. John M. M

477 4460 021 523

Bet Y

Anc upgrade

TICKETS NOT TRANSFERABLE
NO CASH REFUNDS

CREDIT CARD NAME, CODE

ACCT.

State of AK
acct. 603116
dept of
Commerce &

53.47

CRA

* Sec.____. (a) The sum of $100,600 is appropriated from the general fund to the Department of Community and Regional Affairs to meet increased demands of state agency operations for Local Government Assistance to work with communities to re-determine property valuation and corresponding local government tax problems directly relating to the Exxon Valdez oil spill.

(b) The unexpended and unobligated portion of the appropriation made by this section lapses February 15, 1990.

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Oil Spill Mitigation State Assessor

AGENCY CONTACT/PHONE NUMBER: Michael Worley 465-4750

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Since Alaska does not have a mandatory sales disclosure law, proerty sales information is often very difficult to obtain. The most meaningful service which could be provided for municipal assessors is the discovery and confirmation of property sales.

Assuming we had the capability, we would propose contracting with qualified personnel in each affected minicipality to personally ocntact persons who have bought and sold real estate both before and after the oil spill and confirm the terms and amounts of each sale. While on the site, we would have the person photograph the property, complete a standardized market data confirmation form desined by our office, and attach other pertinent data (plat maps, drawings of the location and extent of oil damage, etc.)

The confirmed sales data would then be delivered to each local assessor to be analyzed jointly by our office and theirs. In that way, all parties would be assured that uniform procedures and methodologies would be used to measure the extent of the loss of propery value in all affected communities.

Collection of Sales Data

Kenai Peninsula Borough	$30,000
Kodiak Island Borough	$9,000
Valdez	$12,000
Cordova	$12,000
Whittier	$1,800
Aleutians East Borough	$9,000
Yakutat	$2,400
Compare to Trends Statewide and final analysis	$18,000
Office of State Asessor(travel)	$5,800

CODE	EXPENDITURE BY OBJECT	ACENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel	5.8	
300	Contractual Services	94.8	
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	100.6	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	100.6	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

/X/ Enhance Existing Service Compared to FY89

/ / New Service Compared to FY89

/ / Continuation of FY89 Service Level

/ / Formula Program

/ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Community & Regional Affairs

BRU Local Government Assistance

COMPONENT State Assessor's Office

PROJECT

FY 90

Page 1 of 1

Revised Date:

(7/88)-c5

#0-1

AMENDMENT TO HB 154(FIN) BY ULMER

SEC._____. The amount of $25,000 is appropriated from the general fund to Alaska Legal Services for service to indigent persons who are affected by the oil spill disaster in Prince William Sound. This appropriation will lapse into the general fund June 30, 1990.

MEMORANDUM

TO: Rep. Fran Ulmer

FROM: Robert Hickerson, Director
Alaska Legal Services

DATE: April 18, 1989

RE: Supplemental request for $25,000

As a result of the Exxon-Valdez oil spill in Prince William Sound, Alaska Legal Services Corporation (ALSC) is experiencing an increase in service requests. Some of these matters relate to claims for losses associated with the spill, i.e. cannery worker claims, crew member claims and other small claims which are not included in any of the class-action suits which have been filed on behalf of skippers and processors. Many other cases are indirectly related to the spill: delayed child support payments, employment disputes, and public entitlements issues are examples.

These requests have increased in part because ALSC has participated, at the request of the Governor's Office, in the state's emergency response. We are maintaining a temporary office in Cordova and will be available at the Disaster Assistance Center in Kodiak. The service request from Seward, Whittier, Homer, Chenega and Tatitlek are being covered by circuit-riding from Anchorage.

The addition of $25,000.00 in the supplemental appropriation will help considerably in staffing this caseload increase.

approved
Corrections

5/4/89

HB 154/Supplemental Appropriation

AMENDMENT

by BROWN

Sec. ____. The sum of $2,250,000 is appropriated from the general fund to the Department of Corrections to pay for the jail care costs of persons convicted of misdemeanor crimes under local ordinances for the fiscal year ending June 30, 1989.

Discussion

This appropriation would offset the jail care costs incurred by several local governments in support of functions that are elsewhere borne solely by the state. The costs for the affected communities include:

Anchorage	$ 1,850,000
Juneau	280,000
Fairbanks	100,000
Ketchikan	20,000
	$ 2,250,000

AMENDMENT

CSHB 154 (FIN)

DEPT. OF CORRECTIONS

* Sec. The sum of $1,601,400.00 is appropriated from the general fund to the Department of Corrections to pay for major medical bill obligations.

STATE OF ALASKA

DEPARTMENT OF CORRECTIONS

STEVE COWPER, GOVERNOR

REPLY TO:

P.O. BOX T
JUNEAU, ALASKA 99811-2000
PHONE (907) 465-3376

April 3, 1989

The Honorable C. E. Swackhammer
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Dear Representative Swackhammer:

The Department's need to pay the outstanding bills of the Major Medical Component has become critical.

The last group of billings was paid around February 27, 1989, when 500,000 was temporarily transferred from the Out-of-State Component. This money will need to be returned to Out-of-State prior to the end of the fiscal year to meet its obligations.

Even with this transfer, the Major Medical Component has been holding billings since March 1, 1989, and they now total $506,700.

Thank you for any assistance you can give us in this matter.

Sincerely,

Susan E. Knighton

Susan E. Knighton, Director
Administrative Services

SEK:cc

20-01LH

MEMORANDUM State of Alaska

ET 3-16-89

DEPARTMENT OF CORRECTIONS

TO: Walter Majoros
Director Statewide Programs

DATE: March 14, 1989

FILE NO: JNO CENTRAL -

TELEPHONE NO: MAR 20 1989

THRU:

SUBJECT: Major Medical Budget Projection - FY89, February

FROM: Edward J. Thielen, Jr.
Health Care Administrator

The purpose of this memo is to display the status of the budget as of March 9, 1989, to estimate the need for the remainder of FY89 and to explain any situations that contribute to our shortfall.

	AUTHORIZATION		EXPENDED 3/9/89			Projection		
Budget	Initial	Adjusted	Paid	Unpaid	To date	3/1/89-6/30/89	FY89 TOTAL	Lapse/ Deficit
100	795.9	1033.4	536.3	0.0	536.3	342.0	878.3	155.1
200	4.0	4.0	21.3	1.2	22.4	4.5	26.9	-22.9
300	3,148.6	3.562.0	2,911.6	450.7	3,362.3	1,819.2	5171.4	-1609.4
Hospital			835.5	283.9	1119.4	592.6	1712.0	
Emergency Room			36.2	9.2	45.4	24.4	69.8	
Specialist Care			257.5	61.1	318.6	178.5	497.1	
Lab			34.9	.8	35.7	25.0	60.7	
X-Ray			133.2	16.9	150.1	79.5	229.5	
*Medical Contract (Encumbered)			1220.1	42.7	1262.8	674.2	1937.0	
*Dental Contract (Encumbered)			378.4	29.9	408.3	232.7	641.0	
Other			15.8	6.2	22.0	12.3	24.3	

Note: Hospital includes: Surgery, Hospital, and Guard hire
Specialty Care includes: Medical, Dental, Optical, Psychiatric and Contract Jail Medical
Medical and Dental contract funds are encumbered (Total $2,770.7 adjusted to $2,663.9 in February 1989)
Other includes: Telephone, Vehicle use, Printing, Courier and Mail service, etc.

400	269.1	269.1	315.2	54.8	370.0	23.0	393.0	-123.9
500	0.0	26.4	15.2	0.0	15.2	11.2	26.4	0.0
TOTAL w/100	4,217.6	4894.9	4,199.6	506.7	4,306.2	21,99.9	6496.0	1,601.1
TOTAL w/O 100	3,421.7	3861.5	3,663.3	506.7	3,769.9	1,857.9	5,616.7	1,756.2

02-001A (Rev. 8/85)

LEGEND:

- Expended Paid column is taken from the AKSAS on 3/9/89.
- Expended Unpaid column reflects those known services for which we have either received but not paid the bill or have estimated the cost.
- Projected reflects what our cost could be for March 1, 1989 - June 1989, total for FY89 and shortfall, if the current rate of need for health care services continues.

COMMENTS:

100. This line is excess because of our previous inability to fill or to keep filled the nurse positions at Nome and Bethel and the fact that we have not been able to fill the second Dentist and Hygienist positions. When the 2 LCC and 1 KCC nurse positions are filled, they will be funded out of this line, as is the Clerk Typist III non-permanent position. (Nurses $3,400.00 per month x 3 x 5 = $51.0; Clerk Typist cost, 1900 x 4 = 7.6).

200. This line is short because essential travel for PA/RN required CME was paid from this line. These costs have in the past been absorbed by the training component and were not in Medical's budget input. Additionally, costs for moving of LCC P.A. and travel to relieve KCC P.A., and moving cost to hire nurse at AMCC are paid from this line.

300. This line is short because of the excessive hospital and specialist costs. During the first 7 months, we have had 136 admits to the hospital for 668 hospital days. During FY88, there were only 705 hospital days and 147 admits for the year. To date, our monthly average hospital-day rate is 95.4 days per month; last year our rate was 59 hospital-days per month. This excess is not declining. Attached is a listing of all February hospitalizations so you can see that they are all serious needs. Additionally, our requirement for the use of a specialist in both the Medical and Dental areas continues to be on the increase in spite of close management.

400. This line is short because of the extra supplies required to open the SCC, the increase in prescriptions needed to treat ailments and to provide protective equipment associated with the AIDS "scare". These items, for the most part, can not be withheld; they are essential to treatment of problems, and the amount needed is difficult to predict since need is a function of the health status of the inmates. We will reduce our stockage to a minimum where possible instead of buying new stocks; however, this will only transfer the shortfall from FY89 to FY90.

500. This line will be utilized upon receipt of items ordered.

Action will continue to be taken in the area of 300 and 400 to put a "valve" on costly services and excessive stockage of supplies within the parameter of good health care and legal dictates.

Attachment
a/s

cc: Bill Ladwig, Administrative Officer, III
Laura Lynk, Accountant
Diane Rasmussen, Acounting Clerk

S. Knigge cc 3/17

EJT:laf2/69/p4-6

Hospitalizations for February 1989

NAME	DIAGNOSIS	FACILITY	HOSPITAL	DATE ADMITTED	DATE DISCHARGED	DAYS HOSPITALIZED	PROJECTED COST	REAL COST
	Bowel Obstruction	CIPT	Prov	1-6-89	1-12-89	38	70,000—	
	R/o MI	FCC	FMH	1-30-89	2-1-89	3	6000—	
	R/o Meningitis	CIPT	Humana	2-1-89	2-5-89	4	7500—	
	Bunionectomy	HMCC	Humana Surg Surg	2-3-89	2-3-89	1	5500—	
	Labor	Annex	Prov	2-14-89	2-15-89	1	1750—	
	Abnormal EKG	WCC	CPGN	2-15-89	2-16-89	1	2250—	
	Kidney Stones	KCC	Ketchikan Gen. Hosp.	2-15-89	2-15-89	½ day	1250—	
	Ectopic Pregnancy	HMCC	Humana	2-15-89	2-17-89	2	5000—	
	Dislocated Hip	PCC	Prov	2-17-89	2-27-89	10	25,000.—	
	R/o CVA vs TIA vs GI Bleed	MSPT	Valley	2-18-89	3-1-89	12	26,000.—	
	Pregnancy - term	Annex	Prov	2-20-89	2-22-89	2	3500—	
	Pregnancy - term	Annex	Humana	2-27-89	3-1-89	3	4,200—	
						Projected	157,950.00	

Emergency Room Visits for February 1989

NAME	DIAGNOSIS	FACILITY	HOSPITAL	DATE ADMITTED	DATE DISCHARGED	DAYS HOSPITALIZED	PROJECTED COST	REAL COST
	Lt. 4th-5th Metacarpal	LCCC	BMH	2-4-89	2-4-89	1	175—	
	Chest Pain	Hmcc	Humana	2-4-89	2-4-89	1	600—	
	Seizures)	Hmcc	Humana	2-5-89	2-5-89	1	300—	
	Bk. neck tumor)	CIPT	Prov	2-8-89	2-8-89	1	350—	
	Rectal Bleeding	YKCC	PHS Hosp.	2-8-89	2-8-89	1	150—	
	R/o Radial Head Fx.	LCCC	BMH	2-10-89	2-10-89	1	225—	241.50
	LLQ pain	WCC	CPGH	2-13-89	2-13-89	1	300—	411.80
	Mult. Facial Fx's.	LCCC	BMH	2-14-89	2-14-89	1	625—	
	Threatened AB	MSPT	Valley	2-17-89	2-17-89	1	250—	
	Glass ingestion)	PCC	Valley	2-18-89	2-18-89	1	300—	
	R/o CVA vs TIA vs GI Bleed	MSPT	Valley	2-18-89	admitted to		hospital	
	Abdominal Pain	YKCC	Norton Jewish Hosp.	2-19-89	2-19-89	1	175—	
	Sprain @ankle	LCCC	BMH	2-20-89	2-20-89	1	250—	
	Lt Hand	CIPT	Humana	2-20-89	2-20-89	1	275—	
	Pregnancy - term	Amed	Prov	2-20-89	2-20-89	admitted to		hospital
	Seizures)	Hmcc	Humana	2-22-89	2-22-89	1	450—	
	Hypertension)	CIPT	Humana	2-24-89	2-24-89	1	325—	
	Hanging - DOA	LCCC	BMH	2-25-89	2-25-89	1	800—	
	Strep) throat, Ear Inf.	KCC	KGH	2-26-89	2-26-89	1	200—	
						Projected	$5750.00	

AMENDMENT

CSHB 154 (FIN)

DEPT. OF CORRECTIONS

* Sec. The $658,800 is appropriated from the general fund to the Department of Corrections to pay for arbitration decisions related to APEA V. DEPT. OF CORRECTIONS, dated February 10, 1988.

XC. Brief file
= C.O.'s
= Kathy
= Dist.
= Circulation

Attachment II.

IN ARBITRATION

BETWEEN ALASKA PUBLIC EMPLOYEES ASSOCIATION In Behalf of All Correctional Officers (Association, APEA) AND STATE OF ALASKA In Behalf of Department of Corrections (Employer, State) RE: Meal and Relief Breaks REPRESENTATIVES: For the APEA: Bob Watts* For the State: Virginia Thomas**	DECISION AND AWARD by Kenneth M. McCaffree Hansville, Washington 98340 February 10, 1988 Class Action Grievance For Correctional Officers On Meal and Relief Breaks

GOVERNOR'S OFFICE
FEB 29 12
DIVISION OF LABOR RELATIONS

KENNETH M. McCAFFREE, Arbitrator
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INTRODUCTION

At an arbitration hearing on October 28, 1987, in Fairbanks, Alaska, and on October 29, 1987, in Anchorage, Alaska, the APEA presented a class action grievance regarding the alleged failure of the State to provide relief breaks and a lunch break for correctional officers during 12 hour work shifts. The State contended no violation of the Agreement between the parties had occurred, and had denied the grievance (Jt. Ex. 2).

The parties affirmed that several individual grievances on these matters were combined into this single proceeding and that the issue was properly in

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*Field Services Manager, Alaska Public Employees Association, 825 College Road, Fairbanks, Alaska 99701. (907) 456-5412.

**Labor Relations Analyst, Division of Labor Relations, Department of Administration, State of Alaska, P.O. Box C, Juneau, Alaska 99811-0220. (907) 465-4404.

arbitration under the 1984-86 General Government Unit Agreement between them (Jt. Ex. 1 and 2). Accordingly, the arbitrator afforded full opportunity for the parties to present testimony and other evidence, to make arguments, and otherwise to make known their respective positions on the issue in dispute. The list of witnesses and the three joint exhibits are on Attachment A hereto. The parties waived closing oral arguments and sent written post-hearing briefs in a timely manner, received by the arbitrator on or about December 7, 1987. The arbitrator tape-recorded the proceedings to supplement his written notes.

ISSUES AND APPLICABLE AGREEMENT PROVISIONS

After review of proposed issue statements of the parties, the arbitrator offered the following.

> Has the State violated the Agreement by its interpretation and application of relevant contractual provisions with regard to relief breaks and lunch periods at statewide correctional facilities? If so, what is an appropriate remedy?

The parties accepted the above statement, but made clear to the arbitrator that they differed over what constituted the "relevant contractual provisions." Both agreed that Article 13 was relevant (Jt. Ex. 1). In addition, APEA pointed to the Letter of Agreement, effective June 29, 1986, and specifically to Section 2 thereof (Jt. Ex. 3). The State contended that this Letter and Section 2 did not apply to the current dispute. These and other provisions of the Agreement cited by the parties are in Attachment B.

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BACKGROUND AND FACTUAL SUMMARY

On June 29, 1986, all correctional facilities began working 12 hour shifts, seven days on and seven days off. Prior to this date, the Fairbanks Correctional Center had worked a 40 hour week, in five shifts, but allowed 2½ hours overtime per week. The new agreement in June 1986 made all work shifts involving correctional officers uniform in correctional facilities throughout the State (Jt. Ex. 3).

In December 1986, complaints arose over the alleged failure of certain institutions to allow employees to take meal and relief breaks. Although individual grievances were filed on January 8, 1987, APEA filed a "class action grievance in behalf of all correctional officers in the Southcentral Region" (Jt. Ex. 2, p. 1). Later on February 11, 1987, a similar action took place for correctional officers at the Fairbanks Correctional Center (Jt. Ex. 2, p. 5). Subsequently, all grievances related to lunch breaks and relief breaks were combined as a single class action grievance, and entered at Step III per Article 10, Section 6 (Jt. Ex. 2, p. 7, 8). The grievance was denied at Step III and again at Step IV. These proceedings ensued (Jt. Ex. 2, p. 24).

The nature of the grievance was desribed that:

> The State has consistently failed to provide relief breaks and lunch periods to correctional officers at all facilities on a state-wide basis. . . . The problem has persisted for sometime and more than one warning has been issued . . . to curb this problem (Jt. Ex. 2, p. 9).

> . . . the correctional officers are not allowed relief or meal breaks away from their duty station. . . . The employees cannot leave the work area, nor can they cease work duties to eat their meals. These employees . . . are not allowed to take their two breaks away from the work area. The above facts are well known. The correctional officers at FCC . . . did actually perform work during the breaks and meal periods (Jt. Ex. 2, p. 13-14).

The State responded at Steps III and IV, in part, as follows:

> With respect to lunch periods the correctional officers . . . assigned to a rotating 12 hour shift schedule are paid for the lunch period. While the lunch period may not always be duty free, the fact that it is a paid lunch period is consistent with the Agreement and the past practice of the parties.
>
> Concerning relief breaks, . . . I find that a set schedule may not exist at every facility; breaks are allowed. . . . Further, I note that officers normally do have coffee, etc., at their work stations at any time throughout the day . . . (Jt. Ex. 2, p. 10).
>
> The record establishes that . . . the State is in compliance with Article 13 of the Agreement. Only in an emergency situation is any employee expected to forgo a relief break; at all other times, employees are given a break away from their post whenever it can reasonably be accommodated. The officers are also allowed a 30 minute lunch break in accordance with the Letter of Agreement between the parties and, in light of a CO's inability to leave his or her work post, the lunch period is a paid 30 minutes. Clearly the test of reasonableness applies in this case, and I find that the . . . actions in this matter are more than reasonable, as well as consistent with the contract between the parties (Jt. Ex. 2, p. 23).

The testimony of several correctional officers and management officials of four different facilities went to the actual practices and arrangements made for lunch periods and relief breaks in the various facilities. The evidence relevant thereto has been set forth below in the discussion section below, as necessary.

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CONTENTIONS OF THE PARTIES

The APEA contended that the intent of the parties in the Letter of Agreement was to afford meal breaks and relief breaks away from the duty station of correctional officers. If meal breaks away from the duty station did not occur, then officers were working an additional thirty minutes each day. Here the APEA relied upon the testimony of both Mr. Ludwig and Mr. Cummings, who negotiated the Letter. In any event, the APEA alleged any ambiguity in the language should be interpreted against the State, since the State produced the Letter. Finally, the APEA argued that the correctional officers do not get meal or relief breaks away from their duty stations, and relied upon the testimony of several officers from different correctional centers. What the State is now doing, according to the APEA, is taking away a benefit bargained under Article 13, Sections 1 and 2, and thus violating the Agreement. The Letter of Understanding was "reiteration" and "restatement of Article 13," says the State negotiator, according to APEA, and must now be adhered to. Officers who remain on duty during meal break should be compensated an additional thirty minutes. In conclusion the APEA asked that the grievance be sustained, officers made whole, and paid thirty minutes overtime when not allowed to take a meal period away from their duty station, and costs of the arbitrator assigned to the State. APEA requested that he retain jurisdiction until the remedy is properly effectuated.

The State contended that there had been no change in the practice regarding the taking of relief breaks and lunch periods while on either the eight hour or 12 hour day schedule. Each institution allows breaks and lunch periods to be taken. "While there may be no set schedule, the State

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has made every effort to provide reasonable accommodations regarding the taking of breaks and lunch periods" (S.B. 6).

The State argued further that no set or regular schedule was required, that the relief breaks and lunch periods were paid time now, and practices have remained constant over the years. No agreement provides that each officer gets "quiet time away from the inmates," nor is the State required to provide a break room or location per se. No issue arises during the evening shift when opportunity was always available for breaks. Coffee on post was available. Staff is short, and it is an unreasonable and untenable position to assert relief staff must be available. Officers are charged with the security of the inmates, are paid for all time, and know this when hired. "A term of their employment includes the condition that they are unable to leave the institution." Under Article 5, management has the right to establish reasonable work rules and assign the hours of work. "There is nothing new or different occurring in the institutions to cause the Association to file this grievance." The testimony of a few disgruntled officers should not persuade the arbitrator that the Agreement has been violated, according to the State.

Finally, the State contended that the APEA failed to raise the issue of violation of the Letter of Agreement during the grievance process and should be stopped from doing so now. It is raising a new issue at the time of the hearing. Nevertheless, the Letter does not apply, nor does it allow overtime for lunch periods not taken. Section 2 of the Letter is a reaffirmation "to make a good faith effort to provide relief breaks and meal periods, and was not intended to provide overtime" (S.B. 11). Further, overtime is due only for those hours worked in excess of the defined work

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week, and that does not occur here even granted the Association's claim regarding failure to allow breaks. Ruling overtime would add to the Agreement, a power the arbitrator does not have, according to the State.

According to the State, the grievance should be dismissed in its entirety and that the arbitrator assign all fees and expenses to APEA.

DISCUSSION

A. The Letter of Understanding

As a preliminary matter, I regard the Letter of Understanding as a part of the Agreement between the parties, and may therefore be germane to the issue before the arbitrator. As cited by APEA, Article 33 of the Agreement allows the parties to amend the terms and conditions by a Letter of Agreement. No evidence indicated that the Letter of Understanding regarding correctional officers and their work schedules including other matters was not properly executed as Article 33 provides (Jt. Ex. 3). Under these circumstances, the representatives on the document itself as well as the testimony of Mr. Ludwig and Mr. Cummings support this conclusion that it is part of the Agreement between the parties.

The State claimed that the APEA had ignored the Letter of Understanding in Joint Exhhbit 3 throughout the grievance process and now raised a new issue at the hearing, for the first time. The State objected to Joint Exhibit 3 and argued at the beginning of the hearing and in brief that APEA should now be estopped from relying upon it (S.B. p. 10).

I rejected this argument of the State on several bases. First, at Step III, the grievance referred to "Article 13; inter alia," which reads literally and means "Article 13, among other things." Because of the close

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relationship between Article 13 and Joint Exhibit 3, no surprise should now occur that the Letter of Agreement was relevant to the issue, such that a basis existed upon which to estop APEA from relying on it.

Second, the State was well aware of the Letter of Understanding and its relevance. The Step IV response of the State to the grievance referenced the Letter of Agreement specifically and asserted that:

> the officers are also allowed a 30 minute lunch break in accordance with the Letter of Agreement between the parties and . . . the lunch period in a paid 30 minutes (Jt. Ex. 2, p. 23).

I could find no Letter of Agreement other than Joint Exhibit 3 to which the above response applied.

Finally, I noted, although not cited by the State, that "APEA shall state specifically which Article or Articles the State may have violated" in Step V on arbitration. The demand for arbitration referenced Articles 1, 3, 5 and 13, but made no reference to the Letter of Understanding.

Even if the State had argued per this provision that APEA was estopped from relying upon the Letter, several circumstances should be noted which support rejection of the estoppel argument. First, no penalty per se appears in the Agreement for failure to cite the proper Articles. Under such circumstances, the State may well have grounds to postpone the hearing, but not to set aside the grievance. No request to postpone was made in this case. But further, postponement, or revision of the demand for arbitration to comply with Step V depends upon the reasonableness of the request. Here, I rejected the State contention on estoppel because "surprise" cannot be supported. The State knew about the Letter and cited it at Step IV as relevant to the issue. Second, the Agreement in Step V on arbitration, as quoted above, refers to Articles. Letters of Understanding are amendments

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to Articles or terms and conditions of the Agreement, per Article 33. Thus, citation of Article 13 by APEA included amendments to it, as may be set forth in Letters of Understandings.

On the bases of the above, both Article 13, Sections 1 and 2, and Section 2 of the Letter of Understanding, were germane to the issue. Both are relevant contractual provisions subject to interpretation and application in determining whether the State violated the Agreement, or either of those specific provisions by its practices or lack thereof, among employees in correctional institutions statewide.

B. Interpretation of the Agreement

The language of the Agreement is different between lunch breaks and relief breaks. In the case of the latter, Section 2 in Article 13 provides that:

> Relief periods will be taken away from the immediate work area when the Bargaining Unit Member works in a public contact office, and where the Employer can reasonably provide such separate area (underlining added).

No similar reference to a lunch period being taken at the duty post or away from it is included in Section 1 of Article 13.

Clearly, the straightforward literal reading of the language in these two sections fails to support the APEA with regard to a "quiet time away from the inmates." The underlined "when" above does not apply to correctional officers, who have no direct contact with the public. Nothing is stated in Section 1 about either a lunch break or a relief break away from the work station and/or duty station, nor is this right assured in the Letter of Understanding.

On the other hand, both Sections 1 and 2 make unequivocally clear that the employee "shall be allowed" a lunch break, and "shall be allowed" relief

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breaks. The verb in both sections is imperative and mandatory. The issue becomes what is meant by "break" or "relief," not whether one or the other shall or shall not be allowed.

No technical or artful meaning is attached to either of these two words, "break" or "relief." Both carry their common ordinary meaning in the context of the language of Article 13. "Break" refers to an interruption, stopping what one is doing, as to "break" its continuity. What employees are doing on their shift is working, and being in a duty status. Similarly, "relief" refers to an interruption, also, for one is "relieved" of what one is doing. Here, relief is from working, also.

For the most part, this would be the end of the matter were it not for the Addendum to the Agreement and the Letter of Understanding, which alter the work week, pay status and other working conditions for correctional officers. Most relevant are the 40 hour week, rather than 37½ hours, and the seven days on, seven days off, with a 12 hour day schedule, rather than a seven and one-half hour day in duty status of "regular" employees. Clearly, Article 13 was drafted to fit the 37½ hour work week, in which the employee was afforded a thirty minute (or more) unpaid lunch break, and allowed the usual or normal mid-morning "coffee" break and another in the afternoon. Here, the correctional officers are paid for a 12 hour shift, which includes the lunch break and the relief periods. Whereas regular employees have only relief periods included in pay status, the correctional officers have both lunch breaks and relief periods in pay status.

With regard to relief periods, the language gives no assurance to the employee that the employee may leave the duty station, only that the Employer after consultation with an Association representative will set out reasonable

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rules regarding relief periods. The relief arises primarily by less attention to duties and responsibilities, the opportunity to have "coffee," to use the restroom facilities, and so forth. "Relief" need not imply "replacement" of the employee. Thus, the relief period is a pay status slow activity period for employees, whether in regular positions or those of correctional officers.

With regard to lunch breaks, the language makes no assurances on where the employee may have lunch, only that a "break" shall be allowed. As noted above, the "break" is a break from "work" even though it may be or must be taken at the duty station. Here, the nature of the language assures a duty-free lunch period. Note, for example, the provision about work and lunch periods beyond the normal shift. Section 1 states that "such additional lunch period shall be considered as time worked . . ." (underlining added). If considered as time worked, then "such lunch period" is not worked, even though paid at the overtime rate as time worked beyond the regular shift hours. Similarly, the regular lunch break for correctional officers is a paid, duty-free lunch break.*

C. Application of Lunch Break and Relief Period Language

1. Relief Periods

I concurred with the Employer that the rules and customs regarding the relief periods must vary according to the type of work, and the circumstances surrounding the work area. For the most part, correctional officers find much less regularity in the scheduling of relief periods, or rest breaks for them than for other employees. None were willing to affirm that a request

*By implication, the lunch break of employees in a 37½ hour work week schedule is unpaid and duty-free. Correctional officers get a duty-free paid lunch break because they are required to remain at the institution during the entire shift, and available for "emergency" or "unexpected" events.

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for a break would go unheeded by the Employer unless in the case of some type of emergency.

As pointed out by the State, the evening/night shift is a slow one and the problem of a relief period is essentially nonexistent. But combining both the testimony of correctional officers and their senior supervisors, I concluded that no gross or extreme violation of the relief break language has occurred. Clearly, sometimes, correctional officers were unable to "stop" and "rest," but the occasions did not impress me as a serious contract violation, or necessarily a bad faith attempt by management to take advantage of the officer in the cell block where relief was most difficult. Even in normal employment, circumstances will prevent the usual rest period on occasion. Here the "production of security services" cannot be interrupted, by the nature of the institutions, and employees must always be on duty. Thus, the fequency of loss of a specific 15 minute "off-duty" rest or relief period may be greater than elsewhere. At the same time, the availability of coffee at the duty station, and movement of the lunch carts about the facilities, may avail correctional officers or opportunities and facilities not always present in other settings.

For the most part, the correctional officers who testified reported inability to leave their duty station for relief breaks, and thus concluded that they had no relief period. But, as noted above, the Agreement does not require that the employee leave the work location. Thus much of the testimony of the officers was beside the point, whether, in fact, they were afforded any regular opportunities to "rest" or "relax" on duty posts. The evidence overall impressed me that such opportunities did exist and did occur, such as coffee in the kitchen, or dining room, the "break room" at Highland, relief by roving officers, and so forth.

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Thus, on the basis of the above, I found that the State had not violated the Agreement with regard to its general practices concerning relief periods in the correctional institutions. In reaching this conclusion, I point out that relief periods mean exactly that. The Employer must act in good faith to allow all correctional officers the contractually required relief period twice each day.

2. Lunch Break

The difference between lunch breaks and relief periods rests primarily on the absence of activity in a relief period, whereas, during a lunch break, the employee has a task or function to perform, namely to eat. In one sense, the assigned duty for which an employee is paid during a lunch break is to eat, and thus "breaks" from the normally assigned work and responsibility.*

Unless an employee is allowed to leave his regularly assigned post, the difficulty of "breaking" from regularly assigned duties in a correctional institution is apparent. The officer's primary function is to maintain security and to meet the essential needs of the inmates. When an officer remains in a cell block, to eat his meal, separation of the lunch break from other activities such as maintaining security may be impossible. Under the Agreement, the Employer may leave the employee at his post, but the performance of duties other than taking a lunch break, constitute "extra work." As Mr. Cummings acknowledged, working through the lunch hour is work exceeding the work day or the work week, and results in overtime payment.

*One basis for payment of the one-half hour lunch break at straight time inside the 12 hour shift was to assure the availability of employees in cases of emergencies and unexpected serious events, as well as for the general security of the facility. But handling these events are a part of regular duties, even though not a part of normally assigned daily duties and responsibilities.

KENNETH M. McCAFFREE, Arbitrator
GALLANTRY WEST CORPORATION
7020 N.E. Twin Spits Road
Hansville, Washington 98340
(206) 638-2428

Thus, to the extent that employees are required to remain on their regular post during a lunch break without clear and specific relief from their normally assigned duties, the Employer will have violated Article 13, Section 1. In such cases, employees are entitled to one-half hour of overtime each day on which this occurred.

The evidence was less than clear on the extent that such assignments regularly occurred, and where employees may be entitled to overtime pay. For example, at the Wildwood Pre-Trial Facility, the availability of a break room, and rotating of duty posts made clear that any violation of the lunch break provision had occurred here was unlikely. The opportunity for most or all officers to eat in the dining room at the Palmer Correctional Center may well eliminate any issue there. Certainly, the evidence indicated that proper breaks were available. Similarly, for Highland Mountain, Mr. Sauser's explanation of non-fixed posts so that employees were not required in certain spots at all times and the use of roving officers to relieve fixed-post employees indicated separation of employees at lunch breaks from their regularly assigned tasks and locations. For the most part, in the smaller facilities and those with few or no maximum security provisions, correctional officers were allowed duty-free lunch breaks separate from regularly assigned locations and work.

On the other hand, the testimony concerning the Fairbanks Correctional Center indicated that some officers did have opportunity to eat only on or at their regular duty stations. From the testimony, also, some correctional officers did get a lunch break in such a manner that they were not carrying out their normal and regular duties at the same time. Here I concluded that the State had violated Article 13, Section 1, of the Agreement.

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Although eleven persons testified about practices in the various institutions, the evidence on balance showed no widespread violation of Article 13. But whether widespread or not, the Grievants were entitled to be made "whole" insofar as "extra work" was regularly performed during what otherwise was a paid lunch period separate from regularly assigned duties, responsibilities and/or work location.

D. Remedy

In one respect, a remedy is straightforward. Any correctional officer who regularly had his lunch at his normal post, without clear relief from the duties and functions ordinarily performed at that location, would be entitled to one-half hour of overtime for each day on which this occurred since the grievance was filed formally at Step III on February 20, 1987. On the evidence before me, an officer who had no fixed-post position would unlikely be eligible for the overtime, inasmuch as that officer could eat in the dining room or similar space apart from his normal duties and responsibilities. Or alternatively, officers who were relieved by those on roving assignments, where ever the employee may have eaten his lunch, would be unlikely to justify receipt of the overtime. However, I leave these specifics to the parties to resolve on the basis of the above guidelines and interpretation of the lunch break language in Article 13, Section 1.

KENNETH M. McCAFFREE, Arbitrator
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DECISION AND AWARD

After study of the testimony and other evidence produced at the hearings, and the arguments of the parties on that evidence in briefs, and on the basis of the above analyses, discussion, and conclusion, I decided that the State had violated Article 13, Section 1, of the Agreement. The practices followed in connection with Article 13, Section 2, were consistent with the meaning of the Agreement, and prior practices of the parties under that language. On this basis, I make the following award.

1. The State violated Article 13, Section 1, when correctional officers were required to take their lunch breaks while on post and while carrying out their regularly and normally assigned duties and responsibilities.

2. The State did not violate Article 13, Section 2, in its practices on allowing or scheduling relief periods for correctional officers.

3. With regard to the violation found in item 1 above, the parties are directed to seek out those employees who may have been entitled to overtime compensation for working through or during their lunch breaks on a regular basis and to do so promptly. And once such employee or employees have been identified, the State is directed hereby to compensate each employee for one-half hour overtime for each day that employee worked through or during the lunch break since February 20, 1987. These activities, including compensation of employees for past overtime work, shall be completed by September 1, 1988.

4. The parties are directed hereby to follow the applicable provisions of the Agreement with respect to lunch breaks and relief periods.

5. The arbitrator retains jurisdiction of this case for the purpose of assisting the parties at the written request of either to implement this decision and award. This jurisdiction shall end on September 1, 1988, unless a written request for assistance shall then be pending.

6. The fees and expenses of the arbitrator have been assigned one-fourth to APEA and three-fourths to the State, per Article 10 of the Agreement.

Sincerely,

Kenneth M. McCaffree

February 17, 1988
Hansville, Washington

KENNETH M. McCAFFREE, Arbitrator
GALLANTRY WEST CORPORATION
7020 N.E. Twin Spits Road
Hansville, Washington 98340
(206) 638-2426

ATTACHMENT A

LIST OF EXHIBITS (All Joint)

Exhibit 1	1984-86 GGU Agreement
Exhibit 2	History of Grievance (24 pages)
Exhibit 3	Letter of Agreement, APEA and State Re GGU Employees, Effective June 29, 1986

LIST OF WITNESSES

NAME	OCCUPATION	BY WHOM CALLED
October 28, 1987		
Walter L. Mason	Correctional Officer, Fairbanks Correctional Center	APEA
Roger Champagne	Correctional Officer, FCC	APEA
Bruce Ludwig (by telephone)	Director, Negotiations and Field Offices	APEA
Ralph Kavorkan	Retired Correctional Officer, FCC	APEA
Roger Christian	Correctional Officer, FCC	APEA
October 29, 1987		
Jody Foster	Correctional Officer, Highland Mountain	APEA
Frank B. Wilshshen	Correctional Officer, Wildwood Correctional Center	APEA
Frank Sauser	Superintendent, Highland Mountain	State
Art Schmidt	Superintendent, Palmer Correctional Center	State
Allen R. Terreault	Assist. Superintendent, Wildwood Pre-Trial Facility	State
Kenneth Brown	Director, Northern Region, Dept. of Corrections	State
Bruce Cummings (by telephone)	Director, Division of Labor Relations	State
Gary S. Turney	Correctional Officer, Palmer Correctional Center	APEA

KENNETH M. McCAFFREE, Arbitrator
GALLANTRY WEST CORPORATION
7020 N.E. Twin Spits Road
Hansville, Washington 98340
(206) 638-2426

AMENDMENT

CSHB 154 (FIN)

DEPT. OF CORRECTIONS

* Sec. The sum of $20,000.00 is appropriated from the general fund to the Department of Corrections to pay for the court ordered extension of the CLEARY V. SMITH Court Monitor.

2. Charity Number

88-0920A

3. Optional Renewal
Years remaining 7 months
XX Yes [ ] No

4. Financial Coding

5. Agency Assigned Encumbrance Number

6. Amendment No.

1

STATE OF ALASKA

AMENDMENT TO PROCESSIONAL SERVICES CONTRACT

This agreement is between the State of Alaska,

7. Department of

Corrections hereafter, the State, and

8. Contractor

Alison Reardon hereafter, the Contractor

Mailing Address Street or P.O. Box	City	State	Zip Code
723½ Birch Street	Anchorage	AK	99501

9. Original period of performance	10. Amended period of performance	11. Previous amount of contract to date	12. This amendment is for	13. This amended contract shall not exceed a total of
FROM: January 25, 1988 TO: June 30, 1988	FROM: January 25, 1988 TO January 31, 1989	$23,000	$28,000	$51,000

14. In accordance with the provisions of the above referenced contract, the parties to that contract agree that the services to be performed by the contractor under the contract are amended as follows: All other terms and conditions of the contract remain in effect. (Use reverse for continuation of amended provisions if necessary.)

This amendment is to extend the time frame and dollar amount of the contract as indicated above. Workscope and payment are attached as Appendix C and Appendix D.

In full consideration of the contractor's performance under and including this amendment, the State shall pay the contractor a new total not to exceed $ 51,000.

The period of performance under this contract is increased/decreased by 7 months(215 days) to Janauary 31, 1989.

IN WITNESS WHEREOF the parties hereto have executed this amendment.

NOTICE! This amendment has no effect until signed by the, Head of Contracting Agency, Procurement Officer or designee

15. CONTRACTOR

Name of Firm

Alison Reardon

Signature of Authorized Representative | Date

Alison Reardon 6-29-88

Typed or Printed Name of Authorized Representative

Alison Reardon

Title

Standing Compliance Monitor

17. CERTIFICATION: I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alterations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the variety, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-820. Other disciplinary action may be taken up to and including dismissal.

16. CONTRACTING AGENCY

Department/Division

Corrections/Statewide Programs

Signature of Project Director | Date

for Duane Sewell 7/6/88

Typed or Printed Name of Project Director

Walter Majoros

Title

Director, Statewide Programs

Signature of Head of Contracting Agency or Designee | Date

Susan E. Knighton 7-6-88

Typed or Printed Name of Authorizing Official

Susan E. Knighton

Title

Director, Administrative Services

18. APPROVAL BY THE DEPARTMENT (If applicable)

02-112 (Rev: 8/86)

5/8M4/080587.01/37
REV: 12-24-87

APPENDIX C

WORKSCOPE AND CONDITIONS

The scope of work, duties, powers, reporting procedures, and other details for performance by the contractor are specified in the attached court order. The attached court order and cover letter to Ms. Reardon from Judge Serdahely is incorporated, in their entirety, into this Appendix of this contract. Section 8 of the court order is referenced in Appendix D.

APPENDIX D

PAYMENT SCHEDULE

(1) The parameters for this Appendix are specified in Section 8 of the court order incorporated into Appendix C of this contract. In addition to the payment schedule outlined below, the Department of Corrections is responsible for costs incurred by the contractor for long distance telephone calls and to provide for data processing, mailing, etc., as outlined in Section 8 of the court order. Those specific costs will be paid, for activities performed in the course of her duties and responsibilities as Standing Compliance Monitor, separately from this contract.

Office spaces, secretarial support services, and travel expenses are to be paid by the court.

(2) Payment Schedule:

	DATE	AMOUNT
a.	On approval and initiation of contract	$2875.00
b.	February 29, 1988	$4000.00
c.	March 31, 1988	$4000.00
d.	April 30, 1988	$4000.00
e.	May 31, 1988	$4000.00
f.	June 30, 1988	$4000.00

An invoice must be submitted to Department of Corrections by the contractor as of each date listed above. Payment will not be made without an invoice.

The total amount of this contract will not exceed $23,000.00 for FY 88.

APPENDIX B²
INDEMNITY AND INSURANCE

Article 1. Indemnification

The contractor shall indemnify, save harmless and defend the state, its officers, agents and employees from all liability, including costs and expenses, for all actions or claims resulting from injuries or damages sustained by any person or property arising directly or indirectly as a result of any error, omission or negligent act of the contractor, subcontractor or anyone directly or indirectly employed by them in the performance of this contract.

All actions or claims including costs and expenses resulting from injuries or damages sustained by any person or property arising directly or indirectly from the contractor's performance of this contract which are caused by the joint negligence of the state and the contractor shall be apportioned on a comparative fault basis. Any such joint negligence on the part of the state must be a direct result of active involvement by the state.

Article 2. Insurance

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the Contracting Officer prior to beginning work and must provide for a 30 day prior notice of cancellation, nonrenewal or material change. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach and grounds for termination of the contractor's services.

2.1. Workers' Compensation Insurance: The contractor shall provide and maintain, for all employees of the contractor engaged in work under this contract, Workers' Compensation Insurance as required by AS 23.30.045. The contractor shall be responsible for Workers' Compensation Insurance for any subcontractor who directly or indirectly provides services under this contract. This coverage must include statutory coverage for states in which employees are engaging in work and employer's liability protection not less than $100,000 per person, $100,000 per occurrence. Where applicable, coverage for all federal acts (i.e. U.S.L.& H. and Jones Acts) must also be included.

2.2. Comprehensive (Commercial) General Liability Insurance: with coverage limits not less than $300,000 combined single limit per occurrence and annual aggregates where generally applicable and shall include premises-operations, independent contractors, products/completed operations, broad form property damage, blanket contractual and personal injury endorsements.

2.3. Comprehensive Automobile Liability Insurance: covering all owned, hired and non-owned vehicles with coverage limits not less than $100,000 per person/$300,000 per occurrence bodily injury and $50,000 property damage.

2.4. Professional Liability Insurance: covering all errors, omissions or negligent acts of the contractor, subcontractor or anyone directly or indirectly employed by them, made in the performance of this contract which result in financial loss to the state. Limits required are per the following schedule:

Contract Amount	Minimum Required Limits
Under $100,000	$100,000 per Occurrence/Annual Aggregate
$100,000-$499,999	$250,000 per Occurrence/Annual Aggregate
$500,000-$999,999	$500,000 per Occurrence/Annual Aggregate
$1,000,000 or over	Negotiable—Refer to Risk Management

Article 2.2 above is waived as discussed and approved by Brad Thompson, Department of Administration, Division of Risk Management on January 20, 1988.

Article 2.4 is waived as discussed and approved by Don Hitchcock, Director, Division of Risk Management, Department of Administration on January 25, 1988.

APPENDIX A (cont.)

Article 15. Notwithstanding Article 3.1 above, any disputes concerning a question of fact arising under this contract which is not disposed of by mutual agreement shall be resolved by Judge Douglas J. Serdahely.

Article 16. Notwithstanding Article 5 above, any dispute regarding termination of this contract, in whole or in part, shall be resolved by Judge Douglas Serdahely.

STATE OF ALASKA

STANDARD AGREEMENT FORM
FOR PROFESSIONAL SERVICES CONTRACT

1. Agency Contract Number	
2. ATN Number	
3. Service Code(s)	
4. Financial Coding	
5. Agency Assigned Encumbrance Number	
6. Vendor Number	7. AK Bus. Lic. # 073206

This contract is between the State of Alaska,

8. Department of: Corrections, Commissioner's Office — hereafter, the State, and

9. Contractor: Alison Reardon — hereafter, the Contractor

Mailing Address: 723 1/2 Birch Street, | City: Anchorage, | State: Alaska | Zip Code: 99501

10.

ARTICLE 1. Appendices: Appendices referred to in this contract and attached to it are considered part of it.

ARTICLE 2. Performance of Services:

2.1. Appendix A (General Provisions), Articles 1 through 14, governs the performance of services under this contract.

2.2. Appendix B sets forth the liability and insurance provisions of this contract.

2.3. Appendix C sets forth the services to be performed by the contractor.

ARTICLE 3. Period of Performance: The period of performance this contract begins January 25, 19 88, and ends June 30, 19 88. Performance may be extended for additional periods by the written agreement of the parties.

ARTICLE 4. Consideration:

4.1. In full consideration of the Contractor's performance under this contract, the State shall pay the Contractor a sum not to exceed $ 23,000.00 in accordance with the provisions of Appendix D.

4.2. When billing the State, the Contractor shall refer to the ATN Number and send the billing to:

11. Department of: Corrections	Attn: Division of: Commissioner's Office
Mailing Address: 2200 East 42nd Avenue, Anchorage 99508	Attention: Jana Varrati

NOTICE: This contract has no effect as an offer by the Contractor until it is approved by the Department of Administraton.

12. **CONTRACTOR**	14. **APPROVAL BY THE STATE CONTRACTING AGENCY**
	NOTICE! This certifies the availability of funds. I am aware that certifying false, inaccurate, or misleading documents constitutes an unsworn falsification punishable under AS 11.56.210.
Name of Firm: Alison Reardon	Signature of Head of Contracting Agency or Designee: S. Humphrey-Barnett — Date: 1/28/88
Signature of Authorized Representative: Alison Reardon — Date: 1-28-88	Typed or Printed Name of Authorizing Official: Susan Humphrey-Barnett
Typed or Printed Name of Authorized Representative: Alison Reardon	Title: Commissioner
Title: Standing Compliance Monitor — Employer I.D. No. (EIN) or SSN: 574-28-3359	15. **APPROVAL BY THE DEPARTMENT OF AUMINISTRATION**
13. **REQUESTING AGENCY**	
Department/Division: Corrections, Commissioner's Office	
Signature of Project Director: Jana Varrati — Date: 1/19/88	
Typed or Printed Name of Project Director: Jana Varrati	
Title: Special Assistant to the Commissioner	

APPENDIX A
GENERAL PROVISIONS

Article 1. Definitions.

1.1. In this contract and appendices, "Project Director" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.

1.2. "State Contracting Agency" means the Department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

Article 2. Inspection and Reports.

2.1. The Department may inspect, in the manner and at reasonable times it considers appropriate, all the Contractor's facilities and activities under this contract.

2.2. The Contractor shall make progress and other reports in the manner and at the times the Department reasonably requires.

APPENDIX C

WORKSCOPE AND CONDITIONS

The scope of work, duties, powers, reporting procedures, and other details for performance by the contractor are specified in the attached court order. The attached court order and cover letter to Ms. Reardon from Judge Serdahely is incorporated, in their entirety, into this Appendix of this contract. Section 8 of the court order is reference in Appendix D.

APPENDIX D

PAYMENT SCHEDULE

1. The parameters for this Appendix are specified in Section 8 of the court order incorporated into Appendix C of this contract. In addition to the payment schedule outlined below, the Department of Corrections is responsible for costs incurred by the contractor for long distance telephone calls and to provide for data processing, mailing, etc., as outlined in Section 8 of the court order. Those specific costs will be paid, for activities performed in the course of her duties and responsibilities as Standing Compliance Monitor, separately from this contract.

   Office spaces, secretarial support service, and travel expenses are to be paid by the court.

2. Payment Schedule:

	DATE	AMOUNT
a.	July 31, 1988	$ 4,000
b.	August 31, 1988	$ 4,000
c.	September 30, 1988	$ 4,000
d.	October 31, 1988	$ 4,000
e.	November 30, 1988	$ 4,000
f.	December 31, 1988	$ 4,000
g.	January 31, 1989	$ 4,000
		$28,000

An invoice must be submitted to Department of Corrections by the contractor as of each date listed above. Payment will not be made without an invoice.

The total amount of this contract will not exceed $28,000.00 for FY89.

Attachment V

Superior Court
State of Alaska
THIRD JUDICIAL DISTRICT
303 K STREET
ANCHORAGE, ALASKA
99501-2033

CHAMBERS OF
DOUGLAS J. SERDAHELY
Presiding Judge

RECEIVED
DEC 11 1987
DEPARTMENT OF CORRECTIONS
CENTRAL OFFICE-JUNEAU

December 8, 1987

Ms. Alison Reardon
723 ½ Birch Street
Anchorage, Alaska 99501

Re: Appointment of Standing Compliance Monitor - Cleary

Dear Ms. Reardon:

Enclosed is the Court's order in the Cleary case appointing you to be the Court's Standing Compliance Monitor for that action.

The appointment is for one year, commencing January 25, 1987. It is contemplated that your duties during the first half of this appointment will keep you busy full time (or more) but that the Monitor's activities may diminish somewhat during the latter part of the term.

Per our prior discussion, it is my understanding that having received this appointment, you will resign from your present position as representative of the APEA.

Compensation will be at the amount of $50,000 for the year, payable in the form of equal monthly installments by the Department of Corrections or in such other form as the Court may order. I have discussed your request for an "advance" or "draw" with counsel, and suggest that you communicate directly with Mike Stark, the Department's counsel, regarding this matter.

cc: Commissioner
Deputy Commissioner
Special Assistants
Directors Sick

As we discussed, however, the one year term of appointment will straddle two fiscal years. Since the Department cannot lawfully expend money from this year's budget for obligations incurred in the next fiscal year, the Department cannot now guaranty the funding for the next fiscal year. Nevertheless, I have ordered the Department, and the Department has agreed, to use good faith efforts to obtain such funding for the next fiscal year.

As I understand it, your status with the Department will be that of an independent contractor. This means that you will have to obtain benefits such as medical or dental insurance on your own. Reasonable periods of personal leave can be coordinated with the Court.

We will provide you will office space, equipment and some secretarial assistance at the Alaska Court System building, 303 "K" Street, Anchorage, Alaska. To the extent necessary, the Department may be obliged to perform or assume certain additional office services or expenses, such as typing, duplicating and long distance telephone calls.

All travel expenses and related per diem will be paid by the Alaska Court System, per advance approval from me.

I will have my staff make available for your review all relevant pleadings, contempt motions, orders, Masters' Reports etc. in the Cleary action.

No doubt, we will need to coordinate with each other further on the details of these and other matters.

I'm sure that I speak for counsel for the parties as well as the Court System and my staff in saying that I am pleased you have accepted this most challenging assignment. We all look forward to working with you during the next year.

Kindly contact me at your convenience over the next several weeks.

Best regards.

Sincerely yours,

Douglas J. Serdahely

DJS:dw
cc: P. Volland
K. Tinglum
M. Stark
Alaska Legal Services
Arthur H. Snowden, II
Robert Fisher

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT

MICHAEL CLEARY, DEMETRY KENEZUROFF, HARRY MORGAN, BOB OWEN, THOMAS WALTER, and ERNEST MORGAN, on behalf of themselves and all other persons who are now or will be similarly situated,

Plaintiffs,

vs.

ROBERT SMITH, Commissioner, Department of Health and Social Services; ROGER ENDELL, Director, Division of Adult Corrections, Department of Health and Social Services; VERNON CAULKINS, Assistant Director, Division of Adult Corrections, Department of Health and Social Services; REVEREND WILLIAM LYONS, BEVERLY DUNHAM, FREDERICK PETTYJOHN, AL WIDMARK, and CONRAD MILLER, all of the Alaska Parole Board; SAMUEL TRIVETTE, Executive Director of the Alaska Board of Parole; and their subordinates, employees, and agents,

Defendants.

Case No. 3AN-81-5274 Civil

ORDER APPOINTING STANDING COMPLIANCE MONITOR

Having considered the recommendations of former Master Eric Sanders, and having further considered the arguments and pleadings submitted by counsel at the Court's invitation, this Court now issues the following order regarding the appointment of a special Master herein referred to as the Standing Compliance Monitor ("Monitor" or "Compliance Monitor").

1. Introduction. This Court finds that the appointment of a Standing Compliance Monitor is both necessary and appropriate to assist the Court in overseeing Defendant Department of Corrections' ("Department") compliance with the 1983 Partial Settlement Agreement and Order pertaining to Subclass "A" and "B" ("PSA"), dated January 21, 1983, and presently in effect. Pursuant to this order, the Defendants agreed to institute a broad range of reforms at various correctional institutions.

Since the PSA and order were entered, a number of disputes have arisen between the parties over compliance and this Court has been obliged to adjudicate a number of contempt

cc: Commissioner
Deputy Commissioner
Special Assistants
Directors etc.

motions brought by the Plaintiffs. The Court has, in the past, used a Special Master to assist it in adjudicating the contempt issues. Recently, the Court terminated the Master's appointment after several years of service.

The issues involved in such contempt proceedings have been both time-consuming and complex. The Court has also found these compliance issues to be fluid or dynamic in nature, frequently changing in character by the time court hearings are held. Both the parties and this Court have expressed frustration at the present system of resolving disputes over compliance. The parties and Court believe that the appointment of a new Compliance Monitor, whose powers, duties and role would be somewhat different from the former Civil Rule 53 Special Master, may well be more useful in resolving future compliance disputes. Generally, it is contemplated that the new Compliance Monitor will perform a more informal, investigative and mediative role with the parties than the passive, adjudication role of the prior Master.

Among the objectives sought to be achieved through the appointment of such Monitor are the following:

- The reduction of delay in the resolution of future compliance disputes;

- The reduction of attorneys' fees and expenses in the resolution of future compliance disputes;

- The encouragement and development of cooperation and trust between the parties, hopefully toward the goal that the number of adversarial adjudicative actions will be reduced through the use of informal dispute resolution efforts;

- In particular, the reduction or elimination of potential contempt motions which must ultimately be resolved by the Court itself; and

- The development of a permanent, informal dispute resolution procedure which would, hopefully, lead to the

total withdrawal of the Court and its Monitor from compliance oversight activities of the parties in this action.

2. Appointment of Monitor.

Accordingly, and pursuant to Alaska Civil Rule 53 and the inherent power granted this Court to enforce remedial orders, this Court hereby appoints Ms. Alison Reardon, of Anchorage, Alaska, as the Standing Compliance Monitor of this Court to serve under the following terms and conditions. A copy of Ms. Reardon's resume is attached hereto as Exhibit "A".

The term of appointment shall be for one (1) year, commencing on January 25, 1988. Toward the conclusion of such year, the Court will hold a hearing, and determine whether the Monitor's services are required beyond such year, and whether, or to what extent, such appointment should be extended. It is currently hoped that no such extension will be necessary.

3. General Duties. The primary duty of the Monitor shall be to assist the Court by promoting and monitoring compliance with the 1983 Partial Settlement Agreement and Order.

In performing this duty, the Monitor may investigate, observe, monitor, find facts, report or testify as to her findings, and make recommendations concerning procedures and/or actions which should be taken to encourage and achieve compliance. The Monitor has the duty to confer with both parties on any matters affecting compliance and, correspondingly, shall have the duty to promote and hold negotiations between the parties which may resolve problems with compliance. The Monitor is also encouraged to maintain close contact with counsel for the parties, and when practical, to communicate with both counsel at the same time (in person or by telephone conference call). When this is not practical, the Monitor shall keep some type of record, log, notes or recording of such ex parte communications, and shall inform opposing counsel of the nature of any such communication as soon as practical after the communication occurs.

The Monitor remains under the ultimate control and supervision of this Court. The Monitor is not authorized to

require either party to take or refrain from taking any action to achieve compliance. The sole authority to direct compliance, and to punish noncompliance, remains with this Court.

4. Special Duties. Without limiting the general duties specified above, the Monitor is directed to undertake the following special duties:

a. 120-Day Status Report. The Monitor shall investigate and report on the Defendants' overall compliance with the 1983 Partial Settlement Agreement and Order. Generally, her investigation may include, but is not necessarily limited to, inspections of the Department's institutions, interviews with the Department's personnel and with Plaintiffs, and a review of the Department's records. The Monitor shall conclude her investigation and report to the parties and the Court on her findings within 120 days of this order. The Monitor's interim status report shall identify general areas of compliance and noncompliance, and shall further make findings and recommendations to the Court consistent therewith.

b. Recommended Procedures. The Monitor shall investigate and recommend what actions should be taken or procedures which could be implemented to resolve future complaints between members of the Plaintiff class and the Defendants regarding compliance. In this regard, the Monitor shall report to the Court and the parties on whether the present method by which inmates may complain of violations of the 1983 agreement to correctional officials is a viable method of dispute resolution. To the extent that the method is found not to be viable, the Monitor shall make such recommendations as may be appropriate regarding the modification of such procedures.

c. Issues of Interpretation of PSA. The Monitor shall identify and attempt to resolve any questions of interpretation of the 1983 Partial Settlement Agreement through informal discussions with counsel for the parties. Disputes of interpretation of the PSA which cannot be resolved by such means shall be referred by the Monitor to the Court for resolution. The

Monitor may make such findings as are necessary to assist the Court in making any such interpretations.

d. Complaint Procedures. Generally, throughout this twelve month appointment the Monitor shall hear, investigate and report on any allegations of noncompliance which arise during her appointment. If any allegation of noncompliance is raised directly to the Monitor, she shall notify the Defendants of the allegation. The Monitor may, in her discretion, either investigate and resolve the complaint directly, or refer the matter to Defendants and monitor the Defendants' response to the complaint. The Monitor shall issue appropriate findings of fact and recommendations whenever noncompliance is found.

One of the principal objectives of the Court and the parties in connection with this appointment is to encourage Defendants and their staff to become capable of complying with the PSA without any involvement of the Court or a Monitor. To facilitate this goal, the Court hereby orders that for the first 120 days after the appointment of the Monitor, the following complaint procedures shall apply:

(1) Any prisoner who seeks relief because he or she believes a violation of the PSA has occurred must first submit a written grievance to the institutional compliance Monitor which sets out the underlying factual basis for the alleged violation and the relevant provision of the PSA.

(2) The institutional compliance Monitor shall, within five (5) working days, investigate the allegation and respond in writing to the complaining prisoner.

(3) If the prisoner is not satisfied with the response, he or she may send the complaint to the Monitor at the Alaska Court System, 303 "K" Street, Suite 272, Anchorage, Alaska 99501. The Monitor shall, through utilization of the written complaint and response, communicate with the parties and/or counsel, review the PSA, conduct an on-site investigation if deemed necessary.

and investigate the merits of the complaint. If the Monitor determines that the complaint has merit, she shall recommend whatever action to Defendants that is deemed necessary to correct the problem. Any recommended action should be directed to the superintendent of the relevant facility with a copy to the appropriate regional director for corrections.

(4) Whenever the Monitor has determined that a violation of the PSA has occurred and Defendants have refused to comply promptly with the action recommended to correct the problem, the Monitor shall prepare a report for the Court and counsel setting out the particulars, said report to be filed and served within one week of Defendants' refusal to comply with the recommendations. Upon receipt of such a report Plaintiffs may file a contempt motion before the Court regarding the alleged violation. In order to avoid stale claims, Plaintiffs shall have up to 30 days from the date of notification by the Monitor in which to bring a contempt motion or they shall be deemed to have waived their right to litigate the matter before the Court.

(5) Defendants shall maintain copies of all such written grievances and responses. At least once each month, or at such times as the Monitor shall direct, Defendants' institutional compliance monitors for each correctional facility shall send to the Monitor copies of all such written grievances alleging violations of the PSA and of the written responses provided to prisoners. The Monitor shall consider this information in preparing the 120-day interim status report to the Court referred to in paragraph 4(a) above.

(6) Following the 120-day period during which the foregoing inmate complaint resolution procedures will be in effect, the Monitor shall make recommendations to the Court and counsel whether such procedures should be

left in effect, modified or replaced by other procedures. If upon review, the Court determines that alternative procedures are warranted, the parties shall have the opportunity to present their views before such alternative procedures are implemented.

5. Powers. Notwithstanding the powers invested in the Monitor pursuant to Civil Rule 53, the Monitor shall also have the following specific powers:

a. Inspections. The Monitor shall have unlimited access to any of Defendants' facilities, buildings or offices to the extent that such access is necessary to the performance of her duties. The Monitor is not required to give any advance notice of any visit or inspection, nor disclose the purpose of said visit or inspection, if she deems such action appropriate. However, it is recommended that the Monitor shall give the Department at least 24 hours advance notice of any visit or inspection in order to assure that all relevant personnel of the Department will be present for such visit or inspection.

b. Records. The Monitor shall have unlimited access to all nonconfidential records, files and papers maintained by the Department of Corrections to the extent that such access is necessary to the performance of her duties. If the Monitor seeks access to Defendants' records deemed "confidential" by law or regulation, the Monitor shall apply to the Court for an order directing the production of such records under such conditions as may be appropriate. Any documents provided to the Monitor which Defendants determine to be confidential for security reasons pursuant to 22 AAC 05.095 or other applicable authority shall be kept confidential by the Monitor and, if provided to the Court as part of any report or recommendation, shall be sealed and not made available to the public or individual Plaintiffs without approval of the Court after the parties have had the opportunity to present their views to the Court. Any confidential documents provided to Plaintiffs' counsel shall be kept confidential from individual Plaintiffs absent agreement

by Defendants' counsel or order of the Court. The Monitor may obtain and maintain copies of any nonconfidential records and of such confidential materials as the Court may direct.

c. Interviews. The Monitor may conduct confidential interviews with any present or future staff or representatives of the Department, and any present or future inmates, or groups of inmates, to the extent necessary for the performance of her duties. The Monitor may conduct confidential interviews with former staff and inmates to the extent they agree to be interviewed.

d. Meetings. The Monitor may convene or attend any formal or informal meetings or proceedings of any staff or representatives of the Department of Corrections and any formal or informal meetings of any inmates or groups of inmates to the extent necessary for the performance of her duties.

e. Reports. The Monitor may require the preparation and completion of any reports or statements by employees, staff or representatives of the Department of Corrections, or any inmates or groups of inmates to the extent necessary for the performance of her duties.

f. Hearings. The Monitor shall have the power to order and conduct hearings with respect to any complaints of noncompliance, including the power to compel the attendance of witnesses and the production of relevant records and materials.

g. Staff-Experts. The Monitor may request the Court to appoint additional staff and/or experts, consultants or other professionals as she may deem necessary to carry out the duties of the Monitor. Compensation for such additional staff or professionals shall be determined by the Court.

6. Reports and Findings. In addition to the 120-day interim status report mentioned above, the Monitor shall also file with the Court such findings and reports as she deems necessary. Any such reports shall first be submitted to the parties, who shall have the opportunity to respond and object to the report. The Monitor shall establish the timetables in which

objections and responses by the parties shall be made. Following consideration of the parties' objections, including the conduct of hearings if necessary or appropriate, the Monitor shall file her report with this Court, including such findings and recommendations as may be necessary.

7. Hearings before the Court. Either party may file objections to the Monitor's report and request a hearing before the Court thereon pursuant to the provisions of Civil Rule 53. Hearings or argument to the Court regarding any objections shall be held on an expedited basis and, in no event, heard no more than 30 days from the date of submission of the Monitor's report.

The Court may request the Monitor to attend and participate in such hearing, including through testimony, if appropriate.

The Monitor's findings shall be accepted by the Court unless shown to be clearly erroneous. Any evidence not previously presented to the Monitor in support of the parties' objection will be admitted at a hearing only upon a showing that the party offering it lacked a reasonable opportunity to present the evidence to the Monitor.

Nothing in this provision shall limit or preclude the Monitor from having informal communications with the Court on administrative and procedural matters encountered with the Monitor's duties, provided that the Monitor and Court shall not have ex parte communications on the merits of any substantive dispute or compliance issue which may ultimately appear before the Court for resolution.

8. Compensation and Expenses. The Monitor shall be compensated at the rate of $50,000 per year, payable in equal monthly installments or as otherwise directed by the Court. This compensation shall be paid directly to the Monitor by

Defendant Department of Corrections.[1] The Department's counsel is directed to prepare a written contract or contracts for the Monitor.[2]

Office expenses of the Monitor, such as long distance telephone calls, data processing, postage, recording and transcription fees, will also be paid by Defendant. Presently, however, the Court contemplates providing the Monitor with office space and as much office and secretarial support services as practicable in the Alaska Court System buildings in Anchorage, Alaska.

Travel expenses of the Monitor, including per diem, shall be paid by the Alaska Court System. All such expenses will be reviewed and approved, in advance, by this Court. When undertaking any travel, the Monitor shall be paid per diem at the rate currently paid employees of the State of Alaska.

9. Defendants' PSA Reporting Requirements - Suspended. In order to reduce unnecessary expense and to encourage maximum cooperation with the Monitor and the informal dispute resolution procedures established herein, the periodic compliance reporting obligations of Defendants, as required by ¶cc of the PSA, as amended by the Order of this Court of May 28, 1987, are hereby suspended for the duration of the instant appointment order.

---

1. It is recognized, however, that the Monitor's term of appointment extends through the instant fiscal year and into the next fiscal year; that the Department cannot lawfully be compelled to spend resources of the instant fiscal year budget for obligations to be incurred in the next fiscal year; but that the Department will use good faith efforts to obtain adequate funding for the next fiscal year in order to pay for the balance of the Monitor's fee for that year.

2. Insofar as this appointment is a Court-ordered Master's appointment, with compensation being ordered in the form of a contract-relationship, any contractor competitive bidding regulations, law or procedures which the Department might normally operate under are deemed inapplicable to this appointment.

DATED at Anchorage, Alaska, this 9th day of December, 1987.

DOUGLAS J. SERDAHELY
Superior Court Judge

I certify that on 12-9-87 a copy of the above was mailed/hand delivered to each of the attorneys and/or individuals at their addresses of record.

P. Volland
M. Stark
E. Sanders
K. Tinglum
Alaska Legal Services
A. Reardon

Dayna Corey
Secretary to Judge Serdahely

MEMORANDUM State of Alaska

DEPARTMENT OF CORRECTIONS

TO: Alison M. Elgee, Director
Office of Management and Budget
Division of Budget Review

DATE: January 23, 1989

FILE NO:

TELEPHONE NO: 465-3376

THRU:

SUBJECT: FY89 Supplemental Appropriation Request

Susan E. Knighton

FROM: Susan E. Knighton, Director
Administrative Services

The Department of Corrections requests a supplemental request for FY89. The following provides specific details for each part of this request.

1. $3.6 Administrative Services Miscellaneous claims for payment which have been delayed because notification of outstanding charges was not received by the Department prior to fiscal year cutoffs. The detailed invoices are contained in Attachment I.

2. $658.8 Administrative Services To settle arbitration decisions related to APEA vs. DOC.
#87-G-015 ($630.8) requiring payment of 1/2 hour overtime to all correctional officers who worked 12 hour shifts and were not relieved for a lunch break. The arbitration decision covered FY87 and FY88 with calculated settlement amounts of $166.4 and $464.4 for each respective fiscal year. A copy of the decision is attached as Attachment II.
#87-G-308 ($20.0) relating to flex time scheduling.
#87-G-038 ($8.0) relating to holiday pay.

   Failure to receive these supplemental funds would make it impossible for the Department to pay the settlements and the monetary responsibility would still exist for the State.

3. $1,601.4 Major Medical - Contractual The Major Medical component has been historically underfunded and each year the Department must hold valid bills and move funds between components in order to meet its obligations in a timely fashion. Attachment III identifies projected shortfalls for FY89. Failure to receive these supplemental monies would render us unable to meet these obligations.

4. $20.0 Statewide Programs - Contractual When the FY89 budget was finalized, it was thought that the court ordered Cleary Monitor would be able to complete her work in six months, but if it turned out that this was not possible that the

Department would request the necessary supplemental funds for full year funding. It has been concurred by the Department and the inmate's legal counsel that the work has not been completed. On January 27, 1989, Judge Serdahely effectively ordered the Department to extend the contract through June 30, 1989. A copy of this order will be forwarded to your office when it is received from the Court. Copies of the original court order, professional services contract and contract amendment are included as Attachment V.

Your favorable consideration of this request is appreciated. Please contact me if you require further information.

SEK:cc

6-1112A
Utermohle
3/23/89

Education
Amendment
for SB 157

Funding Information
General Fund $ - 0 -
Other Funds 25,000
$25,000

IN THE HOUSE

HOUSE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making a supplemental appropriation for the operating expenses of state government for the 1989 fiscal year; and providing for an effective date."

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

* Section 1. The sum of $25,000 is appropriated from the training and building fund (AS 23.20.130) to the Department of Education, Alaska Vocational Technology Center, for additional operating support for the fiscal year ending June 30, 1989.

* Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

M E M O R A N D U M

State of Alaska
Department of Education

TO: Alison Elgee, Director
Division of Budget Review
Office of Management & Budget

DATE: April 11, 1989

FILE NO:

TELEPHONE NO: 465-2800

FROM: William G. Demmert
Commissioner

SUBJECT: Supplemental Request

The Department respectfully requests authorization to receive and expend $1,995,010 federal PL81-874 funds designated for PL81-874 eligible special education on-base students. Since the State serves as the PL81-874 applicant for on-base students, these funds are received by the State and passed through to the respective school districts providing the special education program. These funds represent closure on federal fiscal year '87 PL81-874 special education funding issues for the Anchorage, Fairbanks and Kodiak on-base special education students (for state fiscal year 1988 services). These federal funds cannot be used for any other purpose than provision of services as outlined in Individual Education Plans for the specified students.

The Department respectfully requests a supplemental appropriation of $1,995,010 PL81-874 for Anchorage, Fairbanks and Kodiak on-base special education students. The allocation of funds is as follows:

Anchorage	$1,060,766
Fairbanks	778,533
Kodiak	155,711
Total	$1,995,010

Please contact Mary Hakala at 465-2800 if you need additional information regarding this request.

Attachment

DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202

PAYMENTS FOR MAINTENANCE AND OPERATION OF SCHOOLS UNDER THE ACT OF SEPTEMBER 30, 1950, 64 STAT. 1100

(Title I of Public Law 81-874, as amended)

SCHEDULE NO	VOUCHER NO	FISCAL YEAR	DATE
MO. 0665	MO 03937	87	03/29/89

APPLICANT NUMBER: 11-AK-87-0001
CONGRESSIONAL DISTRICT: 137

TOTAL ADA: 7,714.82
TOTAL CURRENT EXPENDITURES: 666,289,634

PAYEE: ALASKA STATE DEPT OF ED
AUTHORIZED REP PL 874 TITLE 1
P O BOX F
JUNEAU AK 99811

IN RESPONSE REFER TO J975/S041Z70131

LOCAL CONTRIBUTION RATE (LCR)
A: 3,639.57 B: 3,880.00

COUNTY: UNORGANIZED

ENTITLEMENT

SEC 2	ASSESSED VALUE $		x RATE $		$			
SEC 3a	ADA	x	RATE	% OF LCR				
(a)(1)	51.40	x$	3,639.57	100.0	%IS	187,073.90	100.0 %	$ 187,073.90
(a)(1) LRH		x$			%IS		%	$
(a)(2)	5,092.45	x$	3,639.57	100.0	%IS	18,534,328.25	100.0 %	$ 18,534,328.25
(a)(2) LRH		x$			%IS		%	$
(a)(2) SPED	579.68	x$	5,459.36	150.0	%IS	3,164,681.80	100.0 %	3,164,681.80
(a)(2) MLRH SPED		x$			%IS		%	$
(a)(2) INDIANS	117.07	x$	4,549.46	125.0	%IS	532,605.28	100.0 %	$ 532,605.28
(a)(2) IND SPED	2.85	x$	6,824.19	187.5	%IS	19,448.94	100.0 %	$ 19,448.94
TOTAL 3a	5,843.45				$	22,438,138.17		$ 22,438,138.17
SEC 3b	ADA	x	RATE	% OF LCR				
(b)(1)	99.94	x$	582.00	15.0	%IS	58,165.08	8.5 %	$ 4,944.03
(b)(1) LRH		x$			%IS		%	$
(b)(2)(A)	23.79	x$	582.00	15.0	%IS	13,845.78	8.5 %	$ 1,176.89
(b)(2)(A) LRH		x$			%IS		%	$
(b)(2)(B)	85.66	x$	517.20	13.3	%IS	44,303.35	8.5 %	$ 3,765.78
(b)(2)(B) LRH		x$			%IS		%	$
(b)(3)	82.81	x$	646.80	16.7	%IS	53,561.51	8.5 %	$ 4,552.72
(b)(3) SPED	17.13	x$	970.00	25.0	%IS	16,616.10	8.5 %	$ 1,412.36
TOTAL 3b	309.33				$	186,491.82		$ 15,851.78
TOTALS 3a and 3b			6,152.78		$	22,624,629.99		$ 22,453,989.95
3(a) (2) (C) ADD-ON		x$			$	1,061,847.70	%	$
3(a) (2) (C) MAXIMUM		x$			$	NA	%	$
OTHER		x$			$		%	$
OTHER		x$			$		%	$
OTHER		x$			$		%	$
OTHER		x$			$		%	$

87-03 PAYMENT FINAL AFTER FR

TOTAL PAYMENTS SUMMARY (sum of line 1 and lines 20 through 26)	22,624,629.99	$ 22,453,989.95
PRIOR PAYMENTS FOR THIS FISCAL YEAR		$ 20,458,979.51
OVERPAYMENT - If line 28 is greater than line 27 then an overpayment of this amount exists.		
AMOUNT CERTIFIED FOR CURRENT PAYMENT THIS FISCAL YEAR (line 27 minus line 28)		$ 1,995,010.44
DEDUCTIONS FOR PRIOR OVERPAYMENT(S) FY $ FY $ FY $ FY $		TOTAL $
AMOUNT OF PAYMENT TO APPLICANT (line 30 minus line 31)		$ 1,995,010.44

OE FORM 4119, 1/76: REVISED 10/88
DISTRIBUTION: LEA, OFFICIAL FILE, PAYMENTS FILE, FIELD OPERATIONS, SEA, LIST BOOK

DEC

AMENDMENT BY SHULTZ

HOUSE BILL 302

PAGE 2, LINE 11

ADD NEW SECTION TO READ:

Sec. 8. The sum of $65,000 is appropriated from the general fund to the Department of Environmental Conservation for a grant under the village safe water program to the Alaska Gateway School District/Dot Lake School to [redacted] the sewer and upgrade the water system. Repair

Sec. 9. The sum of $78,000 is appropriated from the general fund to the Department of Environmental Conservation for a grant under the village safe water program to the Alaska Gateway School District/Eagle School to repair the power plant system.

Sec. 10. The sum of $94,000 is appropriated from the general fund to the Department of Environmental Conservation for a grant under the village safe water program to the Alaska GAteway School Disrtrict/Northway School for emergency septage repair.

DF+G

MEMORANDUM State of Alaska

TO: Fred Fisher
Budget Analyst
Division of Budget Review
Office of Management and Budget

DATE: April 14, 1989

FILE NO:

TELEPHONE NO: 465-4120

FROM: Beverly Reaume
Director
Division of Administration
Department of Fish and Game

SUBJECT: Reduction in Licensing Supplemental

We are now at a point in the fiscal year where we can more accurately predict expenditures for the Licensing Program. A few of the costs incurred have been lower than originally anticipated. We, therefore, request that the Licensing Supplemental be reduced as follows:

Personal Services	$30.0
Travel	1.0
Contractual	3.0
Equipment	26.0
Total	$60.0

The personal services savings were created by not capturing data from the 1989 licenses during the period from January through May. We will begin this data entry in June and maintain a large data entry crew during the summer to "catch-up" on the backlog.

Equipment savings were realized by transfer of a control unit, microcomputers and copier from the Division of Administration to the Licensing Section. Savings in the contractual services reflect fewer payments on the page scanner this fiscal year. Travel costs are reduced by one fewer meeting in Anchorage and Fairbanks with regional staff on the Licensing Program.

Please let me know if you have any questions.



Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802 907-463-3366

MARICULTURE TASK FORCE FUNDING

The Alaska Environmental Lobby strongly supports funding for the Mariculture Task Force. It is essential that it be included in HB 100, the FY90 Budget.

Mariculture is a controversial issue. Both sides have been left with unanswered questions. The Mariculture Task Force is a necessary step toward gaining unbiased information about finfish farming. Only with such information is it possible to evaluate the potential environmental, biological, social and economic impacts of finfish farming in Alaska,. Without such action, mariculture will continue to be a formidable stumbling block in the resolution of coastal land and resource use conflicts.

The Washington State Draft Programmatic Environmental Impact Statement (EIS) on fish culture in floating net pens should serve as a model for an Alaskan study, not as a substitute. Its evaluation of the finfish farming issue in Washington is site specific; its conclusions cannot be considered valid for Alaska. The task force must first compile and learn from finfish farming experiences worldwide, then carry out its own investigation to accomodate the unique biological, economic, and social conditions of Alaska. Key concerns must be clearly identified, so a well-informed public debate can focus on those areas and good public policy decisions can be made.

The $50,000 allocation is insufficient. The Mariculture Task Force has a number of important duties, but lack of funding has prevented any action. The $50,000 requested by the Governor's FY90 Budget represents a minimum level of funding. Additional funds for the Mariculture Task Force are necessary to enable it to truly accomplish its assigned tasks.

Funding of the Mariculture Task Force is of utmost importance. The critical issues of land and water use, environmental quality, coastal management, and social and economic impacts surrounding the introduction of finfish mariculture in Alaska must be thoroughly evaluated. Good public policy demands proper consideration of these important issues.

Karen Brewster
April 11, 1989

ALASKA CENTER FOR THE ENVIRONMENT • ALASKA CHAPTER, SIERRA CLUB • JUNEAU GROUP, SIERRA CLUB • SITKA GROUP, SIERRA CLUB
KNIK GROUP, SIERRA CLUB • DENALI GROUP, SIERRA CLUB • ANCHORAGE AUDUBON SOCIETY • ARCTIC AUDUBON SOCIETY
DENALI CITIZENS' COUNCIL • ALASKA FRIENDS OF THE EARTH • JUNEAU AUDUBON SOCIETY • KACHEMAK BAY CONSERVATION SOCIETY
KENAI PENINSULA AUDUBON SOCIETY • KODIAK AUDUBON SOCIETY • LYNN CANAL CONSERVATION • ALASKA WILDLIFE ALLIANCE
SITKA CONSERVATION SOCIETY • NORTHERN ALASKA ENVIRONMENTAL CENTER • SOUTHEAST ALASKA CONSERVATION COUNCIL
KNIK KANOERS AND KAYAKERS

MEMORANDUM

State of Alaska

RECEIVED
MAR 21
BUDGET REVIEW

TO: Alison Elgee
Director
Division of Budget Review
Office of Management and Budget

DATE: March 17, 1988

FILE NO:

TELEPHONE NO: 465-4100

FROM: Don W. Collinsworth DWC
Commissioner
Department of Fish and Game

SUBJECT: Department of Fish and Game Audit Reports for FY 86 and FY 87

The Division of Legislative Audit has completed an audit of the Department of Fish and Game for FY 87. That audit reports several deficiencies for the Division of Wildlife Conservation (DWC) for FY 86 and FY 87.

First, the report shows that DWC incurred a shortfall of $241,765.34 in FY 86 appropriated federal receipts creating an overexpenditure of general fund. The shortfall of federal receipts is attributable to several factors:

1. DWC did not request additional federal funds to the extent available under funding from U.S. Fish and Wildlife Service, Pittman-Robertson Program (PR). In addition, DWC and the Division of Administration failed to foresee the need to restrict budgetary authorizations not funded through a federal grant or contract.

   Additional funding was available from PR and sufficient budget authorization existed in the FY 86 operating budget. However, DWC did not recognize the need for the additional funding.

2. Inadequate record keeping contributed to the problem, partly related to difficulties with the "new" accounting system (see item 3 below) and, to some degree, to inadequacies in the accounting practices of DWC. Lack of accounting system training, confusion over changes required by the new system, slow evolution of support for the new system beyond the Juneau area, and the complexity of "other" factors contributing to the problem made clear the potential for difficulties.

3. State fiscal year 1986 was the first year of operation under the new accounting system. Many aspects of the accounting system were confusing and not readily understood by the users. FY 86 was also the first year of payback on the Retirement Incentive Program (RIP). Agencies were struggling to identify lapsing funds that could be applied to the RIP debt. As FY 86 came to a close, monies were shuffled in and out of RIP as the changing balances in the operating programs dictated. In FY 86, DWC contributed $202,500.00 to the retirement of their RIP debt, which at that time appeared to have been lapsing general funds.

The net result of the factors noted above was that sound and accurate financial information was not available to the department and the program and project managers.

Second, the DWC overspent a total of $4,643.93 in federally funded operating appropriations. Two of these originated in FY 86 and carried forward into FY 87 and four were FY 87 authorizations. These operating appropriations were overspent prior to the close of the federal program and no additional federal funds were available. We have checked with the appropriate federal agencies and no funds currently exist to pay the overexpenditure. In addition, the appropriations were not cleared of the overexpenditure prior to the close of the fiscal period which limits the remedy to requesting a supplemental appropriation as the only method of fixing the problem.

Since FY 87, DWC has instituted procedures and controls that will prevent similar problems from occurring in the future. The DWC is monitoring all appropriations and appropriated revenues to insure that overexpenditures do not occur. The Division of Administration is backing up the monitoring performed by all divisions (including DWC) with routine reviews of their appropriations. We are confident that the problems identified here are unlikely to occur now, or in the future.

The Department of Fish and Game requests a supplemental appropriation to clear these problems. This request is for additional general funds, but also proposes appropriation of fish and game funds to fund the FY 86 and FY 87 revenue shortfalls, as follows:

Source of Funds	Amount
General Fund Supplemental	$140,000.00
Appropriated Fish and Game Funds	106,409.27
Total Funding	$246,409.27

Those funding sources will be applied as follows:

FY	Appropriation Description	Funding Source	Amount
86	Game (DWC) Operating AR	GF Supplemental	$135,356.07
		F&G Funds	106,409.27
	Sub-Total		$241,765.34
86	Pinniped NMFS (AR-41942)	GF Supplemental	$1,795.53
86	USFS Bear Tooth (AR-41964)	GF Supplemental	733.38
87	Peregrine Falcon (AR-41977)	GF Supplemental	2,049.52
87	Deer/Wolf Study (AR-41965)	GF Supplemental	21.28
87	USF&WS Caribou (AR-42717)	GF Supplemental	3.00
87	USFS Bear Tooth (AR-41967)	GF Supplemental	41.22
	Total		$246,409.27

Accordingly, the Department of Fish and Game, Division of Wildlife Conservation, requests the following actions:

1. The appropriation of $135,356.07 from general funds to the FY 86 Game operating component;

2. DWC will be requesting authority to receive and expend an additional $17,000.00 in FY 89 federal authorization. The request, see enclosed RPL, will increase the total FY 89 federal receipt authorization. The additional federal authorization is "new" federal funds not previously anticipated;

3. The appropriation of $106,409.27, as new funds, from the Fish and Game fund to the FY 86 Game operating component replacing federal receipt authorization. The overexpended amount is eligible as expenditures under the Fish and Game fund;

4. The appropriation of $1,795.53, as new funds, from the general funds to the FY 86 NMFS Pinniped appropriation increasing the authorized funding level of AR-86-41942;

5. The appropriation of $733.38, as new funds, from general funds to the FY 86 USFS Bear Tooth appropriation increasing the authorized funding level of AR-86-41964;

6. The appropriation of $2,049.52, as new funds, from general funds to the FY 87 Peregrine Falcon appropriation increasing the authorized funding level of AR-87-41977;

7. The appropriation of $21.28, as new funds, from general funds to the FY 87 Deer/Wolf Study appropriation increasing the authorized funding level of AR-87-41965;

8. The appropriation of $3.00 as new funds, from general funds to the FY 87 USF&WS Caribou appropriation increasing the authorized funding level of AR-87-42717;

9. The appropriation of $41.22, as new funds, from general funds to the FY 87 Deer/Wolf Study appropriation increasing the authorized funding level of AR-87-41967.

The Department of Fish and Game, Division of Wildlife Conservation, respectfully requests your consideration for support and approval of this request. My staff and I are available to discuss this matter with you or your staff at any time.

cc: Lew Pamplin
Beverly D. Reaume

HESS

* Sec.____. (a) The sum of $83,000 is appropriated from the general fund to the Department of Health and Social Services to meet increased demands on state agency operations for Public Assistance, Emergency Medical Services, and Public Health Administration directly relating to the Exxon Valdez oil spill.

(b) The unexpended and unobligated portion of the appropriation made by this section lapses February 15, 1990.

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Oil Spill - Public Assistance Field Services

AGENCY CONTACT/PHONE NUMBER:
Frank Hickey 465-3082

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

This increment provides travel funding for DPA Eligibility workers for transportation and perdiem to communities directly impacted by the Valdez Oil Spill. It is anticipated that demand for public assistance services will increase and this increment will enable the Division to respond to potential emergency service requests, above and beyond our normal, planned service requirements.

The communities of Prince William Sound are heavily dependent upon subsistence hunting and fishing for basic food supplies, which may be either disrupted or destroyed by the oil spill. We anticipate unusually high demand for food stamps in these communities during FY90. In addition, the expected influx of job seekers and curious individuals, many of whom can be expected to lack basic resources is expected to produce extraordinary demands for services, based on prior experience with summer work seekers.

Special trips will be necessary to take applications for assistance, verify information obtained from applications, complete required interviewing and determine eligibility. The additional travel resources will help ensure timely action in the event of unusually severe service demands resulting from the spill.

Transportation for field trips to communities directly impacted by the spill is 6.4 and perdiem of 3.6. Total increment travel request is 10.0.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel	10.0	
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	10.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts	4.0	
1003	General Fund Match	4.0	
1004	General Fund	2.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

___ / ___ / Enhance Existing Service Compared to FY 89

___ / ___ / New Service Compared to FY 89

___ / ___ / Continuation of FY 89 Service Level

___ / ___ / Formula Program

___ / ___ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Health and Social Services

BRU Public Assistance Administration

COMPONENT Eligibility Determination

PROJECT

FY 90

Page 1 of 1

Revised Date

(7/88)-c5

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Oil Spill - DHSS Coordination

AGENCY CONTACT/PHONE NUMBER:
Frank Hickey / 465-3082

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Department of Health and Social Services disaster plan calls for the Division of Public Health to be responsible for the coordination and monitoring of department services in the event of a disaster. This role has been assumed for the Valdez Oil Spill. This has meant that division staff work full-time on the oil spill, deferring regular work loads. Due to the extent of this disaster, the division anticipates continuing its coordination role into FY90.

The Division of Public Health is the office with the authority to request assistance from the Centers for Disease Control (CDC), Environmental Health Division, Atlanta, Georgia. The division is expected to maintain regular contact with CDC to report the progress of the cleanup and to request assistance from CDC for other departments. CDC has been providing technical assistance to Alaska since March 27. In addition, official reports to President Bush about the oil spill have been provided via public health's link to CDC.

The major role that the division will play in the ongoing cleanup is the management of all scientific information that will be forthcoming. Testing of water and animals is now underway by Exxon, the Coast Guard, the state Department of Environmental Conservation laboratories, and the Food and Drug Administration (FDA) laboratory. Federal and state agencies will be using a variety of analytical methods and different testing sites in the analysis of data. Confusion is a given under these circumstances.

Strict guidelines for testing, consolidation of scientific data relevant to oil spills,

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	23.0	
200	Travel	6.0	
300	Contractual Services	4.5	
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	33.5	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	33.5	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent	1	
	Staff Months	6	

___ / ___ / Enhance Existing Service Compared to FY89

___ / ___ / New Service Compared to FY89

___ / ___ / Continuation of FY89 Service Level

___ / ___ / Formula Program

___ / ___ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

(7/88)-c5

AGENCY Health & Social Services

BRU State Health Services

COMPONENT Public Health Admin Services

PROJECT _____

FY 90

1 2

Page ____ of ____

Revised Date: _____

and the professional analysis and interpretation of all the scientific data will be critical to knowing if the environment and the human beings in the environment are safe.

The division must maintain regular communication with the Departments of; Fish & Game, DEC, Labor, Community & Regional Affairs, and other state agencies. Communication must also be maintained with the following federal agencies; Alaska Area Native Health Service, CDC, FDA, Department of Agriculture, and others. In addition, multiple local agencies, i.e. community mental health centers and Native health corporations also must be kept informed of the progress of the cleanup and the status of the health and safety of their clients.

This information management task is a full-time job. The division director of public health is currently working 3/4 to full-time on the oil spill.

The coordination role is expected to become a routine function in FY90 and a non-permanent position is requested to enable the division to continue this role with a full-time position for six months. This will permit existing division staff to meet their regular, on-going responsibilities. Existing staff is not available to dedicate to this long term disaster.

Personal Services: Non-permanent, H&SS Planner II, Range 19, Juneau, 6 months

Travel: Transportation and per diem to Valdez and other sites (4 trips)

Contractual: Communications costs (telephone, postage)

C5 **ADDITIONAL EXPLANATION FORM**

AGENCY Health & Social Services

BRU State Health Services

COMPONENT Public Health Admin Services

Revised Date:

FY 90

(7/88)-ael

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Oil Spill - Emergency Medical Services (EMS) Personnel

AGENCY CONTACT/PHONE NUMBER:
Frank Hickey / 465-3082

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Department of Health and Social Services (DHSS) disaster plan calls for the Division of Public Health to be responsible for the coordination and monitoring of department services in the event of a disaster. This role has been assumed for the Valdez Oil Spill. Staff from the State EMS office (located in Juneau) must be present at the Emergency Operations Center (EOC) in Valdez to prepare for emergency response regarding any health issue. The professional staff from the State EMS office will staff the EOC continuously, with the four staff members rotating on a weekly basis.

EMS staff serve as representatives for all of DHSS at the EOC. They are involved in the assessment of all disaster and cleanup issues such as transients with no place to eat or sleep and mental health problems of residents and workers. These EMS staff have had direct responsibility for establishing emergency medical rescue plans, EMT training, injury prevention, and water safety. All of these tasks will require ongoing activity during the oil spill cleanup.

As the local representative, the EMS staff on-site are the link for the department to provide a status report so that appropriate interventions can be provided by other department staff or its grantees. These include; housing, crisis intervention, alcohol & drug abuse problems, inquiry into reports of family violence, and epidemiological investigations.

With 1 to 2 staff required to serve the EOC in Valdez, the EMS office in Juneau is reduced to 2 to 3 professional staff to continue its normal operations. A non-permanent position is requested to enable the State EMS office to continue its normal

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	14.5	
200	Travel	25.0	
300	Contractual Services	4.0	
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	43.5	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	43.5	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent	1	
	Staff Months	6	

___ / ___ / Enhance Existing Service Compared to FY89

___ / ___ / New Service Compared to FY89

___ / ___ / Continuation of FY89 Service Level

___ / ___ / Formula Program

___ / ___ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY: Health & Social Services

BRU: State Health Services

COMPONENT: EMS Training & Licensing

PROJECT: _____

FY 90

1 2

Page ____ of ____

Revised Date:

(7/88)-c5

administrative and program functions. The beginning of each fiscal year requires additional administrative work to enact new grant agreements, close out prior year grants, and prepare the new budget request.

Transportation and per diem is requested to travel the professional staff to and from Valdez on a weekly basis to staff the EOC.

Personal Services: Non-permanent, Admin. Assistant I, Range 12, Juneau, up to 6 months

Travel: Transportation and per diem for professional staff to Valdez and other sites.

Contractual: Communications costs (telephone, postage)

C5 ADDITIONAL EXPLANATION FORM

AGENCY: Health & Social Services

BRU: State Health Services

COMPONENT: EMS Training & Licensing

FY 90

Revised Date:

(7/88)-ael

DH#35



KETCHIKAN GATEWAY BORO[illegible]
344 Front Street
Ketchikan, [illegible]
[illegible]

[illegible]ary 14, 1989

House Finance Committee

re: [illegible] #154

I am the Local Administrator for the Day Care [illegible]
[illegible] Ketchikan. There are 70 single [illegible]
that are in the day care program that [illegible]

I was [illegible] Adult Human Resources [illegible] #154 [illegible]
[illegible] Senate Committee for [illegible]
February 13, 1989. They [illegible] [illegible]
your approval of the Supplemental Funding [illegible]
brough the shortfall of [illegible] fiscal year [illegible]
in FY90. Ketchikan will run out of funds [illegible]

[illegible] another problem that has not been addressed
and [illegible] is the Day Care Waiting [illegible]
[illegible]. [illegible] are Assistance for their [illegible]
these single parents have been going [illegible]
assistance of "Quick Day Care" to work [illegible]
there are many parents that have been working [illegible]
that will be going on the welfare [illegible]
wages, day care cost and basic [illegible]
people we hope that additional funding [illegible]
they can keep their self esteem and [illegible]
their families.

Sincerely

Linda Inglis

Linda Inglis
Local Day Care Administrator
Day Care Assistance Program

LABOR

* Sec.____. (a) The sum of $472,800 is appropriated from the general fund to the Department of Labor to meet increased demands on state agency operations for Occupational Safety and Health Monitoring, Employment Services staffing, and Local Hire Promotion and Enforcement directly relating to the Exxon Valdez oil spill.

(b) The unexpended and unobligated portion of the appropriation made by this section lapses February 15, 1990.

MEMORANDUM State of Alaska

TO: Alison Elgee, Director
Division of Budget Review
Office of Management & Budget

DATE: April 14, 1989

FILE NO:

TELEPHONE NO: 465-2700

FROM: Jim Sampson, Commissioner
Department of Labor

SUBJECT: Supplemental Budget Requests for Valdez Oil Spill

The Department of Labor requests your approval of three general fund supplemental budget requests related to the Valdez oil spill. Some of the expenditures in the requests will be submitted to the Exxon corporation for their reimbursement. However, we do not know at this time how much if any Exxon will reimburse.

Employment Services Component

Shortly after the spill a large influx of job seekers descended upon Valdez. The Job Service Office there began immediately registering job applicants and matching them with the many jobs created by the spill. At times there were between 200 and 300 people in line waiting to be registered. This large increase in workload necessitated overtime and additional trained Job Service staff being sent in from Anchorage. Additionally, the Cordova area experienced a dramatic increase in jobs and job seekers. We have temporarily stationed a Job Service employee there to handle applications and fill job orders. A summary of costs anticipated since the spill until the end of the year associated with this additional staffing is as follows:

Overtime	$15.8
Salary for Additional Staff for Valdez and Cordova	$15.7
Travel & Per Diem for existing staff working in Valdez	$14.4
Supplies and equipment (Answering machine, etc.)	$ 1.3
Data Processing overtime to allow processing on weekends	$ 1.8
TOTAL	$49.0

Occupational Safety & Health Component

The dramatic increase in work related to the oil spill cleanup has also increased workers exposure to occupational hazards in the Valdez area. To monitor the safety of the workers involved in cleanup activities, we have dispatched two inspectors from the Anchorage office. We plan to rotate our employees there so we maintain two inspectors for the remainder of the fiscal year. Due to the severe shortage of housing in Valdez, we rented a motorhome in Anchorage and now

have it stationed in Valdez. A summary of the costs associated with this monitoring effort is as follows:

Overtime	$ 8.0
Travel to and from Valdez	$ 7.0
Per diem for those employees stationed in Valdez	$14.4
Motor Home rental for remainder of year	$ 9.7
TOTAL	$39.1

Commissioner's Office Component

I have already traveled twice to Valdez and expect to go there two more times before the end of the year. Also, we purchased float coats and boots for our staff stationed there for their protection. A summary of costs is as follows:

Travel and per diem for Commissioner	$ 3.5
Protective clothing for inspectors	.5
TOTAL	$ 4.0

The total departmental request is therefore $92.1. As mentioned above we will be submitting most of these expenditures through the claim procedure outlined by Mike Nizich for possible reimbursement by Exxon. If we are not reimbursed, however, we will need the entire amount.

Let me know if you have any questions.

MEMORANDUM State of Alaska

TO: Alison Elgee, Director
Division of Budget Review
Office of Management & Budget

DATE: April 25, 1989

FILE NO:

TELEPHONE NO: 465-2700

FROM: Jim Sampson, Commissioner
Department of Labor

SUBJECT: FY 90 Budget Amendments for Valdez Oil Spill

Last week I submitted two budget amendments due to the Valdez oil spill. Now that we know more about the huge effects the clean up work is having on the labor force in that area, I need to revise those amendments and add a third. Attached are the amendments totalling $455.7 of general funds. I consider these amendments essential to the labor force of Alaska.

If you have any questions, please contact me.

Attachments

INCREMENT / DECREMENT DESCRIPTION (Limit to 98 characters)
Additional Occupational Safety & Health Monitoring Due to Valdez Oil Spill

AGENCY CONTACT / PHONE NUMBER: Richard Arab, 465-4856

DESCRIBE WHY THIS INCREMENT / DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The oil spill in Valdez presents many health hazards to the workers involved in the clean up effort. They may be exposed to toxic chemicals, safety hazards, and climatic hazards. In order to effectively monitor this clean up effort additional staff are needed for the Occupational Safety & Health program. Additional monies for the Alaska Health Project to assist the Department are also requested.

The additional staffing would be as follows:

Valdez

1 full time Industrial Hygienist to conduct air samples and other industrial health samples to assure workers are not exposed to toxic substances — $68.2

1 part time (6mo.) Compliance Officer to check the safety measures being used by the clean up companies — $27.7

Seward

1 full time Compliance Officer to check safety measures being used by the clean up companies — $52.4

Travel (15.0) includes trips to inspect worksites where the work is occuring. Travel by chartered helicopters, planes, etc. to get to remote clean-up sites is anticipated.

Supplies includes normal position costs (.6) plus personal protective equipment (6.0) such as hard hat, float coat, respirator, etc.

Contractual includes normal position costs (12.0) plus two leased cars (7.0).

Equipment includes safety test equipment (12.0) such as a carbon monoxide meter, organic vapor meter, noise meter, etc. (continued)

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	148.3	148.3
200	Travel	15.0	15.0
300	Contractual Services	19.0	19.0
400	Supplies	6.6	6.6
500	Equipment	12.0	12.0
600	Land, Buildings, Etc.		
700	Grants, Claims, Etc.	75.0	0.0
800	Miscellaneous		
	TOTAL	275.9	200.9
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	275.9	200.9
1005	Program Receipts/GF		
1007	I-A Receipts		
POSITION INFORMATION	PFT	2.0	2.0
	PPT	1.0	1.0
	Non Permanent		
	Staff Months	30.0	30.0

[ ] Enhance Existing Service Compared to FY 89

[ ] New Service Compared to FY 89

[ ] Formula Program

[ ] Continuation of FY 89 Service Level

[ ] New Facility Operations

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

INCREMENT/ DECREMENT REQUEST

C5

Agency Priority _____ of _____

AGENCY: Department of Labor

BRU: Labor Standards and Safety

COMPONENT: Occupational Safety and Health

PROJECT:

FY 90

Revised Date:

Additional Occupational Safety & Health Monitoring Due to Valdez Oil Spill (continued)

The grant to the Alaska Health Project ($75.0) would be to establish a system to monitor possible hazardous exposures and medical effects among oil spill clean up workers. The grant would be used to develop a protocol to assess: exposures to hazards at work, adequacy of training and protective measures at work, and medical monitoring of workers. The grant would also be used to develop a data analysis plan, including: forms to record observations and tests, data transmittal, storage and analysis, and quality control procedures in testing, data recording and data processing. And finally, the Health Project would develop a data reporting system to do the following: defining responsibility for data analysis and reporting, define mechanisms for review of findings and reports, and define conditions under which reports will be released to the public.

INCREMENT / DECREMENT DESCRIPTION (Limit to 98 characters)
Additional Travel to Promote Alaska Hire

AGENCY CONTACT / PHONE NUMBER: Jim Sampson, 465-2700

DESCRIBE WHY THIS INCREMENT / DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Additional travel funds are needed to promote Alaskan Hire among the firms involved in the Valdez oil spill cleanup. The many jobs created by the spill has resulted in publicity in the lower 48 states of the high wages and easily available jobs associated with the spill. There are currently many unemployed Alaskans available to fill those jobs. The companies recruiting the clean up workers must be persuaded to give Alaskans first priority at available jobs.

The recruiting effort began in Valdez, but has now spread to other cities such as Cordova, Seward, Homer, and Kenai. Additional travel by the Commissioner and his staff will be needed this summer to continue the promotional effort.

The additional funds are necessary because the existing budget for travel is insufficient to meet the demands of the oil spill.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel	7.5	
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Land, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	7.5	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	7.5	
1005	Program Receipts/GF		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

[ ] Enhance Existing Service Compared to FY 89

[ ] New Service Compared to FY 89

[ ] Formula Program

[ ] Continuation of FY 89 Service Level

[ ] New Facility Operations

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Department of Labor

BRU Commissioner's Office

COMPONENT Commissioner's Office

PROJECT

FY 90

Revised Date:

INCREMENT / DECREMENT DESCRIPTION (Limit to 98 characters)

Additional Job Service Staffing Required Due To Valdez Oil Spill

AGENCY CONTACT / PHONE NUMBER: Judy Knight, 465-2712

DESCRIBE WHY THIS INCREMENT / DECREMENT IS NEEDED AND WHAT IT PURCHASES:

Due to the Valdez oil spill, additional staffing is required by Job Service to handle the large influx of job applicants looking for work in the clean-up efforts. Shortly after the spill the Job Service office workload in Valdez dramatically increased. Now that the spill has moved down the peninsula, large numbers of workers are also looking for work in Seward, Cordova, Homer, and Kenai. Since the clean-up efforts are expected to continue for some time, the following additional staffing is required:

Valdez	
1 Full Time Employment Security Specialist IB	$46.5
1 Seasonal (6 mo.) Employment Security Specialist IB	$23.3
Seward	
1 Seasonal (6 mo.) Employment Security Specialist IB	$21.5
Cordova	
1 Seasonal (6 mo.) Employment Security Specialist IB	$22.5
Homer	
1 Seasonal (6 mo.) Employment Security Specialist IB	$20.0
Kenai	
1 Seasonal (6 mo.) Employment Security Specialist IB	$20.0
TOTAL PERSONAL SERVICES	$153.8

These positions will register job applicants and match them with jobs created by the spill.

The normal costs for contractual services , supplies, and equipment associated with these new positions would be incurred.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	153.8	
200	Travel		
300	Contractual Services	15.0	
400	Supplies	1.0	
500	Equipment	2.5	
600	Land, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	172.3	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	172.3	
1005	Program Receipts/GF		
1007	I-A Receipts		

POSITION INFORMATION			
	PFT	1.0	
	PPT	5.0	
	Non Permanent		
	Staff Months	42.0	

[ ] Enhance Existing Service Compared to FY 89

[ ] New Service Compared to FY 89

[ ] Formula Program

[ ] Continuation of FY 89 Service Level

[ ] New Facility Operations

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter ___ ___ SLA _____ Page/Line _____

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Department of Labor

BRU Employment Security

COMPONENT Employment Services

PROJECT

FY 90

Revised Date:

SWACK
#I-1
LAW

INTENT

OIL SPILL LITIGATION

DEPT. OF LAW

It is the intent of the 16th Legislature that any funds appropriated to the Department of Law, for oil spill litigation stemming from the grounding of the tanker EXXON VALDEZ, will not be used to develop long term employees. The Department shall assure that any positions needed to supervise the contractual services, and perform other necessary in-house tasks will be deleted upon completion of the litigation. The Department of Law will verify their compliance with this intent by the 15th day of the second session and in conjunction with their status report on the oil spill litigation.

EXPLANATION OF ANTICIPATED EXPENDITURES

OIL SPILL LITIGATION

(The expenditures are based on a 14 months, 5-1-89 to 6-30-90)

PROSECUTION*

	'89	'90	Total
Personal Services	80.8	482.6	563.4
Non-personal svcs	134.0	382.4	516.4
	214.8	865.0	1079.8

* Prosecution can not be contracted

CIVIL LITIGATION

	'89	'90	Total
Personal Services	82.6	492.7	575.3
Non-Personal Svcs	100.0	182.4	282.4
Contractual Svcs			3200.0
	182.6	675.1	4057.7

Ratio of personal services to contractual is 1:5.6 or, civil litigation personal services represents about 1/7 of the total.

Criminal Prosecution and Civil Litigation units will each be comprised of:

4 Attorneys
2 Para-professionals
2 Legal Secretaries

---

8 Total Positions

This supplemental request gives the Department 3000.0 of the approximate 5200.0 they anticipate needing, and the opportunity to come back to the legislature in January with a better accounting of their needs.

Rep. C.E. Swackhammer

SWACK

#0-4

AMENDMENT

CSHB 154 (FIN)

DEPT. OF LAW

Sec. The sum of $3,000,000.00 is appropriated from the General fund to the Department of Law as an initial reserve fund for expenditures related to the Tanker Exxon Valdez oil spill.

Oil Spill/ Department of Law

Briefly, the Dept. of Law is staffing two teams for the oil spill. Each team will be comprised of four attorneys, 4 paralegals and 2 secretaries. One team will be assigned to the Criminal Section and one to the Civil Section. The Criminal Section intends to use two fulltime investigators from DPS.

Their efforts will be coordinated to prevent duplication of investigation. The Civil Section will receive the greatest amount of funds because they will develop and determine the applicable case laws.

The State has been named in three suits and expect to be named in and undetermined additional number. They expect it will be at least six months before a good guess can be given.

There is a potential for at least 1000 parties making damage claims. Every state employee deposed will have to have an attorney present to safeguard the state's interest.

The Dept. of Law expects the total cost for the first 14 months to be $5.2 million. $2.0 million in-house and $3.2 million for external support.

This amendment provides $3.0 million and intent language which enables Law to return to the legislature early in the second session of the 16th Legislature to give an accounting and to request additional funds, if needed.

AMENDMENT

CSHB 154 (FIN)

Dept. of Law

* Sec. No funds in this act may be used to pay the State of Washington the sum of $147,957.00 stemming from the state sales tax suit, WASHINGTON STATE V. ADF&G/PUBLIC SAFETY. Funds included in the FY 1989 budget for the Dept. of Law shall not be used to pay for this decision.

WASHINGTON STATE V. ADF&G/PUBLIC SAFETY $147,957.00

Tax auditors did not allow state sales tax exemptions for the repair of Alaska vessels at the Duwamish Ship Yard. Their rationale, narrowly interpretted, was the state was liable for the sales taxes because the ship yard did not pick up and deliver the vessels from and to the State of Alaska, or ship the vessels by common carrier.

MEMORANDUM

State of Alaska
Department of Law

TO: Richard I. Pegues, Director
Administrative Services Division
Department of Law

DATE: February 15, 1989

FILE NO.: 223-87-0083

TEL. NO.: 465-3600

SUBJECT: Duwamish Shipyard Tax Assessments

FROM: Richard D. Monkman
Assistant Attorney General

You have asked for the background on the judgments against the Departments of Fish & Game and Public Safety in this matter. These are assessments of sales tax by the State of Washington on repair services performed on State of Alaska vessels at a Washington shipyard. The general rule is that sales of goods destined for Alaska are exempt from Washington sales taxes. Similarly, repair work on property (in this case, vessels) is generally exempt from Washington sales tax, by statute and regulation.

However, the Washington Department of Revenue auditors take the position that the general exemption for repair work, when read very narrowly, only applies when the repaired property is either delivered directly to Alaska by the person performing the repairs, or is delivered in Washington to a shipper for direct shipment to Alaska.

In this case, our agencies took their vessels down to Washington, and picked them up again at the shipyard after the repairs were performed. Obviously, it is not practical to ship a vessel up to Alaska by common carrier. The Washington Department of Revenue discovered that the vessels had been picked up at the shipyard during a routine audit of the shipyard's accounts, and assessed sales taxes against the two agencies and the University of Alaska (for repair work done at the same shipyard on the R/S ALPHA HELIX).

We appealed the assessment through the administrative process in Washington, but lost. It is our opinion that further appeal of the decision will not be productive -- the chances of success on appeal are very slim. Appeal will only increase the amount of interest due on the assessment. The Washington Department of Revenue has given us until June 30, 1989 to pay the tax assessments, and the figures I gave you earlier calculate the interest to that date.

RDM:jf

STATE OF ALASKA

DEPARTMENT OF LAW

ADMINISTRATIVE SERVICES DIVISION

STEVE COWPER, GOVERNOR

P.O. BOX K—STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3672

RATIONALE SEC. 6 CSHB 154

February 16, 1989

The Honorable Steve Rieger
Representative - District 8-B
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Rieger:

In response to a request from Rod Mourant of your staff, the following information is being provided concerning the Department of Law's request for a supplemental appropriation to pay court judgments against the state. The department's request is contained in Section 8 of HB 154.

Reid v. State. Amount $1,033.54. This case involved settlement of a public assistance claim alleging improper disallowance of benefits. The amount is for attorney costs and fees.

State v. Alaska Public TV, Inc.. Amount $519.80. This case involved a Department of Labor enforcement action. The amount pays attorney costs and fees.

Herrick's Aero Repair Services, et al v. State. Amount $1,043.75. This case involved a claim by aircraft maintenance service firms, based at the Anchorage International Airport, alleging unequal treatment by the state in requiring liability insurance from the tenant service firms, while the state did not enforce these same requirements from itinerant services firms who provide similar service at the airport. The amount is for attorney costs and fees.

Gregory Cook, Alaska Fish and Wildlife Federation v. State. Amount $157.67. This case was brought against the state and federal government as a result of their joint efforts to alleviate hunting pressure on nesting waterfowl in Western Alaska. The amount is the state's share of attorney costs and fees.

Trustees for Alaska v. State. Amount $69,433.99. This case involved the challenge to the state's mineral leasing law's under Section 6(i) of the Alaska Statehood Act. A more complete explanation is attached.

Cleary v. State. Baily & Mason. Amount $1,231.37. This is an interim payment in this ongoing prisoners' rights litigation. This matter has been subject to Superior Court oversight since 1983. The amount is for attorney costs and fees.

State v. Wasilie Bobby. Amount $10,967.05. This case involved the seizure of a snowmachine as a result of the taking of a moose out of season, which raised a variety of related fish and wildlife issues. The amount is for attorney costs and fees.

Cleary v. State. Phillip Volland. Amount $16,028.12. This is another interim payment in this ongoing prionsers' rights matter. This case has been subject to Superior Court oversight since 1983. The amount is for attorney costs and fees.

City of Kotzebue v. State. Amount $10,912.92. This is a court sanctioned settlement of a substantially larger claim that grew out of the Municipality of Anchorage revenue sharing problem. The amount is for attorney costs and fees.

Kenai Peninsula Borough v. State. Amount $54,864.67. Crawford v. State. Amount $25,956.97. These inter-related cases stem from challenges to the 1984 reapportionment plan. The amounts are for attorney costs and fees. A more detailed explanation of these cases is attached.

Washington State v. ADF&G/Public Safety. Amount $147,957. This is a State of Washington sales tax claim for repair work done on State of Alaska vessels in the Duwamish shipyard. The amount is for unpaid taxes. A more detailed explanation of this matter is attached.

In addition to the judgment supplemental request, the department has also requested $200,000 to pay for ongoing, increased costs in Weiss v. State. This request is shown in Section 9 of HB 154. An explanation of these costs is also attached.

The Department of Law has been using the supplemental appropriation process to pay judgments against the state since the early Nineteen-Sixties. The amounts requested have varied from a low of $5.5 Thousand to a high in excess $1.0 Million.

Departmental expenditure records dating back to FY 1972, indicate that on the average, about $255,000 has been appropriated each year to pay judgments. The amounts paid have increased over the years, reflecting the growth in state government activities. For several years, the department received a small appropriation in its annual operating budget to pay miscellaneous claims, so that smaller, individual claimants would not have to wait until a supplemental appropriation was approved before they could be paid. Judgments up to $3,000 were usually handled in this manner. The annual operating appropriation had reached $17,400 in FY 1985, after which it was abandoned by the legislature, as a cost savings measure. Please let me know if I can be of any further assistance.

Very Truly Yours,

Richard L. Pegues

Richard I. Pegues, Director
Administrative Services Division

Attachments (4)

cc: Alison Elgee, Director, Division of Budget Review (w/ attachments)
Jay Hogan, House Finance Committee (w/ attachments)
Tom Sutton, Legislative Finance Division (w/ attachments)

RIP:djm

MEMORANDUM

State of Alaska

DEPARTMENT OF LAW

TO: Grace Berg Schaible
Attorney General

DATE: June 3, 1988

FILE NO:

TELEPHONE NO: 276-3550

THRU:

SUBJECT: Attorney's Fees in Trustees for Alaska v. State of Alaska

FROM: MPW
Mark P. Worcester
Assistant Attorney General
Oil, Gas and Mining-Anchorage

Attached to this memorandum is the Department of Law form by which requests for appropriations to pay judgments against the state are processed. Pursuant to the instructions in your October 26, 1986 memorandum concerning the procedures for processing requests for supplemental appropriations for payment of judgments against the state, I have prepared the following brief explanation of the circumstances resulting in the judgment.

On November 29, 1983 Trustees for Alaska et al. filed suit against the State of Alaska seeking a declaration that the Alaska statutes governing the acquisition and use of rights in locatable minerals on state lands violate the "lease" condition of section 6(i) of the Alaska Statehood Act. Injunctive relief was also sought. The administration defended the statutory mining system created by the Alaska Legislature. Those efforts at defending the existing state statutes were successful in the Superior Court. Summary judgment was obtained from Judge Serdahely against Trustees for Alaska on June 14, 1985. However, Trustees for Alaska appealed, and on May 1, 1987 the Alaska Supreme Court reversed the State Superior Court decision. Thereafter, the Alaska Supreme Court granted full attorney's fees to the appellants on the ground that they were "public interest" litigants. Upon remand, the superior court issued a final judgment and awarded full attorney's fees and costs for attorneys fees and costs incurred by Trustees for Alaska in the superior court proceedings.

The State of Alaska petitioned the United States Supreme Court to review the decision by the Alaska Supreme Court. The United States Supreme Court did not act until May 31, 1988, at which time it denied the petition for certiorari. There is no further recourse for judicial review of the determinations made, and the attorney's fee and cost awards entered by the Alaska Superior and Supreme Courts are now final.

MPW:so
Enclosure

MEMORANDUM

State of Alaska
Department of Law

TO: Dick Pegues, Director
Div. of Administrative Services
Dept. of Law

DATE: February 14, 1989

FILE NO: 223-84-0175 & 223-86-0099

TEL. NO: 465-3600

SUBJECT: Overview of reapportionment cases

FROM: Marjorie L. Odland
Assistant Attorney General
Governmental Affairs-Juneau

As requested, here is an overview of the Alaska Supreme Court's and the superior court's actions with respect to awards of costs and attorney's fees to Kenai Peninsula Borough in the reapportionment cases, Kenai Peninsula Borough v. State of Alaska, Supreme Court No. S-1207, and Carpenter v. Hammond / Kenai Peninsula Borough, et al. v. State of Alaska, Superior Court No. 3AN-81-5839 CIV.

On October 2, 1987, the Alaska Supreme Court reversed in part and affirmed in part the superior court's decision in Kenai Peninsula Borough v. State of Alaska, in which the lower court had upheld the validity of the 1984 state legislative reapportionment plan that was promulgated in an attempt to comply with the supreme court's decision in Carpenter v. Hammond, 667 P.2d 1204 (Alaska 1983). The supreme court viewed the litigation as public interest litigation and ruled that the appellants (Kenai Peninsula Borough and Jim Crawford) were entitled to receive reasonable costs and attorney's fees for services on appeal.

Based on the above, Kenai filed for costs and attorney's fees at both the supreme court and superior court levels. The state filed oppositions to both court filings.

On June 27, 1988, the superior court awarded Kenai Peninsula Borough a total of $20,000 and awarded the other appellant, Jim Crawford, a total of $9,500. Jim Crawford filed a motion for reconsideration of the award (claiming it was too low).

On July 12, 1988, the supreme court awarded Kenai Peninsula Brorough a total of $16,287 in attorney's fees and $2,675.75 in costs. The state filed a motion for reconsideration, claiming the award was too high and unjustified based, in part, upon the superior court's "low" award, and because appellants had won only one point on appeal. (The state had won the other two.) On September 2, 1988, the supreme court denied the state's motion for reconsideration and reaffirmed the original awards.

On August 23, 1988, the superior court granted Jim Crawford's motion for reconsideration of the award of attorney's fees at the trial court level. The state filed a response to the motion for reconsideration on September 13, 1988, opposing any additional costs or attorney's fees be awarded and requesting it to affirm its original order of June 27, 1988.

On December 22, 1988, the superior court issued an order that increased both of the appellants' fee awards. With taxation of costs added to the final judgment on January 13, 1989, the awards at the superior court level totalled: $32,171.62 for Kenai Peninsula Borough and $18,013.73 for Jim Crawford.

Hope this is what you need. Give me a call if you need further explanation or information.

MLO/pjg

AMENDMENT

CSHB 154 (FIN)

DEPT. OF LAW

* Sec. The sum of $200,000.00 is appropriated from the general fund to the Department of Law to pay court ordered plaintiffs' and intervenors' costs in WEISS V. STATE.

MEMORANDUM

State of Alaska
Department of Law

TO: Richard I. Pegues, Director
Administrative Services Division
Department of Law

DATE: February 14, 1989

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: FY 1989 Supplemental Appropriation Request
Weiss v. State

GTK

FROM: G. Thomas Koester
Assistant Attorney General
Department of Law

This is to summarize the reasons why a supplemental appropriation, in the amount of $200,000, is needed to pay plaintiffs' and intervenors' costs in Weiss v. State. As you are aware. the state is under court order to pay these costs.

The existing annual budget for this case is $240,000. It was originally anticipated that all of the parties to this lawsuit would accept the methodology used by the state in determining the value to be assigned to the state's mental health trust lands, and that the annual appropriation would therefore be sufficient to pay plaintiffs' and intervenors' costs. This has proved not to be the case.

Numerous disputes, revolving around the values to be assigned, have arisen between the parties to this lawsuit, and these disputes are still unresolved. Moreover, the Interim Mental Health Trust Lands Commission has yet to determine the extent to which the plaintiffs and intervenors are to be involved in the valuation process. As a result, the costs for plaintiffs' and intervenors' counsel and expert witnesses are rapidly escalating. For instance, the plaintiffs' have hired expert witnesses from as far away as the University of London.

After examining the level of plaintiffs' and intervenors' legal costs through October, it was determined that an additional $200,000 would be needed to pay anticipated costs through June 30, 1989. This examination also included the anticipated costs for land appraisers, and the minerals, oil and gas, and timber expert witnesses employed by the plaintiffs. And, as you know, administrative services division staff have carefully reviewed the assumptions used in arriving at the $200,000 request.

Lastly, and even under the current circumstances, the department has regularly and vigorously objected to portions of the amounts requested. The court, having already found the state to have been in violation of its mental health lands trust responsibilities, has approved nearly all of the requested costs.

GTK:djm

03-002

MEMORANDUM

State of Alaska
Department of Law

TO: Alison M. Elgee, Director
Office of Management and Budget
Division of Budget Review

DATE: November 23, 1988

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: FY 1989 Supplemental Appropriation Request
Weiss v. State

FROM: Grace Berg Schaible
Attorney General

This is to request a supplemental appropriation for FY 1989 in the amount of $200,000, to pay plaintiffs' and intervenors' costs in Weiss v. State. As you are aware, the state is under court order to pay these costs.

The existing annual budget for this case is $240,000. It was originally anticipated that all of the parties to this lawsuit would accept the methodology used by the state in determining the value to be assigned to the state's mental health trust lands, and that the annual appropriation would therefore be sufficient to pay plaintiffs' and intervenors' costs. This has proved not to be the case.

Numerous disputes, revolving around the values to be assigned, have arisen and they are still unresolved. Moreover, the Interim Mental Health Trust Lands Commission has yet to determine, or in any way limit, the extent to which the plaintiffs and intervenors are to be involved in the valuation process. As a result, the costs for plaintiffs' and intervenors' counsel and expert witnesses are rapidly escalating. For instance, expert witnesses have been hired from as far away as the University of London.

Lastly, and even under the current circumstances, the department has regularly and vigorously objected to portions of the amounts requested; the court to date has not honored any of the state's objections. Unless either the Administration or the legislature acts to try to change this situation, the Department of Law will remain powerless to control these costs.

GBS:RIP:djm/.ag

DAVID T. WALKER
ATTORNEY AT LAW
MENDENHALL BUILDING
326 FOURTH STREET, SUITE B
JUNEAU, ALASKA 99801
(907) 586-3537

March 20, 1989

HAND DELIVERED

G. Thomas Koester
Assistant Attorney General
Attorney General's Office
Department of Law
P. O. Box K
Juneau, Alaska 99811

Re: Weiss v. State of Alaska,
4FA-82-2208 Civ

Dear Mr. Koester:

The purpose of this letter is to request the State's immediate assistance in obtaining a supplemental appropriation to enable the Plaintiffs to continue their representation of the beneficiaries in this case for the remainder of this fiscal year.

As you know, neither Jim Gottstein nor I have been paid for any work we have performed since July 1, 1988. It has been absolutely necessary to spend all the money appropriated for the case to pay for computer support and to pay the valuation experts as required by the valuation and settlement process established by the Interim Mental Health Trust Commission. At this point in time the money appropriated for this purpose has been expended.

I believe that a supplemental appropriation for this fiscal year of $323,000 will be required to continue our work and finish the valuation process. I have arrived at the figure using the following estimates:

Past Due attorney fees and expenses (Gottstein and Walker) 07/01/88 through 12/31/88	$102,000.00
Attorneys fees and expenses for 01/01/89 through 06/30/89 (Gottstein and Walker)	120,000.00

Attorneys fees and expenses for Volland (Chronic alcoholics with psychoses)	25,000.00
Appraisers (100 man days)	60,000.00
Computer operations (4 months at 4,000 per month)	16,000.00
Total Estimate:	$323,000.00

This level of appropriation is necessary to maintain our present level of effort. The effort will drop off dramatically when the valuation is completed. When the valuation process material has been entered into our computer the need for continued efforts by our programmer will be greatly diminished.

This work is vital to the settlement process and must continue if that process is to continue. If we are not able to continue the process and pay our employees and experts and ourselves, then our duty to the beneficiaries will require us to return to the position of protecting all the trust assets from dissipation or diminishment in value.

I need to know from you now whether the State will move immediately to strongly support this request. I realize that you will continue to review our billings and object as you feel appropriate. This addresses the question of the State's ability to pay the court's fee orders in this litigation. I hope that you will strongly recommend this course of action to your clients so that we can go forward without delay.

Very truly yours,

David T. Walker

David T. Walker

DTW:ndp

SWACK
I-2

IT IS THE INTENT OF THE LEGISLATURE THAT THE STATE'S LEGAL REPRESENTATION (CIVIL AND CRIMINAL) RESULTING FROM THE VALDEZ EXXON OIL SPILL BE FULLY FUNDED. THE DEPARTMENT OF LAW SHALL ADVISE THE LEGISLATURE BY THE FIFTEENTH DAY OF THE SECOND SESSION OF THE SIXTEENTH ALASKA LEGISLATURE OF THE APPROPRIATIONS THAT WILL BE REQUIRED TO CONTINUE THE STATE'S LEGAL REPRESENTATION IN THESE MATTERS DURING THE REMAINDER OF FY 1990 AND FOR FY 1991.

CSHB 154 (FINANCE)

AMENDMENT #1 TO AMENDMENT #1 BY BARNES

LAW

Judgements and Claims

Delete "183.1"

Insert "170.6"

Sub-Total

Delete "660.1"

Insert "647.6"

No funds in this act may be used to reimburse plaintifs Clocksin/Finklestein etal. for the election challenge of 1988. Any costs or fees associated with the court case Finklestein v. State may not be paid from state funds included in the FY 1989 - FY 1990 budget.

MEMORANDUM

State of Alaska
Department of Law

TO: Alison M. Elgee, Director
Office of Management and Budget
Division of Budget

DATE: April 14, 1989

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: FY 89 Judgment
Supplemental
Revision # 2

FROM: Douglas B. Baily
Attorney General

This is to revise the Department of Law's request of March 22, 1989 (as corrected on April 11, 1989), for a supplemental appropriation to pay judgments awarded against the state, to include three new judgements. The total amount of the new awards is $18,813.86, including interest. The department's revised request now totals $ 375,297.73, including $147,947 for the Duwamish shipyard/Washington state tax claims.

The three new awards are as follows:

1. Inquiry of a judge. Amount $1,000. This award pays costs and fees in a supreme court matter that challenged the powers of the Commission on Judicial Conduct.

2. Alaska Ski Corporation v. State. Amount $202.50. This a miscellaneous award.

3. Cleary v. State. Tim Stearns. Amount $17,611.36. This is an interim payment to attorney Tim Stearns for his FY 89 work in the Cleary matter.

DBB:RIP:djm/11

4-14-89

Department of Law
FY 89
Supplemental Judgments

	Judgment	Date of Judgment	Amount	Interest thru 6/30/89 Anticipated	Total	Cummulative Total
1)	AK Legal Svcs Reid v. State	05/25/88	1,000.00	33.54	1,033.54	1,033.54
2)	K Clarkson (Perkins Coie) State v. Ak Public TV	08/12/88	514.10	5.70	519.80	1,553.34
3)	R Wagntaff Anchorage Internation Airport	04/27/88	1,000.00	43.75	1,043.75	2,597.09
4)	Gregory Cook	09/13/88	157.67	-0-	157.67	2,754.76
5)	Trustees (4) Ak Trustees v. State	06/10/87 (Supreme) 12/24/87 (Superior)	16,931.79 42,005.98	3,708.77 6,787.45	69,433.99	72,188.75
6)	Ashburn & Mason Cleary v. State	10/13/88	1144.26	87.11	1231.37	73,420.12
7)	Ak. Legal Services State v. W.P. Bobby	01/23/87	8,708.91	2,258.14	10,967.05	84,387.17
8)	Phillip Volland Cleary v. State	11/08/88	15,000.00	1,028.12	16,028.12	100,415.29
9)	City of Kotzebue Kotzebue v. State	08/22/88	10,000.00	912.92	10,912.92	111,328.21
10)	Kenai Peninsula Boro KPB v. State	07/12/88 (Supreme) 12/22/88 (Superior)	18,944.75 32,171.62	1,956.05 1,792.25	54,864.67	166,192.88
11)	Kenneth Jacobus Crawford v. State	07/12/88 (Supreme) 12/22/88 (Superior)	6,290.15 18,013.73	649.56 1,003.53	25,956.97	192,149.85

Department of Law
FY 89
Supplemental Judgments

	Judgment	Date of Judgment	Amount	Interest thru 6/30/89 Anticipated	Total	Cummulative Total
12)	Washington State v. ADF&G/Pub. Safety	11/28/88	86,622.00 61,335.00		147,957.00	340,106.85
13)	K.D. Owsichek v. State Guide Board	10/21/88	1,589.25	117.27	1,706.52	341,813.37
14)	Stephen Marks Stambaugh v. CFEC	02/07/89	1,750.00	73.50	1,823.50	343,636.87
15)	Advocacy Svcs/AK White v. API	12/20/88	420.00	-0-	420.00	344,056.87
16)	D. Clocksin Finkelstein v. State	03/01/89	12,000.00	427.00	12,427.00	356,483.87
17)	Delaney-Wiles Judge Inquiry	10/19/88	1,000.00	-0-	1,000.00	357,483.87
18)	Corey Borgeson Ak Ski Corp v. State	02/14/89	202.50	-0-	202.50	357,686.37
19)	Timothy Stearns Cleary v. State	04/10/89	17,200.00	411.36	17,611.36	375,297.73
	TOTAL		354,001.71	21,296.02	375,297.73	

MEMORANDUM

State of Alaska
Department of Law

TO: Allison M. Elgee, Director
Office of Management and Budget
Division of Budget Review

DATE: April 13. 1989

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: Weiss v. State

FROM: Douglas B. Baily
Attorney General

This is to revise the Department of Law's request, dated November 23, 1988, for a supplemental appropriation to pay Plaintiffs' and Intervenors' costs and fees in Weiss v. State, the Mental Health Trust Lands dispute. As you are aware, the state is under court order to pay these costs. The department had originally requested a $200,000 supplemental appropriation to pay these costs in FY 1989. The department had already received $240,000 in its regular operating budget to pay these costs. The regular appropriation has already been fully expended, and Plaintiffs' and Intervenors' attorney fees for the period 7/01/88 through 12/31/88, in the amount of $102,000, remain unpaid.

The department was recently advised by the Plaintiffs' lead attorney, David T. Walker, that the total shortfall for FY 1989 will be $323,000. As you are also aware, the department can exercise very little control over these costs. The department does, however, raise objections to the court when, in the department's judgment, Plaintiffs' and Intervenors' costs are unwarranted. To date, the court has not honored any of the state's objections. Consequently, the department's original request for a $200,000 supplemental appropriation, to pay court-awarded costs in Weiss v. State, should now be increased to $323,000, the amount of the original supplemental request was based on estimates provided to the department by Mr. Walker. Copies of the department's original request, Mr. Walker's letter, and a summary of Department of Law payments since the inception of the case, through mid-FY 89, are attached for your review.

Attachments (3)

DAVID T. WALKER
ATTORNEY AT LAW
MENDENHALL BUILDING
326 FOURTH STREET, SUITE B
JUNEAU, ALASKA 99801
(907) 586-3537

March 20, 1989

HAND DELIVERED

G. Thomas Koester
Assistant Attorney General
Attorney General's Office
Department of Law
P. O. Box K
Juneau, Alaska 99811

Re: Weiss v. State of Alaska,
4FA-82-2208 Civ

Dear Mr. Koester:

The purpose of this letter is to request the State's immediate assistance in obtaining a supplemental appropriation to enable the Plaintiffs to continue their representation of the beneficiaries in this case for the remainder of this fiscal year.

As you know, neither Jim Gottstein nor I have been paid for any work we have performed since July 1, 1988. It has been absolutely necessary to spend all the money appropriated for the case to pay for computer support and to pay the valuation experts as required by the valuation and settlement process established by the Interim Mental Health Trust Commission. At this point in time the money appropriated for this purpose has been expended.

I believe that a supplemental appropriation for this fiscal year of $323,000 will be required to continue our work and finish the valuation process. I have arrived at the figure using the following estimates:

Past Due attorney fees and expenses (Gottstein and Walker) 07/01/88 through 12/31/88	$102,000.00
Attorneys fees and expenses for 01/01/89 through 06/30/89 (Gottstein and Walker)	120,000.00

Attorneys fees and expenses for Volland (Chronic alcoholics with psychoses)	25,000.00
Appraisers (100 man days)	60,000.00
Computer operations (4 months at 4,000 per month)	16,000.00
Total Estimate:	$323,000.00

This level of appropriation is necessary to maintain our present level of effort. The effort will drop off dramatically when the valuation is completed. When the valuation process material has been entered into our computer the need for continued efforts by our programmer will be greatly diminished.

This work is vital to the settlement process and must continue if that process is to continue. If we are not able to continue the process and pay our employees and experts and ourselves, then our duty to the beneficiaries will require us to return to the position of protecting all the trust assets from dissipation or diminishment in value.

I need to know from you now whether the State will move immediately to strongly support this request. I realize that you will continue to review our billings and object as you feel appropriate. This addresses the question of the State's ability to pay the court's fee orders in this litigation. I hope that you will strongly recommend this course of action to your clients so that we can go forward without delay.

Very truly yours,

David T. Walker

David T. Walker

DTW:ndp

MEMORANDUM

State of Alaska
Department of Law

TO: Alison M. Elgee, Director
Office of Management and Budget
Division of Budget Review

DATE: November 23, 1988

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: FY 1989 Supplemental Appropriation Request
Weiss v. State

FROM: Grace Berg Schaible
Attorney General

This is to request a supplemental appropriation for FY 1989 in the amount of $200,000, to pay plaintiffs' and intervenors' costs in Weiss v. State. As you are aware, the state is under court order to pay these costs.

The existing annual budget for this case is $240,000. It was originally anticipated that all of the parties to this lawsuit would accept the methodology used by the state in determining the value to be assigned to the state's mental health trust lands, and that the annual appropriation would therefore be sufficient to pay plaintiffs' and intervenors' costs. This has proved not to be the case.

Numerous disputes, revolving around the values to be assigned, have arisen and they are still unresolved. Moreover, the Interim Mental Health Trust Lands Commission has yet to determine, or in any way limit, the extent to which the plaintiffs and intervenors are to be involved in the valuation process. As a result, the costs for plaintiffs' and intervenors' counsel and expert witnesses are rapidly escalating. For instance, expert witnesses have been hired from as far away as the University of London.

Lastly, and even under the current circumstances, the department has regularly and vigorously objected to portions of the amounts requested; the court to date has not honored any of the state's objections. Unless either the Administration or the legislature acts to try to change this situation, the Department of Law will remain powerless to control these costs.

GBS:RIP:djm/.ag

KNOWN COSTS AND FEES IN WEISS v. STATE AS OF 3/17/89 */

Stephen C. Cowper		
Fees	$ 19,537.50	
Costs	$ 1,099.97	
Total for Stephen C. Cowper		$ 20,637.47
David T. Walker		
Fees	$236,811.00	
Costs	$ 23,574.76	
Total for David T. Walker		$260,385.76
James B. Gottstein		
Fees	$231,637.00	
Costs	$ 22,482.36	
Total for James B. Gottstein		$254,119.36
Philip R. Volland		
Fees	$ 50,754.50	
Costs	$ 3,931.37	
Total for Philip R. Volland		$ 54,685.87
Appraisers		$161,846.17
Mineral valuation		
Paid to date	$ 14,057.20	
Estimated balance	$ 15,942.80	
Total for mineral valuation		$ 30,000.00
Data processing		
Paid to date	$ 49,738.10	
Not yet paid	$ 4,545.00	
Total for data processing		$ 54,283.10
GRAND TOTAL		$835,957.73

*/ This summary does not include: (1) costs and attorney fees incurred after December 31, 1988; (2) appraiser fees and data processing expenses incurred after January 31, 1989; and (3) the cost of a computer which the state purchased for the plaintiffs' and intervenors' use but which remains state property.

MEMORANDUM State of Alaska

TO: Representative Ron Larson, Co-Chair
House Finance Committee
Alaska State Legislature

DATE: April 13, 1989

FILE NO: ae74/wp50

TELEPHONE NO: 465-3568

FROM: Alison M. Elgee, Director
Office of Management and Budget
Division of Budget Review

SUBJECT: HB 154

Attached is additional information relating to the Kotzebue Hanger and the recent amendments to the judgments and claims supplemental.

The revised request of April 7 contained an error in the computation of interest in the judgments and claims supplemental. The correct number will be transmitted on April 14.

cc: Representative Steve Rieger

MEMORANDUM

State of Alaska
Department of Law

TO: Alison M. Elgee, Director
Office of Management and Budget
Division of Management and Budget

DATE: April 12, 1989

FILE NO.:

TEL. NO.: 465-3672

SUBJECT: Kotzebue Hangar
Supplemental Request

FROM: Richard I. Pegues, Director
Administrative Services Division
Department of Law

In response to your inquiry of April 10, this is to advise that Department of Law costs to conduct the Kotzebue Hangar litigation will total $ 130,000. Additionally, $ 24,000 is needed by the Department of Transportation for preparing their part of the state's evidence. The total estimated costs to complete the case are $ 154,000. I am attaching a copy of a memorandum from then Attorney General Grace Berg Schaible to Robert Evans, Deputy Chief of Staff, which breaks out the department's cost estimates in some detail. Briefly, $ 50,000 will be needed to pay expert witnesses; $ 13,700 will be needed to take depositions; $ 66,300 will be needed to the department's staff costs; and $ 24,000 is required to reimburse the Department of Transportation and Public Facilities for its expenses in this matter.

Department of Law staff costs include the time of an assistant attorney general, secretarial assistance, copying, communications, and legal research.

These costs began on March 16, 1988 and are expected to end about May 30, 1989. The attorney assigned to this case is occupies to a reimbursable services position, and all of the attorney's expenses are paid from the appropriate capital improvement project accounts, to which the attorney has been assigned. Consequently, there are no other accounts available to pay for these costs, and that is why a supplemental appropriation has been requested.

Please let me know if I can provide any additional information, or be of further assistance.

RIP:djm

MEMORANDUM

State of Alaska
Department of Law

TO: Robert A. Evans
Deputy Chief of Staff
Office of the Governor

DATE: January 23, 1989

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: Kotzebue Hangar

FROM: Grace Berg Schaible
Attorney General

In response to your request of December 21, 1988, this confirms our estimate that costs for the Kotzebue Hangar litigation will be $154,000. Of this amount, $24,000 will be required for staff assistance from the Department of Transportation and Public Facilities. The remaining $130,000 will be needed by the Department of Law. The costs break down as follows:

1. Department of Law Costs

a. Expert Witnesses

Merle Jantz	$ 20,000
Raymond LaTona	30,000
	$ 50,000

b. Depositions

(About 15 depositions will be required at an average cost of $750 each)	$ 11,250
Deposition Travel	2,450
	$ 13,700

c. Attorney Time

Unreimbursed costs for the period 3/16/88 through 11/15/88	$ 11,500
Accrued Costs, 11/16/88 through 12/15/88	8,400

Pretrial Activity, 12/16/88 through 3/31/89	$ 26,400	
Trial and post-trial activities, 4/1/89 through 5/30/89	20,000	
	$ 66,300	
Estimated DOL costs		$130,000
2. Estimated DOT/PF costs		24,000
TOTAL ESTIMATED COSTS		$154,000

I apologize for the time that it has taken to respond to your request; however, the delay was caused by illness.

GBS/RIP/lg

MEMORANDUM

State of Alaska
Department of Law

TO: Alison M. Elgee, Director
Office of Management and Budget
Division of Budget Review

DATE: April 11, 1989

FILE NO.:

TEL. NO.: 465-3672

SUBJECT: Judgment Supplemental

FROM: Richard I. Pegues, Director
Administrative Services
Department of Law

The following information is being provided in response to your request of yesterday, regarding the four new judgments contained in the Department of Law's revised judgment supplemental request, which was dated March 22, 1989.

1. Owsichek v. State Guide Licensing and Central Board. Amount $ 1,706.52. This is to pay the costs and fees in the Supreme Court, in the case that eventually overruled the use of exclusive guide areas. Trial court costs have not yet been awarded. The state prevailed at trial, but this decision was overturned. Plaintiff is seeking $ 111,000 for trial costs; however, the state is vigorously opposing this claim. The state had previously been awarded $ 10,000 for its costs and fees, until the decision was overturned.

Stanbaugh v. CFEC. Amount $1,823.50. These are cost and fees awarded against the state when the CFEC administratively withheld transfer of a limited entry permit from one brother to another, where the brother holding the permit was facing commercial fishing violations. The court held that the CFEC could not withhold transfer of a permit under these circumstances. The legislature is currently considering legislation, HB 201, that addresses this issue.

Glena White v. API. Amount $ 420.00. Individual privacy considerations prevent the department from commenting about this case, other than to state that a mixup in documents held by the court was eventually resolved by the department. Alaska Advocacy Inc., who represented the Plaintiff requested $ 3,200, but this amount was reduced at the state's request.

Finkelstein v. State. Amount $ 12,427.00. This was a dispute involving the outcome of the District 13 House of Representatives election. The amount is for attorney costs and fees. A more detailed explanation of this matter is attached. The department's revised request of March 22, contained an error in the computation in the interest for this claim by erroneously showing the interest due as $ 4,269.96. The actual interest due is $ 427.00. Therefore the department's request should be reduced by $3,842.96, resulting in a judgement supplemental request of $ 356,483.87. A corrected revised judgments listing is attached.

Except for the Finkelstien claim, which is a negotiated amount, and except for State of Washington claims, which are tax court awards, all of the judgments are court-awarded amounts. Lastly, I have attached a memorandum to Representative Steve Rieger dated February 16, 1989, which describes the eleven judgements that were included in the department's initial supplemental request. Please let me know if I can provide any additional information.

RIP:djm

Attachments (3)

MEMORANDUM

State of Alaska
Department of Law

TO: Dick Pegues, Director
Div. of Administrative Services
Department of Law

DATE: April 11, 1989

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: Settlement of attorney's fees claim, Finkelstein v. Stout

FROM: James L. Baldwin
Assistant Attorney General
Governmental Affairs-Juneau

This memorandum will serve as supporting documentation for our settlement of a claim for attorney's fees filed by counsel representing David Finkelstein. The case, Finkelstein v. Stout, was an election contest relating to the 1988 general election to fill the seat representing district 13 in the House of Representatives. The official count made by the division of elections gave Finkelstein's opponent Bradley the highest vote total by 3 votes. However, Finkelstein appealed to the Alaska Supreme Court alleging that there was election misconduct which would have changed the result of the election. The court agreed with some of the points raised by Finkelstein and ordered a new election.

Finkelstein subsequently filed a motion for attorney's fees based on the public interest litigant theory of recovery of full attorney's fees. Counsel for Finkelstein alleged that they had incurred approximately $30,000 in fees. From prior experience, I estimated that the court could give them at least half of what they requested. We have been unsuccessful in defeating motions of this type in other elections-related cases. One example that comes to mind is the reapportionment case, Carpenter v. Hammond / Kenai Penin. Boro. v. Hammond. I also determined that this office spent approximately $9,000 in defending the election contest in the supreme court.

I negotiated with counsel for Finkelstein to arrive at a mutually acceptable amount to avoid the expense of further litigation and the devotion of more time by counsel and the court to ancillary issues. We agreed to pay $12,000 plus interest at the statutory rate. The amount was set higher than our costs because Finkelstein employed two attorneys in his appeal. Our agreement is memorialized in writing. As provided in the settlement agreement, Finkelstein withdrew his motion for attorney's fees. Bradley failed to file a motion for costs or fees or request settlement. In any case, he was clearly not the prevailing party in the action.

I hope this memorandum will serve your purposes.

JLB/pjg

FEES AND COSTS AGREEMENT

For and in consideration of the payment of the sum of Twelve Thousand Dollars ($12,000) by the Appellees Sandra Stout, Director of the Alaska Division of Elections, and Stephen A. McAlpine, Lieutenant Governor of Alaska to Appellant David Finkelstein, and other good and valuable consideration, the parties to this Agreement, for their heirs, executors, administrators, successors and assigns, hereby release each other and each other's employees, agents, attorneys, insurers, successors, assigns, affiliates and personal representatives from all fees and costs claims and demands of any kind or nature relating to the litigation entitled Finkelstein v. Stout, et al, Supreme Court Case No. S-3107. The settlement amount represents partial compensation for attorneys fees and costs incurred by Finkelstein in bringing this case.

The parties to this Agreement agree to execute, through counsel, any stipulations or other documents necessary to carry out the effect of this Agreement.

This Agreement in no way acknowledges fault or liability and is intended to represent a reasonable compromise of any claims made by Finkelstein.

Should the money to fund this Agreement not be appropriated by the Alaska Legislature and approved by the Governor by July 1, 1989, this Agreement will be of no force and effect, and the parties are free to litigate the question of costs and fees. Upon the execution of this Agreement by both parties,

interest at the statutory rate shall begin to accrue, and any appropriation shall include interest from that date.

Finkelstein agrees, upon the execution of this Agreement, to withdraw his Motion for Costs and Fees now pending in the Supreme Court and not to re-file that motion while this Agreement is effective.

This Agreement is not contingent upon review or approval by Intervenor W.E. Brad Bradley or his counsel.

DATE: Feb 29, 1989

Don Clocksin
Attorney for David Finkelstein

DATE: 3/6/89

James L. Baldwin
Assistant Attorney General
On behalf of Stout and McAlpine

4-11-89

Department of Law
FY 89
Supplemental Judgments

	Judgment	Date of Judgment	Amount	Interest thru 6/30/89 Anticipated	Total	Cummulative Total
1)	AK Legal Svcs Reid v. State	05/25/88	1,000.00	33.54	1,033.54	1,033.54
2)	K Clarkson (Perkins Coie) State v. Ak Public TV	08/12/88	514.10	5.70	519.80	1,553.34
3)	R Wagstaff Anchorage Internation Airport	04/27/88	1,000.00	43.75	1,043.75	2,597.09
4)	Gregory Cook	09/13/88	157.67	-0-	157.67	2,754.76
5)	Trustees (4) Ak Trustees v. State	06/10/87 (Supreme) 12/24/87 (Superior)	16,931.79 42,055.98	3,708.77 6,787.45	69,433.99	72,188.75
6)	Ashburn & Mason Cleary v. State	10/13/88	1144.26	87.11	1231.37	73,420.12
7)	Ak. Legal Services State v. W.P. Bobby	01/23/87	8,708.91	2,258.14	10,967.05	84,387.11
8)	Phillip Volland Cleary v. State	11/08/88	15,000.00	1,028.12	16,028.12	100,415.29
9)	City of Kotzebue Kotzebue v. State	08/22/88	10,000.00	912.92	10,912.92	111,328.21
10)	Kenai Peninsula Boro KPB v. State	07/12/88 (Supreme) 12/22/88 (Superior)	18,944.75 32,171.62	1,956.05 1,792.25	54,864.67	166,192.88
11)	Kenneth Jacobus Crawford v. State	07/12/88 (Supreme) 12/22/88 (Superior)	6,290.15 18,013.73	649.56 1,033.53	25,956.97	192,149.85

Department of Law
FY 89
Supplemental Judgments

	Judgment	Date of Judgment	Amount	Interest thru 6/30/89 Anticipated	Total	Cummulative Total
12)	Washington State v. ADF&G/Pub. Safety	11/28/88	86,662.00 61,335.00		147,957.00	340,106.85
13)	K.D. Owsichek v. State Guide Board	10/21/88	1,589.25	117.27	1,706.52	341,813.37
14)	Stephen Marks Stambaugh v. CFEC	02/07/89	1,750.00	73.50	1,823.50	343,636.87
15)	Advocacy Svcs/AK White v. API	12/20/88	420.00	-0-	420.00	344,056.87
16)	D. Clocksin Finkelstein v. State	03/01/89	12,000.00	427.00	12,427.00	356,483.87
	TOTAL		335,599.21	20,801.67	356,483.87	

STATE OF ALASKA

DEPARTMENT OF LAW

ADMINISTRATIVE SERVICES DIVISION

STEVE COWPER, GOVERNOR

P.O. BOX K—STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3672

February 16, 1989

The Honorable Steve Rieger
Representative - District 8-B
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Rieger:

In response to a request from Rod Mourant of your staff, the following information is being provided concerning the Department of Law's request for a supplemental appropriation to pay court judgments against the state. The department's request is contained in Section 8 of HB 154.

Reid v. State. Amount $1,033.54. This case involved settlement of a public assistance claim alleging improper disallowance of benefits. The amount is for attorney costs and fees.

State v. Alaska Public TV, Inc.. Amount $519.80. This case involved a Department of Labor enforcement action. The amount pays attorney costs and fees.

Herrick's Aero Repair Services, et al v. State. Amount $1,043.75. This case involved a claim by aircraft maintenance service firms, based at the Anchorage International Airport, alleging unequal treatment by the state in requiring liability insurance from the tenant service firms, while the state did not enforce these same requirements from itinerant services firms who provide similar service at the airport. The amount is for attorney costs and fees.

Gregory Cook, Alaska Fish and Wildlife Federation v. State. Amount $157.67. This case was brought against the state and federal government as a result of their joint efforts to alleviate hunting pressure on nesting waterfowl in Western Alaska. The amount is the state's share of attorney costs and fees.

Trustees for Alaska v. State. Amount $69,433.99. This case involved the challenge to the state's mineral leasing law's under Section 6(i) of the Alaska Statehood Act. A more complete explanation is attached.

Cleary v. State. ~~Daily~~ Ashburn & Mason. Amount $1,231.37. This is an interim payment in this ongoing prisoners' rights litigation. This matter has been subject to Superior Court oversight since 1983. The amount is for attorney costs and fees.

State v. Wasilie Bobby. Amount $10,967.05. This case involved the seizure of a snowmachine as a result of the taking of a moose out of season, which raised a variety of related fish and wildlife issues. The amount is for attorney costs and fees.

Cleary v. State. Phillip Volland. Amount $16,028.12. This is another interim payment in this ongoing prionsers' rights matter. This case has been subject to Superior Court oversight since 1983. The amount is for attorney costs and fees.

City of Kotzebue v. State. Amount $10,912.92. This is a court sanctioned settlement of a substantially larger claim that grew out of the Municipality of Anchorage revenue sharing problem. The amount is for attorney costs and fees.

Kenai Peninsula Borough v. State. Amount $54,864.67. Crawford v. State. Amount $25,956.97. These inter-related cases stem from challenges to the 1984 reapportionment plan. The amounts are for attorney costs and fees. A more detailed explanation of these cases is attached.

Washington State v. ADF&G/Public Safety. Amount $147,957. This is a State of Washington sales tax claim for repair work done on State of Alaska vessels in the Duwamish shipyard. The amount is for unpaid taxes. A more detailed explanation of this matter is attached.

In addition to the judgment supplemental request, the department has also requested $200,000 to pay for ongoing, increased costs in Weiss v. State. This request is shown in Section 9 of HB 154. An explanation of these costs is also attached.

The Department of Law has been using the supplemental appropriation process to pay judgments against the state since the early Nineteen-Sixties. The amounts requested have varied from a low of $5.5 Thousand to a high in excess $1.0 Million.

Departmental expenditure records dating back to FY 1972, indicate that on the average, about $255,000 has been appropriated each year to pay judgments. The amounts paid have increased over the years, reflecting the growth in state government activities. For several years, the department received a small appropriation in its annual operating budget to pay miscellaneous claims, so that smaller, individual claimants would not have to wait until a supplemental appropriation was approved before they could be paid. Judgments up to $3,000 were usually handled in this manner. The annual operating appropriation had reached $17,400 in FY 1985, after which it was abandoned by the legislature, as a cost savings measure. Please let me know if I can be of any further assistance.

Very Truly Yours,

Richard L. Pegues

Richard I. Pegues, Director
Administrative Services Division

Attachments (4)

cc: Alison Elgee, Director, Division of Budget Review (w/ attachments)
Jay Hogan, House Finance Committee (w/ attachments)
Tom Sutton, Legislative Finance Division (w/ attachments)

RIP:djm

MEMORANDUM

State of Alaska
DEPARTMENT OF LAW

TO: Grace Berg Schaible
Attorney General

DATE: June 3, 1988

FILE NO:

TELEPHONE NO: 276-3550

THRU:

SUBJECT: Attorney's Fees in Trustees for Alaska v. State of Alaska

FROM: MPW
Mark P. Worcester
Assistant Attorney General
Oil, Gas and Mining-Anchorage

Attached to this memorandum is the Department of Law form by which requests for appropriations to pay judgments against the state are processed. Pursuant to the instructions in your October 26, 1986 memorandum concerning the procedures for processing requests for supplemental appropriations for payment of judgments against the state, I have prepared the following brief explanation of the circumstances resulting in the judgment.

On November 29, 1983 Trustees for Alaska et al. filed suit against the State of Alaska seeking a declaration that the Alaska statutes governing the acquisition and use of rights in locatable minerals on state lands violate the "lease" condition of section 6(i) of the Alaska Statehood Act. Injunctive relief was also sought. The administration defended the statutory mining system created by the Alaska Legislature. Those efforts at defending the existing state statutes were successful in the Superior Court. Summary judgment was obtained from Judge Serdahely against Trustees for Alaska on June 14, 1985. However, Trustees for Alaska appealed, and on May 1, 1987 the Alaska Supreme Court reversed the State Superior Court decision. Thereafter, the Alaska Supreme Court granted full attorney's fees to the appellants on the ground that they were "public interest" litigants. Upon remand, the superior court issued a final judgment and awarded full attorney's fees and costs for attorneys fees and costs incurred by Trustees for Alaska in the superior court proceedings.

The State of Alaska petitioned the United States Supreme Court to review the decision by the Alaska Supreme Court. The United States Supreme Court did not act until May 31, 1988, at which time it denied the petition for certiorari. There is no further recourse for judicial review of the determinations made, and the attorney's fee and cost awards entered by the Alaska Superior and Supreme Courts are now final.

MPW:so
Enclosure

MEMORANDUM

State of Alaska
Department of Law

TO: Dick Pegues, Director
Div. of Administrative Services
Dept. of Law

DATE: February 14, 1989

FILE NO.: 223-84-0175 & 223-86-0099

TEL. NO.: 465-3600

SUBJECT: Overview of reapportionment cases

FROM: Marjorie L. Odland
Assistant Attorney General
Governmental Affairs-Juneau

As requested, here is an overview of the Alaska Supreme Court's and the superior court's actions with respect to awards of costs and attorney's fees to Kenai Peninsula Borough in the reapportionment cases, Kenai Peninsula Borough v. State of Alaska, Supreme Court No. S-1207, and Carpenter v. Hammond / Kenai Peninsula Borough, et al. v. State of Alaska, Superior Court No. 3AN-81-5839 CIV.

On October 2, 1987, the Alaska Supreme Court reversed in part and affirmed in part the superior court's decision in Kenai Peninsula Borough v. State of Alaska, in which the lower court had upheld the validity of the 1984 state legislative reapportionment plan that was promulgated in an attempt to comply with the supreme court's decision in Carpenter v. Hammond, 667 P.2d 1204 (Alaska 1983). The supreme court viewed the litigation as public interest litigation and ruled that the appellants (Kenai Peninsula Borough and Jim Crawford) were entitled to receive reasonable costs and attorney's fees for services on appeal.

Based on the above, Kenai filed for costs and attorney's fees at both the supreme court and superior court levels. The state filed oppositions to both court filings.

On June 27, 1988, the superior court awarded Kenai Peninsula Borough a total of $20,000 and awarded the other appellant, Jim Crawford, a total of $9,500. Jim Crawford filed a motion for reconsideration of the award (claiming it was too low).

On July 12, 1988, the supreme court awarded Kenai Peninsula Brorough a total of $16,287 in attorney's fees and $2,675.75 in costs. The state filed a motion for reconsideration, claiming the award was too high and unjustified based, in part, upon the superior court's "low" award, and because appellants had won only one point on appeal. (The state had won the other two.) On September 2, 1988, the supreme court denied the state's motion for reconsideration and reaffirmed the original awards.

On August 23, 1988, the superior court granted Jim Crawford's motion for reconsideration of the award of attorney's fees at the trial court level. The state filed a response to the motion for reconsideration on September 13, 1988, opposing any additional costs or attorney's fees be awarded and requesting it to affirm its original order of June 27, 1988.

On December 22, 1988, the superior court issued an order that increased both of the appellants' fee awards. With taxation of costs added to the final judgment on January 13, 1989, the awards at the superior court level totalled: $32,171.62 for Kenai Peninsula Borough and $18,013.73 for Jim Crawford.

Hope this is what you need. Give me a call if you need further explanation or information.

MLO/pjg

MEMORANDUM

State of Alaska
Department of Law

TO: Richard I. Pegues, Director
Administrative Services Division
Department of Law

DATE: February 15, 1989

FILE NO.: 223-87-0083

TEL. NO.: 465-3600

SUBJECT: Duwamish Shipyard Tax Assessments

Dick

FROM: Richard D. Monkman
Assistant Attorney General

You have asked for the background on the judgments against the Departments of Fish & Game and Public Safety in this matter. These are assessments of sales tax by the State of Washington on repair services performed on State of Alaska vessels at a Washington shipyard. The general rule is that sales of goods destined for Alaska are exempt from Washington sales taxes. Similarly, repair work on property (in this case, vessels) is generally exempt from Washington sales tax, by statute and regulation.

However, the Washington Department of Revenue auditors take the position that the general exemption for repair work, when read very narrowly, only applies when the repaired property is either delivered directly to Alaska by the person performing the repairs, or is delivered in Washington to a shipper for direct shipment to Alaska.

In this case, our agencies took their vessels down to Washington, and picked them up again at the shipyard after the repairs were performed. Obviously, it is not practical to ship a vessel up to Alaska by common carrier. The Washington Department of Revenue discovered that the vessels had been picked up at the shipyard during a routine audit of the shipyard's accounts, and assessed sales taxes against the two agencies and the University of Alaska (for repair work done at the same shipyard on the R/S ALPHA HELIX).

We appealed the assessment through the administrative process in Washington, but lost. It is our opinion that further appeal of the decision will not be productive -- the chances of success on appeal are very slim. Appeal will only increase the amount of interest due on the assessment. The Washington Department of Revenue has given us until June 30, 1989 to pay the tax assessments, and the figures I gave you earlier calculate the interest to that date.

RDM:jf

MEMORANDUM

State of Alaska
Department of Law

TO: Richard I. Pegues, Director
Administrative Services Division
Department of Law

DATE: February 14, 1989

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: FY 1989 Supplemental Appropriation Request
Weiss v. State

GTK

FROM: G. Thomas Koester
Assistant Attorney General
Department of Law

This is to summarize the reasons why a supplemental appropriation, in the amount of $200,000, is needed to pay plaintiffs' and intervenors' costs in Weiss v. State. As you are aware, the state is under court order to pay these costs.

The existing annual budget for this case is $240,000. It was originally anticipated that all of the parties to this lawsuit would accept the methodology used by the state in determining the value to be assigned to the state's mental health trust lands, and that the annual appropriation would therefore be sufficient to pay plaintiffs' and intervenors' costs. This has proved not to be the case.

Numerous disputes, revolving around the values to be assigned, have arisen between the parties to this lawsuit, and these disputes are still unresolved. Moreover, the Interim Mental Health Trust Lands Commission has yet to determine the extent to which the plaintiffs and intervenors are to be involved in the valuation process. As a result, the costs for plaintiffs' and intervenors' counsel and expert witnesses are rapidly escalating. For instance, the plaintiffs' have hired expert witnesses from as far away as the University of London.

After examining the level of plaintiffs' and intervenors' legal costs through October, it was determined that an additional $200,000 would be needed to pay anticipated costs through June 30, 1989. This examination also included the anticipated costs for land appraisers, and the minerals, oil and gas, and timber expert witnesses employed by the plaintiffs. And, as you know, administrative services division staff have carefully reviewed the assumptions used in arriving at the $200,000 request.

Lastly, and even under the current circumstances, the department has regularly and vigorously objected to portions of the amounts requested. The court, having already found the state to have been in violation of its mental health lands trust responsibilities, has approved nearly all of the requested costs.

GTK:djm

03-002

MEMORANDUM

State of Alaska
Department of Law

TO: Alison M. Elgee, Director
Office of Management and Budget
Division of Budget Review

DATE: March 22, 1989

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: FY 89 Judgment
Supplemental
Revision No.1

FROM: Douglas B. Baily
Attorney General

This is to revise the Department of Law's request of January 27, 1989, for a supplemental appropriation to pay judgments awarded against the state, to include four new judgments. The total amount of the new awards in $20,219.98, including interest. It is noted that Section 5 of CSHB 154 (Fin), which contains the judgment supplemental request, was amended by the House Finance Committee to delete the $124,907 to pay the State of Washington tax claims against the Department's of Fish and Game and Public Safety. In this regard, Governor Cowper has recently contacted Governor Booth Gardner requesting that Washington's tax ruling against Alaska be reversed. A revised schedule of pending judgments is attached for your review.

DBB:RIP:djm

Attachments

03-002

Department of Law
FY 89
Supplemental Judgments

	Judgment	Date of Judgment	Amount	Interest thru 6/30/89 Anticipated	Total	Cummulative Total
12)	Washington State v. ADF&G/Pub. Safety	11/28/88	86,662.00 61,335.00		147,957.00	340,106.85
13)	K.D. Owsichek v. State Guide Board	10/21/88	1,589.25	117.27	1,706.52	341,813.37
14)	Stephen Marks Stambaugh v. CFEC	02/07/89	1,750.00	73.50	1,823.50	343,636.87
15)	Advocacy Svcs/AK White v. API	12/20/88	420.00	-0-	420.00	344,056.87
16)	D. Clocksin Finkelstein v. State	03/01/89	12,000.00	4,269.96	16,269.96	360,326.83
	TOTAL		335,599.21	24,727.62	360,326.83	

Department of Law
FY 89
Supplemental Judgments

	Judgment	Date of Judgment	Amount	Interest thru 6/30/89 Anticipated	Total	Cummulative Total
1)	AK Legal Svcs Reid v. State	05/25/88	1,000.00	33.54	1,033.54	1,033.54
2)	K Clarkson (Perkins Coie) State v. Ak Public TV	08/12/88	514.10	5.70	519.80	1,553.34
3)	R Wagstaff Anchorage Internation Airport	04/27/88	1,000.00	43.75	1,043.75	2,597.09
4)	Gregory Cook	09/13/88	157.67	-0-	157.67	2,754.76
5)	Trustees (4) Ak Trustees v. State	06/10/87 (Supreme) 12/24/87 (Superior)	16,931.79 42,055.98	3,708.77 6,787.45	69,433.99	72,188.75
6)	Ashburn & Mason Cleary v. State	10/13/88	1144.26	87.11	1231.37	73,420.12
7)	Ak. Legal Services State v. W.P. Bobby	01/23/87	8,708.91	2,258.14	10,967.05	84,387.11
8)	Phillip Volland Cleary v. State	11/08/88	15,000.00	1,028.12	16,028.12	100,415.29
9)	City of Kotzebue Kotzebue v. State	08/22/88	10,000.00	912.92	10,912.92	111,328.21
10)	Kenai Peninsula Boro KPB v. State	07/12/88 (Supreme) 12/22/88 (Superior)	18,944.75 32,171.62	1,956.05 1,792.25	54,864.67	166,192.88
11)	Kenneth Jacobus Crawford v. State	07/12/88 (Supreme) 12/22/88 (Superior)	6,290.15 18,013.73	649.56 1,033.53	25,956.97	192,149.85

MEMORANDUM

State of Alaska
Department of Law

TO: Robert A. Evans
Deputy Chief of Staff
Office of the Governor

DATE: January 23, 1989

FILE NO.:

TEL. NO.: 465-3600

SUBJECT: Kotzebue Hangar

FROM: Grace Berg Schaible
Attorney General

In response to your request of December 21, 1988, this confirms our estimate that costs for the Kotzebue Hangar litigation will be $154,000. Of this amount, $24,000 will be required for staff assistance from the Department of Transportation and Public Facilities. The remaining $130,000 will be needed by the Department of Law. The costs break down as follows:

1. Department of Law Costs

a. Expert Witnesses

Merle Jantz	$ 20,000
Raymond LaTona	30,000
	$ 50,000

b. Depositions

(About 15 depositions will be required at an average cost of $750 each)	$ 11,250
Deposition Travel	2,450
	$ 13,700

c. Attorney Time

Unreimbursed costs for the period 3/16/88 through 11/15/88	$ 11,500
Accrued Costs, 11/16/88 through 12/15/88	8,400

Pretrial Activity, 12/16/88 through 3/31/89	$ 26,400	
Trial and post-trial activities, 4/1/89 through 5/30/89	20,000	
	$ 66,300	
Estimated DOL costs		$130,000
2. Estimated DOT/PF costs		24,000
TOTAL ESTIMATED COSTS		$154,000

I apologize for the time that it has taken to respond to your request; however, the delay was caused by illness.

GBS/RIP/lg

MEMORANDUM

TO: Garrey Peska
Chief of Staff
Office of the Governor

DATE: August 22, 1988

RE: Funding Request
Kotzebue Army
Aviation Operating
Facility

FROM: Grace Berg Schaible
Attorney General
Department of Law

Mark Hickey, Commissioner
Department of Transportation
and Public Facilities

Major General John W. Schaeffer
Adjutant General
Department of Military and
Veterans Affairs

A. Summary of problem

The roof of the Army Aviation Operating Facility in Kotzebue leaks badly. We are involved in litigation over this problem (both pursuing claims on behalf of the state and defending claims against the state), but there are no funds available to pay the costs of this litigation. The litigation was filed by Bonner & Hegdal JV (a construction contractor) against DOT&PF, as contracting agency, Charles Bettisworth & Co., designer, and Inryco, Inc., supplier of a prefabricated building system. The lawsuit is pending in the Fourth Judicial District (Fairbanks). Project funds were overexpended before the lawsuit was initiated.

The construction contract was awarded in 1982 and was to have been completed in 1983. However, due to myriad problems including but not limited to mechanical problems in the heating system and leaks throughout the prefabricated building, final acceptance never occurred. In 1986 the contractor, Bonner & Hegdal filed a claim against the state claiming that design defects had caused extra work for which the contractor was entitled to reimbursement, and that the roof leaks were attributable to a design defect. In a separate case between Bonner & Hegdal and its construction subcontractor, Griffard, and in which neither the state nor Bettisworth were joined as parties, the court (Judge Hodges) ruled that defective workmanship was not the cause of the problems and Griffard was awarded damages. Judge Hodges'

findings were that inadequate design, inadequate shop drawings and/or the work of others for whom Bonner & Hegdal was responsible created the problems.

After an administrative decision by DOT&PF denying its claim, Bonner & Hegdal commenced a lawsuit, naming as defendants DOT&PF, Bettisworth & Co., and Inryco. Bonner & Hegdal seeks damages in excess of $600,000. The building continues to leak badly and is suffering internal damages due to the leaks. After receiving the complaint in October 1987, the state counterclaimed against Bonner & Hegdal for damages and cross-claimed against Bettisworth for indemnity, and against Bettisworth and Inryco for damages due to the continuing problems with the facility. Originally close to $3.5 million was budgeted for design fees and construction, and these have already been expended for those purposes.

B. Decision required

Allocation of contingency funds and/or request a supplemental capital appropriation for the Department of Military and Veterans Affairs to cover litigation costs, and to reimburse DOT&PF for current overexpenditures.

C. Key agencies, interested groups, individuals

The Attorney General's Office is currently handling the litigation for the state. The Department of Military and Veterans Affairs is the owner of this facility. DOT&PF coordinated the design and construction activities. The facility was designed by Charles Bettisworth & Co. and constructed by Bonner & Hegdal JV. Bonner & Hegdal contracted Inryco, Inc. to supply a prefabricated building system and shop drawings. Bettisworth & Co. subcontracted portions of design work and part of the responsibility for construction inspection and approval of shop drawings to R & M Engineering and Whitmer & Associates.

D. Options

There are really no options to the defense of this claim, unless the state wishes to allow entry of a default judgment in the amount sought by Bonner & Hegdal ($600,000). In that case the state would also have to appropriate funds to repair the facility, or allow it to become destroyed by leaks. A cheap fix of the facility <u>might</u> be possible for around $100,000. However,

for the facility to be put in the same condition it would have had, had there been no design or construction errors, major reconstruction in the vicinity of $1,000,000 could be necessary.

E. Option recommended

Secure funding necessary to pursue litigation either to trial or a settlement favorable to the state providing for repair of the facility.

F. Identification of additional non-budgeted resources needed to implement commissioners' recommendation

The state has recently moved for partial summary judgment as to Bonner & Hegdal's claims against the state based on the contractor's failure to comply with the notice of claims provision of the contract. It is unlikely, however, that a ruling will be made before additional trial preparation is necessary. So many different problems and causes are alleged that it will be necessary to obtain expert witnesses to determine and testify about the causes of the problems with the facility. Expert fees could approach $50,000. Attorney's fees and costs are predicted at about $80,000, although settlement or summary judgment could reduce that amount. DOT&PF personnel will also have to devote a substantial amount of time to this problem Almost $10,000 has already been expended for an outside consultant to organize DOT&PF's records for trial, and to suggest approaches to the litigation. DOT&PF's budget for this project is already overexpended by some $70,000 due to the administrative proceedings and continuing problems with the facility. Therefore, at a minimum, $130,000 will be needed to present an adequate case and $70,000 will be needed to cover the existing overexpenditure, resulting in a need for a supplemental appropriation of $200,000. This estimate is probably on the high side, however, it would be better to have sufficient funds to cover contingencies. Jury trial is scheduled for March 1989.

G. Whether a press release should be drafted and distributed to the media announcing the decision

No.

LLW/lg

cc: Alison M. Elgee, Director
Division of Budget Review
Office of Management and Budget

DMVA

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
ALASKA DIVISION OF EMERGENCY SERVICES

3501 E. BOGARD RD.
WASILLA, AK 99687
PHONE: (907) 249-1370
(907) 376-2337

March 3, 1989

The Honorable Ron Larson
Co-Chairman, House Finance Committee
Alaska House of Representatives
P.O. Box V, MS 3100
Juneau, AK 99811

Dear Representative Larson:

In my role as Chairman of the Natural Hazard Safety Council, I am conveying Resolution No. 1 which was unanimously passed by the Council on February 23, 1989. The Resolution supports the Governor's request for full funding of the State of Alaska Earthquake and Volcano Monitoring Program as it appears in Section 47 of House Bill No. 154 and page 69 of the "short-form" of the Governor's FY 90 Budget Request.

The eleven-member Natural Hazard Safety Council has been established under the Department of Military and Veterans Affairs and it is composed of representatives of the private and public sectors. One of the roles of the Council is to serve as an advisor to the Adjutant General, the Legislature and the Governor on matters of warnings, preparedness and mitigation for earthquakes, volcanos, tsunamis, floods, avalanche (and other slides), weather related storms and other natural hazards. Since many hazards are inter-related, the Council takes a multi-hazard approach.

Sincerely,

Ervin Paul Martin
Director

Enclosure: as stated

cc: House Finance Committee:

Lyman Hoffman, Co-Chairman
C. E. Swackhammer, Vice Chairman
Kay Brown, Member
Niilo Koponen, Member
Fran Ulmer, Member
F. Kay Wallis, Member
Ramona Barnes, Member
Randy Phillips, Member

House Finance Committee (Cont.):

Steve Rieger, Member
Richard Schultz, Member

Others:

Senator Steve Frank
Representative Mike Davis
MG John W. Schaeffer, The Adjutant General, DMVA
Mike Irwin, Governor's Special Assistant
Dr. Syun Akasofu, Dir. Geophysical Institute
Dr. John Davies, State Seismologist

STATE OF ALASKA

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

NATURAL HAZARDS SAFETY COUNCIL

Resolution No. 1

Council Meeting of February 23, 1989

Supporting Full Funding of the State of Alaska
Earthquake and Volcano Monitoring Project

WHEREAS, Alaska contains one of the most active earthquake and volcano belts in the world; and

WHEREAS, great earthquakes, with magnitude 8 or larger, are forecast for the Yakataga and Shumagin Islands regions; and

WHEREAS, large earthquakes, with magnitude 7 or larger, can strike the highly populated areas of Alaska at any time; and

WHEREAS, over two thirds of the population of Alaska is exposed to the dangers of an explosive volcanic eruption; and

WHEREAS, we cannot prevent earthquakes and volcanic eruptions from occurring, but we can significantly reduce the risk they pose to life and property by prudently preparing for their effects; and

WHEREAS, an essential part of earthquake and volcano preparedness is a seismological program for monitoring and understanding earthquakes and volcanos in Alaska which includes the operation of a statewide network of seismograph stations; and

WHEREAS, the operation of the statewide seismic network is clearly cost effective since it saves Alaskans much more than it costs to operate in reduced construction costs and unnecessary risk, and since it is a key element in attracting federal research dollars to Alaska which presently amount to twice the annual operating cost of the network;

NOW, THEREFORE BE IT RESOLVED THAT the Natural Hazards Safety Council strongly supports the Governor's request for full funding of the State of Alaska Earthquake and Volcano Monitoring Program as it appears in Section 47 of House Bill No. 154 and page 69 of the "short-form" of the Governor's FY 90 Budget Request.

approved

DNR

M E M O R A N D U M
DEPARTMENT OF NATURAL RESOURCES

STATE OF ALASKA
DIVISION OF MANAGEMENT

Alison Elgee, Director
OMB - Budget Review
Office of the Governor

March 23, 1989

8-102-5

465-2406

Sharon Barton
Director

ADN 1094066 - RP Type IV
DNR - Agriculture Mgmt
Authority to Receive and
Expend ARLF Funds

The Department of Natural Resources requests authorization to receive and expend $28,000 in Agriculture Reserve Loan Fund (ARLF) in the Agriculture Management BRU and Component. The funds would be available from the loan fund.

The ARLF funds would be used to complete the sewage pre treatment facility at the Mount McKinley Meat and Sausage Plant in Palmer. The plant is owned by the ARLF after acquisition at a foreclosure sale in 1986. The Department of Corrections Prison Industries Program is leasing the facility from the ARLF. In 1987 and 1988 the City of Palmer required that a sewage pre treatment facility be constructed at the plant to meet their quality standards. The Division of Agriculture, ARLF currently has a Reimbursable Services Agreement (RSA) with the Division of Parks, Design and Construction unit to complete the facility. The RSA was approved for $100,000. but the results of the bid process for construction and additional testing requirements by the City require additional funds to complete the project.

The funds will not supplant general funds and will not obligate the state to spend additional general funds. An AKSAS document will be submitted to OMB upon approval by LB&A. Please contact Gary Kostenko at 465-2424 if there any further questions.

cc: Lennie Gorsuch, Commissioner
Rod Swope, Deputy Commissioner
Tom Hawkins, Assistant Commissioner
Frank Mielke, Director, Agriculture Management
Gary Kostenko, Budget Analyst, DNR

RECEIVED
MAR 28
BUDGET REVIEW

DNR

M E M O R A N D U M
Department of Natural Resources

STATE OF ALASKA
Office of the Commissioner

Alison Elgee, Director
Division of Budget Review
Office of Management and Budget

March 21, 1989

465-2400

Lennie Corsuch
Commissioner

FY 1989 Supplemental
revision

The Department of Natural Resources in its FY 1989 Supplemental request included $ 16,623.85 for miscellaneous claims; this amount is no longer required as additional FY 1988 lapse monies have been identified to cover these expenditures.

At the time of the original request the Agency's FY 1988 lapse was insufficient to cover payment of the FY 1988 invoices. Most of the available FY 1988 lapse was encumbered to pay for the DOT/PF vehicle cost. We recently completed our research of the DOT/PF vehicles billings and released sufficient funding out of the FY 1988 encumbrances to cover the miscellaneous claims.

If you have any questions please contact Gary Kostenko or Nico Bus at 465-2406.

cc Rod Swope, Deputy Commissioner
Tom Hawkins, Assistant Commissioner
Sharon Barton, Director, Division of Management
Neil Johannsen, Director, Division of Parks
Bob Dick, Direcor, Division of Forestry
Gary Kostenko, Budget Analyst, DNR

:89suprev

approved

MEMORANDUM
Department of Natural Resources

STATE OF ALASKA
Office of the Commissioner

Allison Elgee, Director
Division of Budget Review
Office of Management and Budget

March 8, 1989

465-2400

Lennie Gorsuch
Commissioner

FY 1989 Supplemental
Fire Suppression

The Department of Natural Resources requests a Supplemental Appropriation in the amount $2.1 million in Federal Receipt authority for its FY 1989 Fire Suppression activity. The Supplemental will be used to pay the Bureau of Land Management (BLM) and the U.S. Forest Service as reimbursement for their crews fighting fires on State land. We, in turn, will bill the BLM for roughly $3.5 million, and the U.S. Forest Service $1.5 million for our crews fighting fires on their land in Alaska, as well as the lower Forty-Eight. Although the two billings are netting the State of Alaska roughly $2.0 million in unrestricted receipts, the Supplemental is necessary to account for the total activities. Currently, the Fire Suppression appropriation of $7.3 million will not be sufficient to post the payment transactions.

If you have any questions, please contact our Chief of Financial Services, Nico Bus, at 465-2406.

cc: Rod Swope
Deputy Commissioner

Tom Hawkins
Assistant to the Commissioner

Bob Dick, Director
Division of Forestry

Sharon Barton, Director
Division of Management

RECEIVED
MAR 13
BUDGET REVIEW

DPS

* Sec.____. (a) The sum of $277,400 is appropriated from the general fund to the Department of Public Safety to meet increased demands on state agency operations for Fish and Wildlife, Fire Prevention, and State Trooper Enforcement directly relating to the Exxon Valdez oil spill.

(b) The unexpended and unobligated portion of the appropriation made by this section lapses February 15, 1990.

MEMORANDUM State of Alaska

TO: Alison Elgee, Director
Division of Budget Review
Office of Management & Budget

DATE: April 14, 1989

FILE NO: jnr/366

TELEPHONE NO: 465-4322

FROM: Arthur English
Commissioner
Department of Public Safety

SUBJECT: FY 89 Supplemental
Valdez Oil Spill Costs

The Department of Public Safety requests an FY 89 Supplemental Appropriation of $ 217.2 to cover the departmental expenses that have been incurred and will be incurring through the balance of FY 89. These costs are directly related to the Valdez Oil Spill. The funding is to be distributed to the Division of Fish & Wildlife Protection, the Division of Fire Prevention, and the Division of Alaska State Troopers as follows:

I) Division of Fish & Wildlife Protection: $ 69.5

A) Enforcement & ISU Component:
Personal Services $ 23.6

B) Aircraft Component:
Contractual Svcs $ .9

C) Marine Enforcement Component:
Personal Services $ 25.7
Contractual Svcs 19.3
Total $ 45.0

II) Division of Fire Prevention: $ 3.5

A) Fire Prevention Operations Component:
Personal Services $ 2.0
Travel & Per Diem 1.5
Total $ 3.5

III) Division of Alaska State Troopers: $ 144.2

A) Detachment Component:
Personal Services $ 64.3
Travel & Per Diem 40.9
Total $105.2

B) Criminal Investigation Bureau Component:
Personal Services $ 25.3
Travel & Per Diem 13.7
$ 39.0

Attached are memorandums received from division Director's which explain in greater detail their efforts placed on this unfortunate situation.

Should you have any questions or concerns, please contact my Administrative Services Director, Ken Bischoff, at 465-4336. Your assistance in this matter is appreciated.

Attachments

CC: Colonel Robert Jent, Director
Division of Alaska State Troopers

Colonel Jack Jordan, Director
Division of Fish & Wildlife Protection

Sam Neal, Director
Director of Fire Prevention

Budget File

MEMORANDUM

State of Alaska

TO: Kenneth Bischoff
Director
Administrative Services
Juneau

DATE: April 14, 1989

FILE NO:

TELEPHONE NO: 269-5682

SUBJECT: FY89 & 90 Valdez Oil Spill Costs

FROM: Captain Conrad Seibel
Operations Commander
Fish & Wildlife Protection
Anchorage

This memo is to address your request for input on Fish & Wildlife Protection's need for supplemental funding for FY89 and FY90. Manpower is, basically, the only costs incurred by the division in the efforts for the oil spill. The manpower to date is based on total hours (straight time and overtime).

Trooper Mike Fox - Valdez

3/24/89 through present - 235.5 hours

Sergeant Roy Vanderpool - Cordova (Supercub)

3/28/89 through 4/14 - 49 hours

Trooper Jim Cavin - Cordova (P/V Burton)

3/28/89 through 4/4 - 111 hours

Trooper Bruce Lester - Seward (P/V Burton)

3/28/89 through 3/31 - 80.5 hours

Trooper Greg Hamm - Cordova (P/V Burton)

4/4/89 through 4/11 - 104 hours
4/14 through ?

FWEO Frank Bell - Cordova (P/V Burton)

4/3/89 through 4/15 - 133 hours

P/V Vigilant - escort of "Exxon Valdez" to Naked Island
4/4/89 through 4/8/89
Corporal Dean Layton - 66 hours
Trooper Dan Culbertson - 66 hours
ABO Eggerman - 59 hours
ABO Steele - 59 hours
Engineer Stenglein - 59 hours

Projected salaries to date: $33,691

For additional consideration is the equipment used in our divisional efforts.

Projected vessel operating costs: $12,328
P/V Burton - 3/28/89 through present, 18 days x $414/day = $7,452
P/V Vigilant - 4/4/89 through 4/8/89, 4 days x $1,219/day = $4,876

Projected aircraft operating costs: $878
Supercub, Cordova - 3/28/89 through present, 13.1 x $67/hr. = $878

Year-to-Date Costs: $46,897

Future plans involve 7 to 10 additional days for the P/V Burton sailing the Sound to wire shrimp pots open, contact fishermen references pots and spill impact. On 4/17 or 4/18, plans are being made for the P/V Burton to coordinate security efforts with Purcell security for cleanup crews in several areas in protection of potential bear problems. This includes enforcing the taking or defense of life and property regulations.

Potential use of the P/V Burton by the Department of Environmental Conservation for 5 to 7 days for three of their scientists.

In summary, we are planning a maximum of 17 days for a crew of two:

P/V Burton crew of two for 17 days straight = $11,164 (1 Trp. & 1 FWEO)
or 15,500 (2 Troopers)

P/V Burton operating costs, 17 days @ $414.00 per day = $7,038

Future FY89 Costs: $18,202 - 22,538

This can change dramatically; however, if support needs or security efforts are required and we should not be locked into this forecast. We have other areas on standby which may incur costs if the spill enters into critical regions.

The above costs are in direct relation to the oil spill and should be considered as reimbursable by Exxon. However, this division would have been impacted more if the oil spill did not occur. Our seasonal hires and sea pay costs have decreased due to the closure of the herring fishery in addition to the P/V Caution not being utilized with the closure. Thus we are forecasting less premium pay requirements with the oil spill. FY90 costs are unknown at this time but should have minimal impact if we proceed as planned.

In closing, the Valdez oil spill has had a impact on our enforcement efforts and their associated expenses but the majority of costs would have been incurred only under different circumstances, fisheries instead of oil spills.

cc: Colonel Jordan
Captain Gilson
Karen Allam

FY89

Ken Bischoff
Director
Administrative Services

April 19, 1989

269-5691

Sylvester (Sam) Neal
Director
Division of Fire Prevention

Valdez Oil Spill
Support Plan

Due to the severe impact on the City of Valdez, which is not staffed in the area of fire prevention and fire/life safety Code enforcement to cope with the impact of emergency clean-up personnel housing needs, office and incident command center, needs of State and federal agencies, the State Fire Marshals office has to assume a more aggressive and proactive role under the authority of my office.

The volume of temporary or emergency housing units and office units being delivered to Valdez and other communities for setup poses serious fire/life safety problems of a substantial magnitude, which requires coordination of plan reviews by the Division of Fire Protection Engineer, and Deputy Fire Marshals for on site inspections.

The two pronged review and enforcement is required to prevent illegal structures from being setup, which in turn become serious fire hazards as sleeping quarters of 24 hour office command/control centers.

Public information articles are being circulated through the news media to work with the contractors who are setting up the housing camps and offices in order to put the structures in safely and legally at the onset.

Additionally, Deputy Fire Marshals must make on site inspections to ensure that the structures are setup as approved. In order to prevent the tragedy of fire throughout all of Valdez and the other communities designated as staging or work areas.

Personnell will be required to travel to Valdez as well as the other communities, which have been impacted by the oil spill, and in which temporary housing and offices are needed.

FISCAL NOTE

This is a minimum fiscal note, which could move upward as communities beyond Valdez are impacted by temporary housing or office units.

$173.00 Four (4) round trip air fares Valdez	$ 692.00
$ 80.00 Per Diem for ten days (10)	$ 800.00
	$1,492.00
Deputy Fire Marshal salary for ten days (10)	$2,000.00
Minimum Impact	$3,500.00

MEMORANDUM State of Alaska

TO: Arthur English
Commissioner
Department of Public Safety

DATE: April 10, 1989

FILE NO:

TELEPHONE NO: 269-5641

FROM: Colonel Robert E. Dent
Director
Alaska State Troopers

SUBJECT: Valdez Oil Spill
Expenditure Plan

The Division of Alaska State Troopers has responded to the Valdez Oil Spill disaster by increasing the number of law enforcement officers in Valdez in order to investigate the cause of the accident and to provide general law enforcement efforts to the temporarily expanded population.

Provision of these services has caused an unanticipated burden upon the budget of the Division. These expenditures are unavoidable and clearly beyond the normal activities of the Division. Spending will be kept to a minimum where possible, but costs are anticipated to increase in the areas of personal services, travel and per diem, equipment usage (contractual), and supplies. Expected expenditures in each of these categories are discussed below:

A. PERSONAL SERVICES

1. Enforcement: The oil spill has caused an influx of people into the Valdez area, they are looking for jobs, or they are protesting the oil companies handling of the cleanup. Prior to the oil spill AST had only one trooper assigned to that area. Since that time, it has been necessary to send additional support to assist the Valdez trooper.

2. Investigative: AST has assigned four commissioned troopers to handle the investigation into criminal charges involving the grounding of the Exxon Valdez. This has required investigators to be sent from the Anchorage Director's Office, Anchorage CIB, and Palmer investigations. Investigation includes constant contact with the Valdez Police Department, the District Attorney's Office, the U.S. Coast Guard, Exxon, Alyeska Pipeline, and local residents in the area. This contact has not only been casual, but has consisted of extensive interviews.

3. Clerical/Administrative: Clerical assistance has been required to handle the transcribing of interviews collected from the investigators. This has required additional clerical support throughout the department. AST has solicited support from FWP, Administrative Services, and Fire Prevention. These clerical duties are over and above the normal routine tasks assigned to these individuals.

4. Dispatch: Dispatchers from Anchorage, Soldotna, and Fairbanks have been sent to assist the Division of Emergency Services. Their purpose will be to provide dispatching, typing, and sending messages, and to assist in any other clerical function needed in the Valdez area, due to the heavy workload placed on the personnel and area with the oil spill.

Overtime hours have been expended in all categories. Commissioned personnel have been indicating case #89-20572 on their activity report. Overtime hours expended by the clerical staff is indicated on their time sheet using collo code 12-62-1-243.

B. EQUIPMENT

1. Transportation: Additional transportation equipment may be necessary to assist in the enforcement and/or investigative activities of AST. This could include not only land transportation, but air as well. Air transportation could include efforts to check the progress of the oil spill's route pertaining to washing inland, or boarding one of the vessels located in the Prince William Sound area. This could include chartering additional air transportation in addition to the department's fleet already assigned to that area.

2. Investigative/Enforcement: Equipment may be required to assist the investigative and enforcement personnel located in Valdez. This may include cameras and similar tools required by the commissioned personnel.

3. Administrative: Additional equipment may be needed to assist the enforcement, investigative, and clerical staff. Equipment has been required to handle the additional clerical staff that has been pulled to assist in the transcribing. Clerical personnel have been pulled from various other duties during this time period, and therefore, have not had the required equipment to handle transcribing of interviews.

C. SUPPLIES

1. Supplies have been required not only in the Valdez area, but in the Anchorage area, for department personnel. Normal office supplies have been required to support the investigative and clerical staff. Most items have not been in stock and have had to be ordered. These items include: pens, pencils, film, cassette tapes, computer discs, etc.

2. Film processing will be required for investigative purposes. This processing will either be handled out of the Anchorage Headquarters or the Valdez local area.

3. Shipping will be required on all supplies taken to the Valdez area. Investigators will be taking commercial airlines and the excess supplies that will be required will be shipped by air freight. Shipment of supplies will be to and from the Valdez area. Expenses could be accrued with local air freight services, or the local postal services.

D. TRAVEL/PER DIEM:

1. TA's and TR's will be issued using the AST code 12-62-1-243. Travel has been required for the investigative staff to process the interviews in the Valdez area, and the additional enforcement personnel sent to these areas. The investigative team has been required to return to the Anchorage area every 4 to 5 days to process reports and to take their RDO's. The availability of housing in the area has made it extremely difficult to house our personnel. Per diem has been given to the personnel assigned to the Valdez area. A possibility could exist that actual expenses will have to be issued to the personnel with the increase in the lodging expenses in the area.

   Travel may be required to check the progress of the oil spill, either in Valdez or in the Prince William Sound area. Travel will also be anticipated on the peninsula to check the areas for the direction of the spill or any damage done to the area.

Other expenditures may be necessary at a later date. Approval for these invoices will only be authorized by Major McConnaughey, Lana Hobson, Frank Allan, or myself.

cc: Ken Bischoff
Major Terry McConnaughey
Lana Hobson
Frank Allan

Division of Alaska State Troopers
Valdez Oil Spill
Unbudgeted Personal Services And Travel Costs
FY 89 Estimate

A) PERSONAL SERVICES:

1) Investigators:

Sergeants:			
Stockard - 1 month + O/T	$ 5.2		
McGhee - 1 month + O/T	5.2		
Schadle - .5 month	3.1		
	subtotal	13.5	
Troopers:			
Burke - 1 month + O/T	4.8		
Grimes - 1 month + O/T	4.2		
Stickler - 1 month + O/T	5.0		
Storey - 1 month + O/T	5.2		
McMillon - 1 month + O/T	5.4		
Crawford - 1 month + O/T	5.5		
	subtotal	30.1	
2) Dispatchers:			
Radio Dispatcher III			
Speerstra - 2 months + O/T		11.6	
Radio Dispatcher II			
Austin - 2 months + O/T	11.0		
Kimsley - 2 months + O/T	8.9		
	subtotal	19.9	
3) Uniformed Trooper:			
Not yet assigned - June 1 x 76F		7.1	
4) Clerical Premium Pay:			
Typing support 210 hrs @ 34		7.4	
Total Personal Services Estimate			89.6

B) TRAVEL & PER DIEM

Airfare 24 round trips - Anchorage to Valdez @ 173 per	4.2	
630 days @ $ 80 per	50.4	
Total Travel & Per Diem		54.6
Total FY 89 Estimate		144.2

Division of Alaska State Troopers
Valdez Oil Spill
Unbudgeted Personal Services And Travel Costs
FY 89 Estimate
BRU & Component Spread of Costs

A) Alaska State Troopers BRU / Detachments Component

(1) Personal Services	$ 64.3
(2) Travel & Per Diem	40.9
Component Total	105.2

B) Alaska State Troopers BRU /
Criminal Investigation Bureau Component

(1) Personal Services	25.3
(2) Travel & Per Diem	13.7
Component Total	39.0

BRU Total	$ 144.2

MEMORANDUM State of Alaska

TO: Alison Elgee, Director
Division of Budget Review
Office of Management and Budget
Office of the Governor

DATE: April 14, 1989

FILE NO:

TELEPHONE NO: 465-43

FROM: Arthur English, Commissioner
Department of Public Safety

SUBJECT: FY 90 Budget
Amendment #90-8
Valdez Oil Spill

The Department of Public Safety requests a FY 90 Budget Amendment to temporarily place an additional uniformed State Trooper in Valdez to provide basic law enforcement services to the expanded population of the City of Valdez. This amendment requests funding for the position for six months. This request is not for an additional position. Personal Services Underfunding will force the Division of Alaska State Troopers to keep several commissioned positions vacant all of FY 90. An existing position that would otherwise have been kept vacant due to lack of funding will be temporarily assigned to Valdez for the six months that is anticipated to require additional law enforcement coverage.

Detachments Component	Governor's Amended Budget	Budget Amendment	Governor's Budget
Personal Services	$21,818.3	42.7	$21,861.0
Travel	683.3	9.1	692.4
Contractual	3,094.9	5.4	3100.3
Supplies	306.4	3.0	309.4
Equipment	27.5		27.5
Grants	100.0		100.0
Total	26,030.4	60.2	26,090.6

* includes Budget Amendments #90-3 and #90-7

Department of Public Safety
Division of Alaska State Troopers
Valdez Oil Spill
Six Month Position Cost

Personal Services		
State Trooper 76F - 6 months with 60 hours overtime		$ 42.7
Travel		
182 days at Long term per diem rate of $ 50 per day		9.1
Contractual		
Vehicle cost 152P Class		
$ 61 per month 6 x 61 =	366	
$.38 per mi x 2,200 per mo =	5,016	
subtotal		5.4
Supplies		
Miscellaneous office and operating supplies		3.0
Total		$ 60.2

INCREMENT/DECREMENT DESCRIPTION
(Limit to 98 Characters) Valdez Oil Spill-AST response

AGENCY CONTACT/PHONE NUMBER:
Kenneth E Bischoff 465-4336

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Department of Public Safety requests a FY 90 Budget Amendment to temporarily place an additional uniformed State Trooper in Valdez to provide basic law enforcement services to the expanded population of the City of Valdez. This amendment requests funding for the position for six months. This request is not for an additional position. Personal Services Underfunding will force the Division of Alaska State Troopers to keep several commissioned positions vacant all of FY 90. An existing position that would otherwise have been kept vacant due to lack of funding will be temporarily assigned to Valdez for the six months that is anticipated to require additional law enforcement coverage.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
71000	Personal Services	42.7	
72000	Travel	9.1	
73000	Contractual Services	5.4	
74000	Supplies	3.0	
75000	Equipment		
76000	Lands, Buildings, Etc.		
77000	Grants, Claims, Etc.		
78000	Miscellaneous		
	TOTAL	60.2	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	60.2	
1005	Program Receipts/GF		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

☐ Enhance Existing Service Compared to FY 89

☐ New Service Compared to FY 89

☐ Continuation of FY 89 Service Level

☐ Formula Program

☐ New Facility Operations

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/ DECREMENT REQUEST
Agency Priority _____ of _____

AGENCY Department of Public Safety

BRU Alaska State Troopers

COMPONENT Detachments

FY 90

Page ____ of ____

Revised Date:

(6/88)-c5

AMENDMENTS

CSHB 154 (FIN

DPS

* Sec. The sum of $198,500 is appropriated from the general fund to the Department of Public Safety, Violent Crimes Compensation Board, for the payment of claims for the fiscal year ending June 30, 1989.

* Sec. The sum of $85,000 is appropriated from the general fund to the Department of Public Safety to pay increased prisoner transportation costs associated with the opening of the Spring Creek Correctional Center for the fiscal year ending June 30, 1989.

Department of Public Safety
FY 89 Supplemental Request Status
(as of 3/29/89)

Items included within CS For House Bill 154 (Finance)," An act making miscellaneous supplemental appropriations for the 1989 fiscal year and ----------." , for the department are as follows:

Section 28 Pg 5 Ln 19; $ 5,253 -----Miscellaneous Claims

Items submitted by the department pending Legislative action are as follows:

1) The sum of $198,500 for the Deparment of Public Safety, Violent Crimes Compensation Board, for payment of claims for the fiscal year ending June 30, 1989.

2) The sum of $ 85,000 for the Department of Public Safety to pay increased prisoner transportation costs associated with the opening of the Spring Creek Correctional Center for the fiscal year ending June 30, 1989.

3) The sum of $460,812 for the Department of Public Safety, Division of Alaska State Troopers, for increased personal services costs associated with Public Safety Employees Association (PSEA) salary range and bargaining unit cost increases in the Court Services Officer (CSO) classification.

VOID

Additionally, items pending Legislative action for other agencies which the department has a financial interest in are:

1) The sum of $ 21,796.900 for the Office of the Governor to pay for increases in the costs of state health benefits.

DOT/PF #3

AMENDMENT TO HB154(FIN) BY ULMER

SEC.____. The amount of $800,000 is appropriated from the general fund to the Department of Transportation and Public Facilities, Alaska Marine Highways System, for vessel operation for the fiscal year ending June 30, 1989.

The effect of the amendment is to reduce the appropriation requested in Amendment #1 for Marine Highway Transportation system by $200,000. (Reduce from $1,000,000 to $800,000)

MEMORANDUM

State of Alaska
Department of Transportation & Public Facilities

TO: Alison Elgee, Director
Division of Budget Review
Office of Management & Budget

DATE: April 5, 1989

FILE NO:

TELEPHONE NO: 465-3900

FROM: Mark D. Hickey
Commissioner

SUBJECT: Supplemental

SUMMARY

The Department of Transportation and Public Facilities, Alaska Marine Highway System (AMHS), requests your assistance in obtaining a supplemental appropriation in the amount of $1,000,000 for the current fiscal year to cover costs incurred which could not be avoided without severe disruption of ferry service to the public.

Our initial response to this financial situation was to 1) postpone scheduled increases to spring service (specifically to lay-up the AURORA and 2) to submit this supplemental request.

The $1,000,000 supplemental request may be lowered by an amount not yet determined due to our response to the oil spill. The M/V AURORA and M/V BARTLETT were proposed to provide assistance in Valdez for oil cleanup. The involvement of the M/V BARTLETT was limited to a period of less than one week. The M/V AURORA is now in the Prince William Sound and scheduled to be used for one month on oil cleanup.

As of the writing of this supplemental we can only be sure that the charges for the two vessels will reduce the amount needed in the request. Our best current estimate is $200,000 reduction for a net supplemental of $800,000.

There are service reduction options that we have considered to reduce or make up for this shortfall that we will be forced to implement if no additional funds are made available. These options and their probable minimum savings are as follows:

1)	M/V COLUMBIA to remain tied up until after July 1	$270.0
2)	One of the 235' feeder vessels (LeCONTE or AURORA) to be tied up with the remaining vessel to remain on the "winter panhandle" routing until after July 1	$240.0
3)	M/V BARTLETT to be out of service when M/V TUSTUMENA comes back on line mid-April	$170.0
4)	M/V MALASPINA to be out of service until after July 1 upon completion of annual overhaul	$160.0

BACKGROUND

The nature of the travel industry is such that schedules must be published and reservations taken well in advance of the time when the costs of providing the service will be incurred. Thus, at the point in the state fiscal year when financial difficulties with the operating budget become apparent commitments to the traveling public have already been made through the remainder of that fiscal year and into the next. We are currently projecting a year end deficit for the combined Southeast and Southwest Vessel components of approximately $1,025.0 million. A slight surplus is projected for the combined shoreside components.

This deficit should be viewed in the context of the extreme variable nature of certain operational costs experienced by AMHS. The most volatile of the cost factors include vessel maintenance and overhaul, fuel, vessel crew vacation and sick leave and the need to meet increased service demand. As an example, the benchmark fuel price upon which our southeast fuel contract prices are determined has ranged from a low in August of 39.34 cents per gallon to the April cost of 64.61 cents. Based upon an annual consumption of approximately 7 million gallons in the Southeast system this can cause severe budgetary problems if accurate projections are not made, this item alone would allow for a budget swing of $1,750,000. In the current budget year we are within our projections for these costs, although fuel prices continue to rise.

Crew's annual and sick leave consumption are important variable costs which are difficult to predict accurately. This is primarily due to the high levels of leave accrual in the maritime union contracts, which allow for a maximum annual accrual of 588 hours of annual leave and 180 hours of sick leave. This is the equivalent of over 18 weeks of leave a year. The annual consumption rate of the combined types of leave exceed 90% for all three maritime bargaining units. In fiscal year 1988 this consumption rate equalled $5.4 million, 16.6% of the total personal services budget. Contrary to a typical employer, in most cases we are required to replace an employee on leave with a substitute to meet vessel manning requirements thereby doubling our cost for that position while on leave.

In the current fiscal year annual leave consumption levels in both the Southeast and Southwest systems are up by 7% and 16% respectively. Alternatively, sick leave, which is a smaller figure than annual leave, is down by 15% and by 46% in the Southeast and Southwest respectively, this results in direct personal service cost increase of $90,000.

A third variable in operational costs is overhaul and maintenance. Ships are subject to deterioration due to the extreme conditions within which they operate. Corrosion and

other damage cannot always be foreseen prior to inspection in the shipyard. When damage is discovered during a vessel's annual overhaul, repairs must be made pursuant to U. S. Coast Guard and American Bureau of Shipping standards. An example of such an occurrence is the M/V TAKU and is discussed below. Our fleet is aging and these costs become a greater risk each year.

Finally, demand for the service the Alaska Marine Highway provides changes over time. While our primary mission is to provide basic transportation, we also must meet community needs and expanding markets often with the same vessel which must be scheduled to serve those basic needs. As an example, the Southeast feeder vessel, either the M/V LeCONTE or the M/V AURORA, is called upon to serve the entire Panhandle when the other is undergoing its annual overhaul. This single vessel must get the residents of Angoon to Sitka for Saturday shopping, the people of Prince of Wales Island to Ketchikan and back to Hollis, as well as traffic to Pelican once a month. In addition, it must move the people of Metlakatla back and forth to Ketchikan; the folks in Haines, Skagway and Juneau also must be carried between those communities.

In addition to basic transportation, AMHS has been pressed to seek new markets for its services and to help stimulate local economies. An example of this is that this past winter's "weekend" service between the Lynn Canal communities and Juneau. Given the schedule commitments of the vessels on line in the winter, the only alternative to provide this service was to use the AURORA/LeCONTE. In order to adjust the schedule to test this new market it was necessary to place the M/V CHILKAT on the Metlakatla-Ketchikan route. This benefited Haines, Skagway and Juneau but was also a benefit to Metlakatla and Ketchikan.

ANALYSIS OF SHORTFALL

With this preamble the following items constitute the basis upon which we request supplemental funding for fiscal year 1989.

1) Vessel Personal Services Costs $540,000

a.) The largest component of this shortfall is associated with additional crew costs resulting from the need to keep the M/V TAKU in the shipyard for 10 weeks longer than scheduled, due to unplanned repairs to the vessel's controllable pitch propeller system. With the M/V TAKU unable to resume service as scheduled, it was necessary to continue to operate the M/V MATANUSKA in order to service Southeast Alaska from Prince Rupert. This was during the period when the M/V MATANUSKA was scheduled to be in reduced operating status, with her crew reduced from 51 to 11.

The calculated financial impact is as follows: Vessel Personal Services - M/V TAKU Schedule 74 days (10 1/2 weeks of changed schedule.

AS SCHEDULED:

M/V TAKU - 42 Employees
42 employees x 84 hr/wk x 10.5 wk x $21.50/hr = $ 796,400

M/V MATANUSKA - 11 Employees
11 employees x 42 hr/wk x 10.5 hr x $21.50 = $ 104,300

Sub Total as scheduled $ 900,700

ACTUAL:

M/V TAKU - 30 Employees
30 employees x 42 hr/wk x 10.5 hr x $21.50 = $ 284,500

M/V MATANUSKA - 51 Employees
51 employees x 84 hr/wk x 10.5 hr x $21.50 = $ 967,100

Sub Total actual $1,251,600

Increase Cost Actual-Scheduled = 351,000

Rounded = $ 350,000

b.) The second component of this cost is for personal services in the amount of $80,000 associated with the operation of the M/V CHILKAT. The total estimated cost to operate this vessel was $330,000. This amount was to be realized through mooring the M/V COLUMBIA in Seattle for the winter at a savings of $100,000 and the exchange of surplus parts to suppliers for credit against future purchases in an amount estimated between $200-$300,000. While the former savings have been realized, the latter effort is not yet completed, nor can all of the savings now be expected to come within this current fiscal year.

Another savings has been gained through the generous consent of the people of Metlakatla to defray the $60,000 cost of renting a barge to serve as the Chilkat dock this winter.

The personal service cost of the M/V CHILKAT is included in this component while the operation and maintenance cost is included in the following item 2b.

M/V COLUMBIA lay up (assumed)	$100,000
Parts Credit (programmed @300k)	10,000
Savings	$110,000

Expenses	$ 80,600	
Personal Services	190,000	
Total Chilkat (per AKSAS)	270,600	
Less Savings	110,000	
Net Cost to Operate	160,600	
Less Operation Expense	80,600	(Requested under 2b)
Unfunded Personal Services cost	$ 80,000	

c.) The third personal services cost component is an unfunded holiday at a cost to the system of $110,000.

2) M/V TAKU maintenance cost overrun and M/V CHILKAT operations cost $180,000.

a.) The M/V TAKU was originally scheduled to be out of service from September 25 through November 22, 1988 for annual maintenance and overhaul. The projected budget figure for this work was $421,400. As a result of unexpected problems with the variable pitch propellers this cost climbed to $895,900. The system has been able to cover all but $100,000 of this unexpected cost.

	M/V TAKU	
Expected:	$213,667	contract
	107,715	open inspect change orders
	100,000	supplies
	$421,382	total expected
Actual Costs	$213,667	contract
	490,224	change orders
	191,999	supplies
	$895,890	total actual
	(375,856)	less CIP funds
	$520,034	total less CIP
	421,382	budget
	$ 98,652	unfunded amount
	$100,000	rounded

b.) In addition to the M/V TAKU, part of the additional expenses in this category are attributable to the overhaul and operation of the M/V CHILKAT to render the service discussed above. This is estimated at $80,600, rounded to $80,000.

3) Per diem and travel for vessel employees $200,000

The delay of the M/V TAKU in returning to service resulted in additional per diem payments for crew members who do not live in Ketchikan. In addition, the Coast Guard required projects for the installation of waste water treatment facilities deprived the system of the usual ability to utilize the vessels as hotel ships for the crew while they were in the shipyard. This added the additional cost of per diem paid to crew members. Combined with this was an increase in travel costs as a result of an increase in vacation leave in the S. W. System.

4) M/V MATANUSKA Cylinder Head Replacement $80,000

When overhaul of the M/V MATANUSKA was undertaken it was discovered that there were several cracked cylinder heads. The manufacturer advised us that this problem was the result of design flaws and should be mostly covered by its warranty. However, this money will be returned to the state in next fiscal year. If the repair work was not undertaken the M/V MATANUSKA would not have been able to return to service.

Summary of complete budget supplemental:

1)	Personal Service	$ 540,000
2)	Operation and Maintenance	180,000
3)	Vessel per diem and travel	200,000
4)	Cylinder Heads	80,000
	Sub Total	$1,000,000

cc: W. Keith Gerken, Deputy Commissioner, Operations
George W. Davidson, System Director, AMHS

AMENDMENT

CSHB 154 (FIN)

* Sec. No funds are included in this act to pay the salary increase for Court Security Officers and Airport Safety Officers ordered by the arbitrator in the State V. PSEA "Interest Arbitration" decision issued 4-20-88. The Legislature disapproves that monetary term under AS 23.40.215. Funds included in the FY 1989 budgets for The Departments of Public Safety, and Transportation and Public Facilities shall not be used to pay the increases called for in the decision.

The sum needed to meet the costs, in a supplemental bill, for the annualized salary increase is 460.8. FY 90 incremental costs are [illegible].

Funding only the FY 90 costs, each employee would receive approximately 12.9 pay raise with benefits. Because the CSOs would enter at the Recruit Trooper level, DPS would have to certify them through an academy, or simply pay them a large salary for a limited amount of responsibility. An academy for 32 CSOs would cost roughly [illegible] 93.0.

Therefore, to take advantage of the CSOs, it would cost 1306.2 for salary increases and an academy. This translates into 40.8 per [illegible] remaining the raise and a one time expense of the academy.

Hard Numbers

CSO's	Rg 71 current	Rg 74 24.72%	Increment
Detach (15)	710.7	935.9	225.2
JS Anc (17)	762.6	948.6	186.0
		TOTAL Increment	411.2
		Cost of academy trng.	895.0
		Total cost of pay increase	1306.2

Broken down into impact terms:

Average pay increase w/ benefits	$12,350.00	per/person
or increase per month	1,029.33	
Training costs for certification	$27,966.75	per/person
or increase per month	2,330.73	
First year implementation cost	$12,350.00	
	27,966.75	
	$40,316.75	per/person

The cost of the academy is a one shot deal but still monumental. The cost of the academy includes salaries, however, the CSO work would have to be covered by others during the Basic Training.

Department of Transportation and Public Facilities
Box Z Juneau, Alaska 99811

April 23, 1989

Representative Fran Ulmer
Alaska State Legislature
P.O. Box V. Juneau, 99811

Dear Representative Ulmer:

Per your request we offer the following analysis of the impact of adjusting the Marine Highways schedule to accommodate a $600.0 budget shortfall in the FY89 budget. The following schedule changes would be required and the estimated savings to the AMHS budget are shown as noted in our April 5, 1989 memo. These estimated savings assume that a high proportion of the crews on the out of service vessels will use annual leave during this time. Actual termination of these employees would transfer the cost of their leave balances to the Department of Administration's leave bank. Layoffs are not assumed to be prudent in this case since these employees will be re-hired at the beginning of FY90.

1) Columbia out of service 3 wks	$ 270.0
2) Bartlett out of service until July 1	$ 170.0
3) Malaspina out of service until July 1	$ 160.0
Estimated savings	$ 600.0

The effect of these schedule changes will be to have only one ship running out of Prince Rupert rather than the three currently scheduled, and one ship running out of Seattle. This equates to three mainline round trips per week through Southeast rather than the seven currently scheduled, effectively a 57% reduction in the number of sailings. This will mean that many spring and early summer travelers, both resident and visitor, will have reservations canceled and will have to make other travel plans. In the case of vehicles traveling within and through Southeast, there are no other practical alternatives.

Our estimate of the general fund revenue normally collected by the AMHS for these vessels is as follows:

1) Columbia - 3 wks @ 175.0/wk	$ 525.0
2) Bartlett- 8 wks @ 30.0	$ 240.0
3) Malaspina - 4 wks @ $135.0/wk	$ 540.0
Estimated revenues	$1,305.0

Sincerely,

Mark S. Hickey
Commissioner

MEMORANDUM

State of Alaska
Department of Transportation & Public Facilities

TO: Alison M. Elgee, Director
Division of Budget Review
Office of Management and Budget

DATE: April 14, 1989

FILE NO:

TELEPHONE NO: 465-3900

FROM: Mark S. Hickey MSH
Commissioner

SUBJECT: FY89 M & O Severe Winter Supplemental

The Department of Transportation and Public Facilities requests an amendment to the supplemental request for FY89 Maintenance and Operations due to severe winter conditions. When the initial supplemental request was submitted in late January, your office indicated that should severe conditions continue past that date, a request for additional funding would be appropriate. In most of the state that has been the case. In fact, especially in the Western and Interior Districts (including the Dalton component), the winter weather actually worsened, greatly accentuating the problem. The following summarizes the costs by M&O component that are directly attributable to the severe winter conditions:

COMPONENT	CURRENT SUPPLEMENTAL	2/3/89 MEMO	AMENDED SUPPLEMENTAL
Central Hwys & Avtn:	100.0	100.0	137.5
Central Facilities:	150.0	150.0	198.6
Interior Hwys & Avtn:	78.0	78.0	219.2
Interior Facilities:	0.0	0.0	117.8
Dalton Hwys & Avtn:	37.0	37.0	223.5
Western Hwys & Avtn:	160.0	160.0	570.0
Southcentral Hwys & Avtn:	125.0	219.6	219.6
Southcentral Facilities:	0.0	0.0	42.0
Southeast Hwys & Avtn:	145.0	145.0	145.0
Southeast Facilities:	0.0	59.0	59.0
TOTAL DEPARTMENT	795.0	950.0	1932.2

If the additional funding is not available, the normal summer maintenance programs will not be accomplished in the Northern Region M&O districts. In Western District, roads can not be opened during the spring season. Not only would this impede travel, but would be very detrimental to the road system due to damage caused by spring breakup and runoff. Additional information concerning actual expenditures in Northern Region and the original supplemental request memo are attached.

cc: Ron Clarke, Special Staff Assistant, Office of the Governor
W. Keith Gerken, Deputy Commissioner, Operations
John Horn, Acting Regional Director, Northern Region
Ron B. Lind, Director, Plans, Programs and Budget
Jon Scribner, Regional Director, Southeast Region
D. Randy Simmons, Deputy Commissioner, Budget and Finance
Riley Snell, Regional Director, Central Region

MEMORANDUM

State of Alaska
Department of Transportation & Public Facilities

To: W. Keith Gerken
Deputy Commissioner
Operations

Date: April 13, 1989

File No:

Telephone No: 451-2210

From: John Horn, P.E.
Acting Regional Director
Northern Region

Subject: FY89 Snow and Ice
Supplemental Request

In our February 2, 1989 memorandum under the low condition heading, we identified most of our actual costs to the beginning of February attributable to unusually severe winter storms or conditions. In addition, we provided an estimate of what our total winter costs would be if severe conditions occurred during the remainder of the winter.

Described below are the severe conditions which did occur and haven't been previously reported with the actual costs attributed to these conditions:

INTERIOR DISTRICT

Extreme high winds and abnormally heavy snowfall forced the closure of the Dalton Highway in the Deadhorse, Chandalar, and Finger Mountain areas. Extensive overtime and equipment usage resulted. The Fairbanks Area received 67 inches of snow this year compared to 40 inches in 1988 and 40 inches in 1989, a 68% increase. Extreme low temperatures, -50°F for a period of three weeks caused an increase in fuel costs, frozen utility line repairs, and generator repairs. High winds caused heavy drifting and forced the closure of the Richardson Highway at Trims for the first time in years. In late February, in the Nenana and Healy areas, the Parks Highway received 12" of snow followed by 16 hours of heavy rain. This resulted in three inches of ice caked to the road surface. For several weeks, extensive equipment usage, overtime, and sand were required to return the highway to a safe condition. Of particular note, it is estimated $6,000 will be spent repairing guardrail damage from this storm.

SOUTHCENTRAL DISTRICT

Southcentral District temperatures through January ranged from -1°F to -66°F with extreme wind chill factors due to high winds. Excessive costs were incurred to heat State buildings compared to last year for the first seven (7) months of FY89.

Southcentral District Fuel Costs
July 1 - January 31

Station	FY88	FY89	Difference
Valdez	$123,236.78	$151,972.46	$+28,735.68
Thompson Pass	1,594.48	2,144.85	+ 550.37
Ernestine	3,999.35	5,897.63	+ 1,898.28
Tazlina	5,700.14	10,431.68	+ 4,731.54
Paxson	1,769.57	2,945.29	+ 1,175.72
Slana	4,779.83	5,391.93	+ 612.10
Nelchina	2,937.71	2,233.67	- 704.04
Chitina	5,204.47	10,238.29	+ 5,033.82
Total	$149,222.33	$191,255.80	$ 42,033.47

Except for these costs, this District experienced a normal winter after February.

WESTERN DISTRICT

From mid December 1988 through April 15, 1989, the Nome and Kotzebue areas experienced 40 major storms. According to the National Weather Service, 14 of these storms were classified as blizzards since winds were in excess of 35 mph. The Governor declared an emergency as a result of these storms. The remaining 26 storms had winds of 20-34 mph. The snow accompanying these 40 storms has dumped an average 72.0 inches on the Western District.

By the end of April, we will have met and exceeded the "High Condition Scenario" of $300.0 portrayed in the February 2 Snow and Ice Supplemental Request. Low Condition Scenario costs were shattered by the extremely heavy snow fall during February, some 400% of normal, receiving all of the March snow fall in the first 11 days of the month, and continuous snow since April 4. With all the snow, we've encountered high winds and blizzard conditions. There has been a substantial increase in fuel consumption both at the 26 village airports and trunk airports at Unalakleet and Kotzebue with increased equipment usage and subsequent usage fees paid to SEF at Nome Airport and Nome Highways. Seasonal personnel have been recalled and a substantial amount of overtime paid. Several villages having airport maintenance contracts are out of money and expect contract increases due to the extraordinary effort required. Additionally, we have bills coming in for equipment rented to supplement the State to open runways.

Of great concern is the detrimental effect breakup and spring runoff will have on the road system. It's imperative that

roads be opened and drainage provided to prevent loss of major segments of the Nome-Teller Highway, Nome-Council Highway, and Kougarok (Nome-Taylor Highway) road. An extra effort with an increase of contractor equipment along with DOT forces will be necessary to minimize this damage.

In order to supplement our own fleet with enough equipment to get roads open before too much water starts to flow will require at least 4 dozers, 2 each D-8 D-9 size machines to work on Council road where we have numerous drifts in excess of 20', and 2 each D-6 D-7 size machines to work on the Kougarok road.

Normally we would send one of our dozers to Cottonwood Camp in mid April so it would be there to use for road opening during the first part of May. This dozer fell through the ice at Safety. It is not possible to run a dozer to Cottonwood, 60 miles, during May as the snow becomes too soft. If we are not given additional funding to rent a dozer before approximately April 20, we will not be able to open that road from both ends as has been normal practice.

The cost of renting the necessary dozers would be $110,000 in the 300 account.

Low Condition
(Actuals per February 2, 1989 Memorandum)

	Account				
Component	100	200	300	400	Total
Interior Highways & Aviation	12.8		65.2		78.0
Dalton Highway & Aviation	5.4		9.9	21.7	37.0
Western Highways & Aviation	31.1	1.3	84.4	43.2	160.0
Southcentral Highways & Aviation	64.8		114.0	40.8	219.6
TOTAL LOW CONDITION	114.1	1.3	272.6	105.7	494.6

Additional Actual Costs

	Account				
Component	100	200	300	400	Total
Interior Highways & Aviation	29.9		92.3	19.0	141.2
Dalton Highway & Aviation	54.9	5.0	108.1	18.5	186.5
Interior Facilities	11.9	4.1	82.0	19.8	117.8
Western Highways & Aviation	83.7	5.8	261.3	59.2	410.0
Southcentral Facilities				42.0	42.0
TOTAL ADDITIONAL COSTS	180.4	14.9	543.7	158.5	897.5

Total for Winter

	Account				
Component	100	200	300	400	Total
Interior Highways & Aviation	42.7		157.5	19.0	219.2
Dalton Highway & Aviation	60.3	5.0	118.0	40.2	223.5
Interior Facilities	11.9	4.1	82.0	19.8	117.8
Western Highways & Aviation	114.8	7.1	345.7	102.4	570.0
Southcentral Highways & Aviation	64.8		114.0	40.8	219.6
Southcentral Facilities				42.0	42.0
TOTAL FOR WINTER	294.5	16.2	817.2	264.2	1392.1

MEMORANDUM

State of Alaska
Department of Transportation & Public Facilities

TO: Alison M. Elgee
Division of Budget Review
Office of Management and Budget

DATE: February 3, 1989

FILE NO:

TELEPHONE NO: 465-3900

FROM: Mark S. Hickey MSH
Commissioner

SUBJECT: FY89 Snow & Ice
Supplemental Request

The Department of Transportation and Public Facilities is submitting a statewide supplemental request for assistance in meeting Maintenance and Operations costs due to the abnormal demands placed on the department for excessive storms and conditions occurring this winter. A range of low and high needs has been identified between $950,000 and $1,850,000. Throughout most of the state, record snowfall has occurred between November and January, requiring operational expenditures above the normal monthly operating cost for snow and ice control. For example, in Juneau, according to the National Weather Service, snowfall during the month of January in the downtown area of 67 inches exceeded the highest level recorded for that month since 1965 by 29 inches. The extreme low temperatures have increased our utility costs for state facilities as well as caused additional equipment repair and operational costs. The high range represents an estimate of the costs if severe winter conditions persist for the remainder of this winter season.

Although the department does have a non-routine maintenance fund of $1,000,000 in this year's capital appropriation for use by Highways and Aviation components and $350,000 for use by Facilities components, we believe that additional funding is required. To date, requests from maintenance districts have already been received totalling over $1.4 million for the use of these funds. Examples of these requests include repair of storm damage at the Unalaska Airport, Hydaburg Road and the Juneau area, repairs due to erosion of the Richardson Highway at Mile 312 and erosion of the Salmon River Road in Hyder, flood control of the Northway Road, and repairs at The Fox Spring.

Backup by region for this supplemental request is attached.

Attachments as noted.

cc: Ron Clarke, Special Staff Assistant, Office of the Governor
W. Keith Gerken, Deputy Commissioner, Operations
John Horn, Acting Regional Director, Northern Region
Ron B. Lind, Director, Plans, Programs, and Budget
Jon Scribner, Regional Director, Southeast Region
D. Randy Simmons, Deputy Commissioner, Budget and Finance
Riley Snell, Regional Director, Central Region

Mark S. Hickey
Commissioner

January 26, 1989

W. Keith Gerken
Deputy Commissioner
Operations

FY'89 M&O
Supplemental

William R. Snell
Regional Director
Central Region

This memorandum is to document as best possible the request for supplemental funds, it also discloses the certainty that we will be facing some of the same mitigating scenarios as last year. Unless operational and maintenance services are reduced or supplemental funds provided, we will over-expend the FY'89 budget, while performing the functions of the Division at the level required to entirely complete those activities.

M & O Division's two programs are generally described as follows:

MAINTENANCE

The performance of those tasks that protect and preserve the State's equity investment in it's highways, bridges, airports, harbors, buildings, and equipment fleet. Basic examples would be crack sealing, pothole patching, float replacement, roof repair, vehicle/equipment servicing, etc.

OPERATIONS

Performing tasks, providing services, and paying fixed cost expenditures that allow the State's facilities to function on a daily basis. Some examples would be snow and ice control on highways, airports, parking lots, street sweeping and brush control, providing light, heat, and janitorial services for buildings, supplying fuel and repair parts for vehicles/equipment.

While we are theoretically free to allocate funds to either maintenance or operations, we are often impacted by uncontrollable operational needs as well as emergency repair needs. The results of these impacts is that we will be required to defer maintenance not by a logical process, but an arithmetic one, simply because larger portions of our budget are committed to operations.

To date in FY'89, several major operational impacts have occurred. In Anchorage a record 65" of snow has fallen between November and January, requiring expenditures above the normal monthly operating cost for snow and ice control.

Based on this fact a continued supplemental for both the H & A and Facilities component appropriations totaling $250.0 thousand is requested. We feel this would reduce the need to implement severe measures while allowing for completion of maintenance activities, as well as operational requirements.

It is assumed that if severe winter conditions continue, Central Region may require an additional $250.0.

This supplemental would be distributed to component and accounts as follows:

Highways & Aviation Component		Facilities Component	
100 -	100.0	100 -	54.2
200 -	0.0	200 -	26.8
300 -	0.0	300 -	69.0
400 -	0.0	400 -	0.0
	100.0		150.0

Although the total supplemental is felt to be the most desirable we realize that there are possible alternatives. In general terms we see three:

(1) Receive the entire supplemental ($250.0 thousand).

(2) Receive no supplemental.

(3) Receive some lesser supplemental ($150.0 minimum).

Under alternative (1) (receive the full supplemental) the highways component will recover unexpected expenditures in overtime utilized as a result of repeated snow falls which have accumulated to above record levels within the region. This $100.0 H&A supplement will negate the need for early release of seasonal employees while providing for the continuation of life/safety associated activities.

The $150.0 facilities supplement is needed to recover above normal expenditures incurred in providing services to our facilities as a result of the repeated snow falls and the below normal temperatures that have been occurring. The personal services and travel account have been impacted due to the need for overtime and travel to remote facilities to repair and service furnaces as well as other cold weather related damages to utilities and buildings. The contractual services account has been impacted due to increased use of contract snow removal contractors for clearing of parking lots and sidewalks at such facilities as the State court building, State Trooper facilities and Pioneer home.

It should be noted that this supplement is based on the assumption that RP's between accounts in each component will be allowed for the purpose of balancing the appropriations.

Alternative (2) (receive no supplemental). Layoff of seasonal employees will be implemented sooner than normal, severe restrictions on overtime put in place, reduce operations of SEF equipment, reduce those basic maintenance functions to life/safety associated activities (road striping, selective brushing, regulatory sign replacement only, and minimal airport repairs) as well as reduce replacement of stock inventories. This is the least desirable alternative and would only serve to aggravate, extend, and compound deferred maintenance.

Alternative (3) (receive some level of supplemental increase), though less than the projected need, would serve to ease the severity of deferrals. A minimum supplemental of $150.0 thousand for the Facilities component is felt to be necessary to maintain the integrity of the Facilities program. This level of supplemental will not allow the retention of seasonal employees and

MEMORANDUM

State of Alaska
Department of Transportation & Public Facilities

To: Keith S. Gerken
Deputy Commissioner
Operations

Date: February 2, 1989

File No:

Telephone No: 451-2210

From: John Horn, P.E.
Acting Regional Director
Northern Region

Subject: FY89 Snow and Ice Removal Supplemental Request

Following is the detailed back-up to support our January 27, 1989 memorandum requesting a supplemental appropriation for excessive snow and ice removal costs in FY89.

The January 27, 1989 memorandum identified a low and high range from $400,000 to $950,000. Detailed analysis and inclusion of costs of a storm that was occurring during preparation of that memorandum revealed that the range should be from $494,600 to $1,044,100.

The basis of the low range is actual expenditures for excessive storms and conditions occurring to date. The high condition is the low, plus the estimated cost for continued extreme conditions for the remainder of this winter season.

BASIS OF LOW CONDITION

Interior District Maintenance & Operations

Deadhorse Storm

The Deadhorse area experienced an abnormally heavy snowfall and continuous high winds during the first two weeks of October 1988. This storm yielded 20" of snow. This was more snow than was received in the entire 87-88 season. High winds caused extensive heavy drifting closing the northern sixty (60) miles of the Dalton Highway and the Deadhorse Airport.

In order to function efficiently through the 88-89 winter season and keep the Dalton Highway and the Deadhorse Airport open, the removal of all snow berms and drifts was imperative to allow for a clean and barmless roadway to prevent further drifting throughout the 88-89 winter season.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$12,800
300	Equipment Rental	65,200
	TOTAL	$78,000

Fairbanks Area Snowfalls

An unusually high number of snowfalls have occurred in the Fairbanks area this year, 20 with the average being 8. This has caused an increase in our personnel costs for overtime and equipment rental. In addition, in December of this year, there was a 75% increase in the number of days where the temperature fluctuated around the freezing point. That created a corresponding demand on our sand stockpile.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 5,400
300	Equipment Rental	9,000
400	Sand	22,600
	TOTAL	$37,000

Western District Maintenance & Operations

Winter to date has been somewhat out of the ordinary. December thru the first ten days of January saw approximately double the normal snowfall. In fact, the normal snowfall for January was reached in the first ten days of the month. Along with snow, strong winds up to 60 mph were the norm. As snowfall was continuous, so was the removal effort on the three certificated airports. Flights suffered numerous weather delays and airport personnel were required to work overtime to have the runways clear upon the carriers' arrival. Personnel were recalled or retained to meet staffing requirements. Equipment usage increased substantially as did fuel consumption. The highways and bus routes in the Nome area also were plowed and sanded on a continuous basis. The extreme conditions recorded at Nome and Kotzebue were also encountered at the District's 26 airports. In some cases, the villages have expended the entire amount of their maintenance contracts and further expenses will be born by DOT along with some major equipment repair costs. Due to the heavy snow and blizzard conditions, we have

experienced runway light damage on a large scale necessitating procurement of several thousand dollars worth of light fixtures.

The last three weeks of January have been the coldest on record causing increases to electrical costs to heat equipment, repair parts to repair equipment damaged by use at -45° to -50°, and freight costs to replace equipment where repairs are not feasible but airports must be kept open.

The costs that follow, broken down by account, are increases over normal attributable to winter conditions encountered to date. Some costs, such as for fuel consumption increases, increased electrical costs, and increases to maintenance contracts are estimated as billings don't arrive in a timely manner and the village accounting (for contract expenses) is somewhat difficult to get quickly.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 31,100
200	Travel	1,300
300	Equipment Rental	84,400
400	Supplies	43,200
	TOTAL	$160,000

Southcentral District Maintenance and Operations

Tazlina Snowfall

Average snowfall in the Copper River Basin is approximately 48" - 50". At this time, we have had approximately 132" in some areas. We have also had freezing rains and high winds.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 9,506
300	Equipment Rental	11,937
400	Sand	10,500
	TOTAL	$ 31,943

Paxson Storms

To date we have had 169" of snow at Paxson with much more in the canyon north of Paxson. We have had one road closure due to high winds, drifting snow, and extreme cold.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 8,232
300	Equipment Rental	15,503
400	Sand	2,100
	TOTAL	$ 25,835

Nelchina Snowfall

Average snowfall in this area is 48". To this date, 70" has fallen.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 1,904
300	Equipment Rental	4,593
400	Sand	1,050
	TOTAL	$ 7,547

Slana Snowfall

Average snowfall is approximately 48". This year to date, there is approximately 93". There have also been high winds during most of January.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 1,932
300	Equipment Rental	4,467
400	Sand	5,600
	TOTAL	$ 11,999

Chitna and Ernestine Snowfall

Normal snowfall in an average year is 36". This year to date, there has been 68" plus 3 freezing rains, high winds, and drifting snow through most of January.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 5,670
300	Equipment Rental	10,073
400	Sand	2,100
	TOTAL	$ 17,843

Valdez Snowfall

Average snowfall for the entire winter is 300". To date, we have had 260". We have had avalanches, freezing rain, extreme winds to 100 mph and heavy drifting snow. Since October, the Valdez crew has worked 625 hours of overtime and had an additional 890 hours of equipment usage over and above normal work. Contractor equipment was also used to help State forces.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 17,500
300	Equipment Rental	38,980
400	Sand	10,500
	TOTAL	$ 66,980

Thompson Pass Storms and Avalanches

Average snowfall at Thompson Pass is 300". To date this year, we have had 428 inches. Twenty avalanches have crossed the road. The last wind storm had winds to 150 mph and damaged our snow fences. The road has been closed 3 times for 104 hours.

Costs Incurred Above Normal:

Account	Description	Amount
100	Overtime	$ 20,006
300	Equipment Rental	28,119
400	Sand, Snow Fence, Snowpoles	9,000
	TOTAL	$ 57,115

SUMMARY

Component	Account 100	200	300	400	Total
Low Condition					
Interior Highways & Aviation	12.8		65.2		78.0
Dalton Highways & Aviation	5.4		9.0	22.6	37.0
Western Highways & Aviation	31.1	1.3	84.4	43.2	160.0
Southcentral Highways & Aviation	64.8	___	114.0	40.8	219.6
TOTAL LOW CONDITION	114.1	1.3	272.6	106.6	494.6
Increment to Reach High Condition					
Interior Highways & Aviation	50.9		106.5		157.4
Dalton Highways & Aviation	25.1		52.5		77.6
Western Highways & Aviation	52.6	4.5	66.9	16.0	140.0
Southcentral Highways & Aviation	52.5	___	87.5	35.0	175.0
SUBTOTAL INCREMENT	181.1	4.5	313.4	51.0	550.0
TOTAL HIGH CONDITION	295.2	5.8	586.0	157.6	1,044.6

JHL/lf

cc: Fredric Guenther, Acting Director, M&O
George Levasseur, Manager, Southcentral District M&O
Chuck Coyle, Manager, Wester District M&O

MEMORANDUM

State of Alaska
Department of Transportation & Public Facilities

TO: Mark S. Hickey
Commissioner

DATE: February 2, 1989

FILE NO:

THRU: W. Keith Gerken
Deputy Commissioner

TELEPHONE NO: 789-6261

FROM: Jonathan W. Scribner
Southeast Regional Director

SUBJECT: FY89 Snow & Ice Removal
Supplemental Request
Southeast Region

The Southeast Region Maintenance and Operations anticipates that we will need supplemental funding for the Highways and Aviation component as follows:

OBJECT	HIGH	LOW
100 Overtime	100.0	35.0
Emergency Hires	8.0	4.0
300 Additional Equip. Rental (non-SEF)	30.0	19.0
Increased Equip. Usage (SEF)	90.0	55.0
400 Additional Sand	23.0	14.0
Airport Brooms	4.0	0.0
Additional Chemicals	40.0	18.0
TOTALS	295.0	145.0

Additional funding for our Facilities component will be required as follows:

	HIGH	LOW
100	33.0	18.0
300	43.0	24.0
400	29.0	17.0
TOTALS	105.0	59.0

100: Excess regular and premium pay for nonpermanent snow shoveling personnel at Juneau buildings.

300: Extra expense of contractual snow plowing and snow removal services at Juneau buildings.

400: Excess fuel oil consumption at Southeast Region buildings.

These funds are necessary due to the unusually heavy snows and cold temperatures. The low estimate represents what we feel we will be overspent as of the end of the year if winter stops now. The high represents our best estimate if the severe winter weather continues for another 6 weeks.

This region has experienced record or nearly record snowfall depth in January in several locations including: Yakutat (116 inches and over 11 inches of rain, based on airport weather records), Hyder (approximately 25 feet, based on local reports), Juneau North Douglas (81 inches based on weather service employee records), Juneau (67 inches based on weather service records) and Petersburg (61 inches based on airport weather records). We have experienced 7 avalanches on the Thane Road in Juneau and numerous avalanches and drifting problems in Skagway. With the heavy snows we have also experienced several thaws with heavy rains. Our crews have had to put in several 20 hours shifts with the extreme weather.

The impact on our budget to date has been extreme. Without a supplemental, our ability to repair the roads and do any routine maintenance will be reduced to zero. There will be considerable damage to our pavements and gravel roads when breakup occurs.

MEMORANDUM

State of Alaska
Department of Transportation & Public Facilities

TO: W. Keith Gerken
Deputy Commissioner - Operations

DATE: April 11, 1989

FILE NO: 140-0650

THRU: George W. Davidson
System Director
Alaska Marine Highway System (AMHS)

TELEPHONE NO: 465-3950

FROM: June M. Arkoulis Sinclair
Support Services Manager, AMHS

SUBJECT: AMHS FY 88 Supplemental

We hereby request an increase for the FY 88 supplemental for unpaid invoices. We previously requested $55,527.95 and have since received an additional $32,671.49 in vendor invoices for a total to $88,199.44. Vendor invoices make up $68,047.55 of the total amount due, the remainder represents interagency billings.

Delays in paying vendor invoices can, in part, be attributed to the fact that invoices are often left at the vessel at time of delivery. A duplicate invoice is not sent to the accounting section for payment. Unless vessel employees send in the invoice for payment, the accounting section may not be aware of its existence.

This situation has improved some in FY 89 through the increased use of delivery orders and encumbrances. We have also communicated the importance of getting invoices to the accounting section to both vessel employees and vendors.

sz

COMPONENT				
ADMIN (57597)				
	XEROX CORPORATION		359.98	
	TRICK & MURRAY		244.00	
	BARGREEN ELLINGTON		368.28	
	RICOH CORPORATION		16.86	
	TRANSPORT INTRNL		1,663.00	
	TOTAL			2,652.12
MKT MGMT (57601)				
	T.U. OF ALASKA		135.00	
	SEATTLE TIMES		2,235.60	
	TOTAL			2,370.60
SE SHORE (57602)				
	METLAKATLA INDIAN		3,456.00	
	CITYOF PRINCE RUPERT		12,338.66	
	XEROX CORPORATION	41.82		
		41.82	83.64	
	MAINTENANCE/JANITORIAL	82.30		
		105.40		
		76.50	264.20	
	STAR RENTALS		109.52	
	TOTAL			16,252.02
SW SHORE (57603)				
	PACIFIC RIM PUBLISHING		73.92	
	TOTAL			73.92
MARINE OPS (57606)				
	ALASKA AIRLINES		380.30	
	TOTAL			380.30

SE VESSELS (57607)

WARSHOLS SPORTING GOODS		247.74	
JOHNSON CONTROLS		577.58	
ANTHONY'S INDUSTRIAL		285.00	
K & N MEATS		1,065.00	
ALASKA AIRLINES	190.00		
	190.00	380.00	
SIFFERMAN SUPPLY		59.12	
HOBART		55.05	
DAIRYLAND FOODS	83.10		
	394.44		
	134.01		
	471.82		
	425.77		
	258.77	1,767.91	
CHEVRON CANADA LTD		2,331.10	
SEATTLE INJECTOR		355.41	
CONSOLIDATED FREIGHT		109.14	
STAR RENTALS		535.71	
WASHINGTON TRUCKLIFT		75.66	
SEAPORT CHEMICALS		631.50	
FRED MEYER		62.37	
COCA-COLA	224.15		
	40.00		
	90.20		
	40.00	394.35	
TOTAL			8,932.64

SW VESSELS (57608)

ANCHORAGE COLD STORAGE	178.00		
	195.80		
	93.00		
	907.92		
	27.80		
	226.10	1,628.62	
SUPERCLEAN		40.00	
FOOD SERVICES OF AMERICA	155.96		
	155.96		
	116.97	428.89	
GOLDSMITH		401.92	
VALDEZ FOOD MART	84.04		
	62.20		
	138.79		
	140.65	425.68	
MARATHON FUEL		3,302.80	
DUBOIS		164.10	
R & R DIVING		575.00	
A & L FRENCH	837.65		
	22.20		
	1,534.37		
	400.75		
	5.63	2,800.60	
ASPLUND SUPPLY	273.44		
	93.12		
	89.94	456.50	
WHITEPASS FUEL	26,825.62		
	66.24	26,891.86	
ECOLAB		149.98	
SEXAUER		120.00	
TOTAL			37,385.95
TOTAL ALL COMPONENTS			68,047.55

UNIV

AMENDMENT

OFFERED IN THE HOUSE BY KOPONEN

TO: CS FOR HOUSE BILL 154 (Finance)

Add a new section to read:

*Sec. . The sum of $1,000,000 is appropriated from the general fund to the University of Alaska for statewide repairs and renovations.

University

		UNIVERSITY REQUEST	OMB RECOMMENDATION
UAA/BRU			
UAA			
January:	Electric Bills	$9,747.00	$9,747.00
	Gas Bills	$7,040.00	$7,040.00
February:	Electric Bills	$9,000.00	$9,000.00
	Gas Bills	$7,000.00	$7,000.00
Repairs:		$18,585.00	$18,585.00
Prince William Sound C.C.			
	Fuel Costs	$1,096.00	$1,096.00
	Water Damage/Library	$4,692.00	$4,692.00
Kenai, Kodiak and Mat-Su			
	Utility Costs	$4,000.00	$4,000.00
	Maintenance	$142.00	$142.00
Subtotal BRU		$61,302,.00	$61,302.00
UAF/BRU			
UAF:			
Fire Department		$7,204.19	$7,204.19
Physical Plant:			
	Overtime	$56,970.0	$46,970.00
	Other Expend.	$46,150.00	-0-
Security:		$1,825.04	$1,825.04
(see itemized list)			
Utilities:			
	Coal	$19,616.00	$19,616.00
	Oil Usage	$62,737.00	$62,737.00
Library		$11,500.00	-0- (insurance filed)
Signers Hall		$3,500.00	-0- (insurance filed)
School of Fisheries Marine Advisory		$5,375.88	$5,375.88

jc30/wp50

Bristol Bay	$900.00	$900.00
Rural Education	$15,900.00	$15,900.00
Northwest	$16,500.00	16,500.00* ~~$5,000.00~~
Kuskokwim	$6,600.00	$6,600.00
Chukchi	$14,700.00	14,700.00* ~~$12,700.00~~
Subtotal BRU	$269,478.11	$184,828.11
UAS/BRU		
Roads, Streets, Parking Snow removal	$11,400.00	$11,400.00
Roof Top Snow Removal	$2,575.00	$2,575.00
Freeze Damage Novatney	$3,711.00	$3,711.00
Freeze Damage Mourant	$4,912.00	$4,912.00
Expected Electrical Surcharge due of avalanche	$6,164.00	$6,164.00
Subtotal BRU	$28,762.00	$28,762.00
Total University	$359,542.11	~~$274,892.11~~ 288,392.11

*See memo re: Audio conferencing need

jc30/wp50

COLLEGE OF HUMAN AND RURAL DEVELOPMENT

UNIVERSITY OF ALASKA—FAIRBANKS
Fairbanks, Alaska 99775-0900

April 4, 1989

Janet Clarke
Office of Management and Budget
Division of Budget Review
by FAX - 465-3767

Dear Ms. Clarke:

Thank you for the opportunity to discuss with you yesterday the UAF College of Rural Alaska request for supplemental funds to cover the extraordinary increases in academic audio conferencing costs related to the severe cold weather experienced during the end of January. I certainly agree that these costs were not fully explained, so I hope that the following will serve.

Throughout the Rural College service area, faculty distance deliver their courses by audio conferencing with students for three hours each week. The most typical pattern is to hold two 1 1/2 hour sessions. This January, the end of our registration period and the beginning of the new semester coincided with the extreme cold wave. Because the cold prevented small air services from flying and carrying the mail, most of our students did not have books and other course materials. Also, many students who had brought their registrations to non-operating post offices were unable to officially register or get information about class meeting times and places. As a result, Mr. Clarke, about half of our students were present for audio classes and only a few of them had books.

Not knowing the full extent of the problem, faculty began the semester on time. A week and a half later, however, the difficulty was clear. It was also clear that the only way to provide students with proper instruction was to interrupt the semester until registration and book mailings could be completed and then begin the semester again.

And this is what happened. It caused the semester to be extended and incurred the costs of telephoning or conferencing with students to explain schedule changes. Costs of early audio conferences which had to be repeated later were also incurred and this is why we now need supplemental funding.

Ms. Clarke, I hope the above is clear and that you will be able to help us with this problem. I will call you soon to see that you have received this letter.

Sincerely yours,

Ralph Gabrielli

Ralph Gabrielli. Ph.D.

RG/sml

Brian Rogers
Vice President for Finance
(907) 474-7448

University of Alaska
Fairbanks, Alaska 99775-5160

March 21, 1989

Alison Elgee, Associate Director
Office of Management and Budget

Subject: Revised Request for FY89 Supplemental for Cold Weather Damages

Dear Alison:

The university is requesting an FY89 supplemental appropriation for unbudgeted costs of $359.4 associated with the severe cold weather experienced during the last two weeks of January 1989.

Given the severe budget reductions incurred by the university over the last several years, the university is no longer in a position to budget for extraordinary winter expenses such as those which occurred in January-February of 1989. The state has not endured such a difficult winter in the last 10 years and certainly the university budgets were not predicated on such an occurrence.

The weather conditions during this period of time caused most university units to expend additional funds for snow removal, heating and electricity and, in some cases, for repair and maintenance due to cold weather damage. In addition to the increased operating costs, many of the western campuses will incur additional costs for classes which had to be cancelled and rescheduled, or for extending the semester in order to meet class hour requirements for courses. A chart showing the line item request by major administrative unit is presented below:

U of A Winter Supplemental Request

	UAA	UAF	UAS	Total
Personal Svcs	102.00	67,912.00	15,400.00	83,414.00
Contractual	36,737.00	70,504.00	8,200.00	115,491.00
Commodities	19,019.00	131,062.00	5,200.00	155,281.00
Equipment	5,216.00	.00	.00	5,216.00
TOTAL	$61,124.00	$269,478.00	$28,800.00	$359,402.00

The University of Alaska Fairbanks area was by far the most severely taxed by the weather conditions, with the interior suffering the more extreme temperatures. Frozen water and sewer lines, and the additional overtime necessary to thaw lines and repair damages, were common. Electricity and fuel costs for heat generation rose as campuses attempted to keep buildings habitable. Vehicles and equipment used in physical plant and safety and security operations also succumbed to the cold weather and had to be repaired.

The University of Alaska Anchorage area also experienced colder than normal temperatures with associated increases in utility and fuel costs, and repair of freeze damages. Water supply lines and fire sprinkler systems froze in some UA Anchorage buildings. All campuses reported increased utility and fuel costs.

Although the extremely cold temperatures were not felt in the southeastern portion of the state, temperatures were colder than normal and that area received higher than normal snowfalls which necessitated additional expenditures for snow removal. At the UA Juneau campus there was freeze damage to the campus facilities, and electrical power surcharges due to the Thane Road avalanches which damaged line connections to Snettisham.

The severe weather conditions placed a considerable financial burden on university campuses. Burst water pipes and frozen lines had to be repaired, snow had to be removed, additional electricity and other fuel had to be purchased in order to protect buildings from possible further damage from the elements. The individual campus costs are detailed on the enclosed submissions from each administrative area.

None of the campuses could have anticipated the severity or duration of the weather conditions. The costs which had to be paid have put a severe strain on campus budgets. If units do not receive supplemental funds for cold weather damages, they will have to identify other operations to curtail. This could impact funds designated for ordinary maintenance, repair, and instructional schedules for the remainder of the fiscal year depending upon how the individual campus decided to reduce activities.

Sincerely yours,

Brian Rogers
Vice President for Finance

Attachment

COST OF SEVERE WEATHER CONDITIONS
UNIVERSITY OF ALASKA ANCHORAGE

The University of Alaska Anchorage is requesting a total of $61,1124 of additional funding for its campuses to cover extraordinary costs associated with the extremely cold winter. The campus detail of that request is as follows:

	UAA	KENAI	KODIAK
Personal Svcs	0	0	102
Travel	0	0	0
Contractual Services	32,787	2,000	0
Supplies	13,369	0	0
Equipment	5,216	0	0
Miscellaneous	0	0	0
Total	$51,372	$ 2,000	$ 102

	MAT-SU	PWSC	TOTAL
Personal Svcs	0	0	102
Travel	0	0	0
Contractual Svcs 2,000	0	36,787	
Supplies	0	5,650	19,019
Equipment	0	0	5,216
Miscellaneous	0	0	0
Total	$ 2,000	$ 5,650	$61,124

Following is an explanation by campus:

ANCHORAGE CAMPUS

Personal Svcs	0
Travel	0
Contractual	32,787
Supplies	13,369
Equipment	5,216
Miscellaneous	0
Total	$51,372

The requested increase in contractual services for UA Anchorage, in the amount of $32,787 is comprised of the following :

Increased Utilities UA Anchorage

Electric Bills

January 1-30, 1989	$128,623	
January 1-30, 1988	118,876	
Difference		$9,747

Projected increases in bills anticipated for February 1989

Electricity (#2)		$ 9,000
Gas Bills		
January 1-30, 1989	$ 39,158	
January 1-30, 1988	32,118	
Difference		$ 7,040

Projected increases in bills anticipated for February 1989

Gas (#2)	$ 7,000
Total Extraordinary Utility Costs	$ 32,787

The items included in the supplies category are as follows:

Expansion Joints	$ 728
Hose Bib	238
Sprinkler system, paint shop, Bldg. E	920
Toilet Room, Bldg. A	168
Sprinkler system, Tanainna, Sports Center	138
Water supply lines, energy module 1	1,552
Water supply lines, energy module 2	1,596
Water line, Arts Bldg.	151
Snow infiltration and water damage, dance studio, Bldg K	678
Proprilene glycol to recharge systems	7,200
Total Supplies	$13,369

Note(#2) Amount requested includes a projection for February, the actual amounts for February are : Electricity $24,049, Gas $9,722

Items included in the equipment category are as follows:

Condensate tank and pumps - Cuddy Center	$1,476
Toilet Rooms, Performing Arts Center	576
Sprinkler valve, housing	1,996
Sprinkler system, Science Bldg.	538
Hose bib, Allied Health Science Bldg	630
Total Equipment	$5,216

Total Request for UA Anchorage $ 51,372

KENAI PENINSULA COLLEGE

Personal Svcs	0
Travel	0
Contractual	2,000
Supplies	0
Equipment	0
Miscellaneous	0
Total	$ 2,000

The amount requested consists of contractual services for utilities as follows (please see note (#3)):

Homer off-campus site - electricity		
January-February	1989	$ 691.38
January-February	1988	$ 554.22
Difference		$ 137.16
Soldotna campus - electricity		
January-February	1989	$ 8,951.38
January-February	1988	$ 7,343.51
Difference		$ 1,608.00
Total Kenai Peninsula College		$ 1,745.16

Amount of original request Kenai Peninsula College $2,000

Note (#3) The original request had a request for $4,000 for "Increased utilities at Kenai Peninsula College, Kodiak College and Matanuska-Susitna College." When utility bills for February were received, the amounts were as noted for each campus. Kodiak College has no need for increased utilities .

MATANUSKA-SUSITNA COLLEGE

Personal Svcs	0
Travel	0
Contractual	2,000
Supplies	0
Equipment	0
Miscellaneous	0
Total	$ 2,000

The amount requested consists of contractual services for utilities as follows (please see note (#3)):

		Electricity
January-February	1989	$12,301.23
January-February	1988	$11,908.67
Difference		$ 392.56

		Gas
January-February	1989	$ 8,012.91
January-February	1988	$ 5,814.92
Difference		$ 2,197.99

Total Matanuska-Susitna College $ 2,590.55

Amount of original request Matanuska-Susitna College $2,000

PRINCE WILLIAM SOUND COMMUNITY COLLEGE

Personal Svcs	0
Travel	0
Contractual	0
Supplies	5,650
Equipment	0
Miscellaneous	0
Total	$ 5,650

The amount requested consists of the following items :

		Fuel Costs
January-February	1987	$3,744.00
January-February	1988	4,840.00
Difference		$1,096.00

Replacement of damaged items:
Pipes broke in the library, 2 computers
and many books were damaged and
will have to be replaced
Total Damages $ 4,509.00

Total Prince Wm Sound CC $ 5,650.00

Note (#3) The original request had a request for $4,000 for "Increased utilities at Kenai Peninsula College, Kodiak College and Matanuska-Susitna College." When utility bills for February were received, the amounts were as noted for each campus. Kodiak College has no need for increased utilities .

KODIAK COLLEGE

Personal Svcs	102
Travel	0
Contractual	0
Supplies	0
Equipment	0
Miscellaneous	0
Total	$ 102

The amount requested consists of the following personal services:

Maintenance cost (custodial overtime,
crew was called in after hours to
work on frozen pipes) $ 102.00

Total Kodiak College $102.00

COST OF SEVERE WEATHER CONDITIONS
UNIVERSITY OF ALASKA FAIRBANKS

MAU Summary

	Rural College	Rural Education	Kuskokwim College	NW College
Personal Svcs	$ 0.00	$ 7,200.00	$ 0.00	$ 0.00
Travel	0.00	0.00	0.00	0.00
Contractual	900.00	8,700.00	5,400.00	16,500.00
Supplies	0.00	0.00	1,200.00	0.00
Equipment	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00
TOTAL	$ 900.00	$ 15,900.00	$6,600.00	$ 16,500.00

	Chukchi College	Fairbanks Campus	Fisheries	TOTAL UAF
Personal Svcs	$ 0.00	$ 56,970.00	$3,742.00	$ 67,912.00
Travel	0.00	0.00	0.00	0.00
Contractual	14,400.00	24,029.00	575.00	70,504.00
Supplies	300.00	128,503.00	1,059.00	131,062.00
Equipment	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00
TOTAL	$14,700.00	$209,502.00	$5,376.00	$269,478.00

RURAL COLLEGE

Personal Svcs	$ 0.00
Travel	0.00
Contractual	900.00
Supplies	0.00
Equipment	0.00
Miscellaneous	0.00
TOTAL	$ 900.00

Rural College is requesting $900 to cover additional costs for electricity ($100), fuel oil ($600) and snow removal ($200) for the Bristol Bay Campus

RURAL EDUCATION

Personal Svcs	$ 7,200.00
Travel	0.00
Contractual	8,700.00
Supplies	0.00
Equipment	0.00
Miscellaneous	0.00
TOTAL	$ 15,900.00

The personal services request for Rural Education ($7,200) represents the amount necessary to retain support staff in the regional centers for an additional pay period. The official close of the semester has been rescheduled for May 19, making it necessary to have secretarial support through May 26. (otherwise the staff would have terminated on May 15, 1989)

The contractual services represents $8,700 in unbudgeted cold weather related costs for vehicle repairs ($500), fuel oil ($3,200) and in charges associated with the rescheduling of distance delivery and teleconferenced courses ($5,000).

Telephone toll charges were greatly increased due to inclement weather. This is due to the multiple calls to each student regarding delayed book deliveries, relaying audioconference bridge numbers that did not arrive in the mail, delaying the start of classes, etc.

KUSKOKWIM CAMPUS

Personal Svcs	$ 0.00
Travel	0.00
Contractual	5,400.00
Supplies	1,200.00
Equipment	0.00
Miscellaneous	0.00
TOTAL	$6,600.00

Kuskokwim College is requesting $5,400 because of unbudgeted costs to install unit heaters in the utilidor and sprinkler room, install freeze alarms in the mechanical room and at various points in the utilidor, and the necessity of making modifications to the outside air supply system in the dormitory mechanical room because of the extreme weather.

Kuskokwim College requests $1,200 to cover the cost of supplies necessary for the dormitory mechanical room air supply system modification. Modifications to the dormitory building were required due to the harsh weather conditions. These modifications included installation of unit heaters in the utilidor and the sprinkler room the installation of freeze alarms in the mechanical room and at various points in the utilidor and the redesign and modification of the outside air support system to the mechanical room.

NORTHWEST CAMPUS

Personal Svcs	$ 0.00
Travel	0.00
Contractual	16,500.00
Supplies	0.00
Equipment	0.00
Miscellaneous	0.00
TOTAL	$ 16,500.00

Northwest College requests $16,500 for repairs due to frozen water and sewer lines ($4,500), additional snow removal ($500) and for increased audio conference costs ($11,500) due to rescheduling classes. A total of fourteen classes were postponed two weeks because of the weather. (The following classes were effected: ACCT 101, ANL 388, ART 262, BA 151, ED 310, ED 346, ENGL 111, GEOG 205, HIST 132, LING 101, MATH 131, PSY 240, SOC 101,SPAN 393)

CHUKCHI CAMPUS

Personal Svcs	$ 0.00
Travel	0.00
Contractual	14,400.00
Supplies	300.00
Equipment	0.00
Miscellaneous	0.00
TOTAL	$14,700.00

Chukchi College has $14,400 in unbudgeted costs related to the cold weather for fuel oil ($5,000), plumbing repairs due to freezing ($6,000), audio conference costs to notify students of rescheduled class ($2,000), vehicle repairs ($900) and increased electricity usage ($500).

Chukchi College requests $300 to cover the additional gasoline used by vehicles due to the increased need for idling and warm-up time during the cold weather.

FAIRBANKS CAMPUS

Personal Svcs	$ 56,970.00
Travel	0.00
Contractual	24,029.00
Supplies	128,503.00
Equipment	0.00
Miscellaneous	0.00
TOTAL	$209,502.00

UA Fairbanks is requesting $56,970 in personal services to cover costs for overtime to maintain heating systems, install supplemental heating units, thaw and repair water and waste water systems, and maintain twenty-four hour monitoring of facilities during the extremely cold weather. Average weekly overtime for the six and one-half months prior to the onset of the cold weather was 44 hours per week. From January 14 through February 4, the overtime hours directly related to maintaining facilities through the cold weather totaled 1,266. This is in addition to the average overtime which was expected.

UA Fairbanks requests $24,029 for unbudgeted physical plant and safety and security vehicle repairs ($9,029), for repair of damages to the library because of frozen pipes and flood damage from burst pipes ($11,500), and flood damage in Signers' Hall ($3,500).

Fire Department		Security	
Tanker I	2,933.92	Vehicle repairs	1,117.87
Hurst Tool	190.00	Muffler repair	100.00
Utility Pick-up	723.87	Flares	107.28
Ventilation saws	180.40	Personnel	
Positive pressure fan	86.00	(Ft. WW incident)	20.65
Rescue van	600.00	Cold weather gear	439.24
Anti-freeze (drum)	440.00	Radio case repair	40.00
Door panels, window	1,800.00		
Engine door strap	100.00		
Tubing line	150.00		

UA Fairbanks incurred $46,150 in unbudgeted supply costs for weather stripping and insulating materials, heating units and supplies used for maintaining the heating system and in the repair and maintenance of the water and waste water systems. The campus also used an additional $19,616 in coal and $62,737 in oil during the extreme weather. There were 498 additional tons of coal used during the cold weather at $39.39/ton, and 102,596 additional gallons of fuel oil at $.6115/gallon.

The following information reflects the additional fuel expenses incurred due to the lower than normal temperatures during the month of January 1989.

Fuel Usage Historical

January 1984	Coal	=	6123.7	Oil	=	46,100
January 1985	Coal	=	5088.1	Oil	=	1,640
January 1986	Coal	=	5345.6	Oil	=	17,000
January 1987	Coal	=	5482.6	Oil	=	34,660
January 1988	Coal	=	5791.0	Oil	=	18,720
5-year average	Coal	=	5566.2	Oil	=	23,624G
Extra Usage 1989	Coal	=	6064.2 - 5566.2		=	498 Ton

498 Ton x 39.39 = $19,616

Oil = 126,220 - 23,624 - 102,596 Gallons

102,596 x .6115 = $62,737

Total additional expenses for fuel for January 1989 = $82,333

SCHOOL OF FISHERIES

Personal Svcs	$ 3,742.00
Travel	0.00
Contractual	575.00
Supplies	1,059.00
Equipment	0.00
Miscellaneous	0.00
TOTAL	$5,376.00

The School of Fisheries and Ocean Science is requesting $3,742 in personal services to cover overtime costs for thawing and repairing frozen and burst pipes and drains at the apartments, thawing frozen locks at the Rae Building, and keeping an emergency generator operating in addition to thawing frozen pipes and drains at the tank farm in Seward (Marine Center).

The School of Fisheries and Ocean Sciences requests $575 to cover the unbudgeted contractual costs of thawing frozen water and sewer lines at the Cordova Marine Advisory Program site.

The School of Fisheries and Ocean Science requests $1,059 to cover the cost of supplies used in the repair and maintenance which took place at the Seward tank farm.(Marine Center)

COST OF SEVERE WEATHER CONDITIONS
UNIVERSITY OF ALASKA SOUTHEAST

The University of Alaska Southeast is requesting $28,800.00 of additional General Funds to cover the additional costs incurred due to the extreme weather conditions. The request is detailed as follows:

	UAS
Personal Services	$15,400
Travel	0
Contractual Services	8,200
Supplies	5,200
Equipment	0
Miscellaneous	0
Total	$28,800

Additional personal services costs were incurred as follows:

Snow removal from roads, streets and parking (utilized regular and overtime hours of regular employees)	$ 8,100
Snow removal from roofs (used job service)	2,400
Thawing and damage repair of Novatney	2,411
Thawing and damage repair of Mourant	2,465
Total Personal Services	$15,376

Contractual services costs were as follows:

Vehicle/Equipment repair due to heavy use in snow removal	$ 1,200
Extractions/shampoo equipment used in repairs to Mourant (1)	835
Electricity Surcharge due to the avalanche	6,164
Total Contractual Services	$ 8,199

Additional supply costs were as follows:

Fuel, sand and salt used for snow removal	$ 2,140
Fuel and tools for roof top snow removal	175
Replacement of damaged pipes in Novatney	1,300
Replacement of damaged pipes in Mourant	1,612
Total Supplies	$ 5,227

Total University of Alaska Southeast $28,800

Note (#1) Electricity surcharge was provided through consultation with Mr. David Stone of Alaska Electric Light & Power.

Explanation of Extraordinary Snow Removal Costs

The original budgeted FY89 cost to maintain the UAS campus sites clear of ice and snow was estimated using total area to be maintained, the U.S. National Weather Service 30 year snowfall average for Juneau, the average number of man hours (regular and overtime) needed to remove that volume and the average salary of those doing the task.

Shown below are the estimated actual costs to date, the FY89 budget for snow removal and the differences.

	FY89 BUD	ACTUAL TD	DIFF
Labor	$8,300.00	$16,400.00	$(8,100.00)
Material	1,400.00	3,500.00	(2,100.00)
Service	2,000.00	3,200.00	(1,200.00)
Total	$11,700.00	$23,100.00	$(11,400.00)

The estimated total increased cost for snow removal above budget is $11.4K.

In regards to the removal of snow from roof tops, the calculated actual snow load on our roofs was 32 pounds per square inch when it was decided to employ Job Service temporary employees to lighten the loads. Removal was a safety measure employed only once before in 13 years at UAS. It was not budgeted for in FY89. The weather moderated after removal began and therefore the effort was discontinued as soon as long term weather forecasts made it seem no longer necessary.

University

GEOPHYSICAL INSTITUTE

SEISMIC MONITORING PROGRAM

	Expended thru 3/31/89	Obligated by 3/31/89	Needed thru 6/30/89	Total
Salaries	42,000.69			42,000.69
Staff Ben.	7,749.50			7,749.50
Travel	8,874.43			8,874.43
Service Centers	92,641.12	2,237.56	6,000.00	100,878.68
Services	14,073.84	15,374.65	3,000.00	32,448.49
Supplies	21,379.81	10,668.40	1,000.00	33,048.21
Equipment	0	0	0	0
TOTALS	186,719.39	28,280.61	10,000.00	225,000.00

The above table summarizes the status of the earthquake and volcano monitoring program at the Geophysical Institute as of 3/31/89. As of the end of March we have taken all staff off of the project to reduce the total FY89 obligation. There are, nevertheless some continuing expenses to keep the data flowing during the next three months. These are shown in the column labeled "Needed thru 6/30/89", and represent the absolute minimum we need to maintain the capability to respond in an emergency.

For further information contact:

Dr. John N. Davies
474-6166



RECEIVED
MAR 31
BUDGET REVIEW

March 27, 1989

Ms. Janet Clark
Office of Budget Review
Office of Management and Budget
PO Box AM
Juneau, Alaska 99811

Dear Janet:

I write to you on the 25th anniversary of the great Good Friday Earthquake to provide you with the materials we discussed which explain the existing Geophysical Institute Earthquake and Volcano monitoring program. The Governor has asked for a FY89 supplemental of $300,000 for this program and the UA Board of Regents have given their approval. We are quite concerned about this appropriation.

This is not a new program! The funds earlier went to the Division of Geological and Geophysical Surveys of DNR and were cut two years ago in an economy move. With this cut, John Davies, the DGGS seismologist, had his position bumped by his superior (as required in the union contract) so no seismologist remained in DGGS.

The Geophysical Institute, who had received funds from DGGS for several years through RSA's to operate the seismic event recording network for DGGS, hired Davies to keep this important program alive. DGGS agreed to transfer the funds remaining in the cut program ($131,500) to the Geophysical Institute to keep the program barely alive.

Also that year, Davis and Koponen introduced a bill to establish the position of State Seismologist and place it at the University. The bill passed (HB54) but the fiscal note failed to pass and by that time it was too late to request funds for FY89.

The result of this all was that the State Seismologist was created at the Geophysical Institute and had money left to operate the office but none to get the seismic information he needed to do the work required of the position. We limped along just collecting data and are now two years behind in data analysis and many of our field stations need repair.

This past year we received $250,000 from the US Geological Survey to operate an expanded volcano and seismic program called the Alaska Volcano Observatory. State operation of the seismic net is our contribution to the expanded program.

The seismic network gathers data which is analyzed at the Geophysical Institute to understand what is going on at the time of earthquakes and volcanic eruptions, to be able to estimate the probability of hazard to life and property, to be able to provide appropriate construction standards for structures and to learn enough in the long run to be able to predict earthquakes. In addition the data is used for basic research into the processes of the earth.

Geophysical Institute, University of Alaska
Fairbanks, Alaska 99775-0800

PHONE: 907-474-7558 TELEX: 35414 GEOPH INST FBK
FAX: 907-474-7290 TELEMAIL: GEOPH.INST.FBK

Established by Act of Congress, dedicated to the maintenance of geophysical research concerning the Arctic regions

Breaks in the data recording create problems in understanding what is happening. It would be very much like the situation you would encounter if you left a room where two people were starting an important discussion about your future and you came back later to hear them talking about the weather. Trying to understand what had happened while you were gone just from the pieces you heard would be very difficult.

It is that way with seismic records. Since seismic events in specific areas happen on a period of up to hundreds of years or more, if one misses the event while the recorders are shut down one would have to wait for hundreds of years more to see it happen again. There are other problems as well such as not detecting a major volcanic eruption or earthquake in time to give warning of potential hazard.

The Geophysical Institute feels it is in great fiscal jeopardy here. The seismic program constitutes 10% of our state funded budget. We undertook to continue this program with the Governor's support. The way we are going if the supplemental does not come and we do not act pretty soon to close down the net and lay off people we will have thrown ourselves into deficit. Further the program we are operating has important public safety implications. Attached is a resolution by the State Natural Hazard Safety Council expressing their support for this funding.

Please assist us in any way you can in this issue.

Sincerely,

Merritt R. Helfferich
Associate Director for Administration

MH/jh

Attachment

cc: Syun-Ichi Akasofu
John Davies
Neta Stilkey

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF MILITARY
AND VETERANS AFFAIRS
ALASKA DIVISION OF EMERGENCY SERVICES

3501 E. BOGARD RD.
WASILLA, AK 99687
PHONE: (907) 249-1370
(907) 376-2337

March 3, 1989

The Honorable Lyman Hoffman
Co-Chairman, House Finance Committee
Alaska House of Representatives
P.O. Box V, MS 3100
Juneau, AK 99811

Dear Representative Hoffman:

In my role as Chairman of the Natural Hazard Safety Council, I am conveying Resolution No. 1 which was unanimously passed by the Council on February 23, 1989. The Resolution supports the Governor's request for full funding of the State of Alaska Earthquake and Volcano Monitoring Program as it appears in Section 47 of House Bill No. 154 and page 69 of the "short-form" of the Governor's FY 90 Budget Request.

The eleven-member Natural Hazard Safety Council has been established under the Department of Military and Veterans Affairs and it is composed of representatives of the private and public sectors. One of the roles of the Council is to serve as an advisor to the Adjutant General, the Legislature and the Governor on matters of warnings, preparedness and mitigation for earthquakes, volcanos, tsunamis, floods, avalanche (and other slides), weather related storms and other natural hazards. Since many hazards are inter-related, the Council takes a multi-hazard approach.

Sincerely,

Ervin Paul Martin
Director

Enclosure: as stated

cc: House Finance Committee:

Ron Larson, Co-Chairman
C. E. Swackhammer, Vice Chairman
Kay Brown, Member
Niilo Koponen, Member
Fran Ulmer, Member
F. Kay Wallis, Member
Ramona Barnes, Member
Randy Phillips, Member

REASONS FOR MAINTAINING AND IMPROVING THE STATEWIDE SEISMIC NETWORK

Seismic Zone Map for Alaska in the Uniform Building Code

The Uniform Building Code, written by the International Conference of Building Officials in Whittier, California, is adopted by most municipalities in the western US as their local code. The Seismic Zone Map for Alaska divides the state into 5 zones of increasing levels of earthquake hazard. When moderate sized buildings (like schools, for example) are designed, they are strengthened to withstand earthquakes according to the zone in which they are to be built.

A few years age a new map for Alaska was proposed by the folks from Whittier. It was a disaster for our state. On the one hand, it would have changed Fairbanks and most of the towns in Southeast from zone 2 or 3 to zone 4. The cost of this designation in terms of unnecessary strengthening of buildings would have been about 10 million dollars per year. On the other hand, it would have redesignated some areas of western Alaska where there have been magnitude 7 earthquakes as zone 0. Buildings built there would not be designed to withstand even moderate earthquakes.

Alaska, through the State Seismologist, objected to this proposed zone map and proposed an alternative that more closely matched the actual earthquake hazard. That alternative map was adopted for the 1988 Uniform Building Code.

Earthquake Activity Beneath Mt. Dutton near King Cove

On July 7, 1988 a series of small earthquakes began near King Cove, a fishing village near the tip of the Alaska Peninsula. Several of the events were greater than magnitude 3.5 and were strongly felt by area residents. The Alaska Volcano Observatory (for which the Statewide Seismic Network plays an important role in monitoring volcano activity) and the state Division of Emergency Services received many calls from people concerned about the possible eruption of Mt. Dutton, approximately 9 miles north of King Cove. Indeed, some residents of the village were leaving town and many wanted to know if they too should leave.

Preliminary locations of the earthquakes using stations of the regional network operated by Lamont-Doherty Geological Observatory placed them near Mt. Dutton but were not accurate enough to positively associate them with the volcano. State seismologists installed a temporary station on the southern flank (in addition to the regional ones) and observed a migration of activity toward the volcano which heightened concern that an eruption was possible. The Governor's Office provided funds that allowed a telemetry link to bring data from the new station plus that from the Lamont-Doherty network to Fairbanks so that activity could be monitored around the clock.

During July and August there were three swarms of activity with rates as high as 200 events per day, but no evidence of an impending eruption, so state officials continued to advise the people of King Cove not to evacuate. By the end of August, seismic activity had waned to a few events per day, and it appeared likely that the danger of an eruption had passed. The telemetry link and intensive monitoring were discontinued in October.

The Gulf of Alaska Earthquakes of November, 1987 and March, 1988

In October and November of 1987 there were unusual numbers of earthquakes in Southcentral and Southeastern Alaska, including several events near Haines and a magnitude 6.9 event in the Gulf that were felt in Juneau. A tsunami warning was issued following the latter earthquake. A memo from the State Seismologist to the Governor on November 24 stated that due to increased earthquake activity, "...there is a slightly increased risk of a large event (and) people should be somewhat more prepared than normal for this eventuality. Therefore, I recommend...that an alert be issued to emergency service officials and a low-key message reminding the public of the general earthquake hazard in their area be issued by...your office..."

On November 30, 1987 a magnitude 8.0 earthquake occurred in the Gulf and another on March 6, 1988. Fortunately, these events were too far offshore to cause direct onshore damage, and because the fault motion was horizontal, a large tsunami was not generated. However, we had prepared a large number of people for a possible earthquake (as evidenced by the response to the tsunami warnings that accompanied each of the large Gulf events) and as a result they were more likely to have survived had serious damage occurred.

The March 1986 Eruption of Augustine Volcano

In July, 1985 the Seismic Network observed a swarm of small earthquakes beneath the summit of Augustine. These events were too small to be observed by seismic stations off of Augustine Island. Because these events were reminiscent of a similar swarm

which occurred 9 months prior to the 1976 eruption of Augustine, this activity was closely monitored.

In February and early March scientific colleagues were notified that Alaskan seismologists felt an eruption was likely. In March, formal briefings were held for the FAA, U.S. Air Force, and the State Division of Emergency Services to alert them.

On March 27, Augustine erupted. State seismologists began 24-hour per day monitoring and issued a press release warning of likely hazards. Hourly updates were provided to the state Division of Emergence Services, the Governor's Office, the Municipality of Anchorage, the Kenai Borough Office of Emergency Preparedness, the FAA, the U.S. Air Force and many other officials as well as handling hundreds of calls from the press.

There was concern that a major collapse of the volcano would generate a tsunami that would affect coastal areas around Homer. During the course of the eruption funds from the National Science Foundation were obtained to model this process to verify the threat and to delimit the geographical area that was at risk. Alaskan seismologists organized and participated in several public meetings in Homer which gave officials and the public there an accurate assessment of the situation.

Seismicity in Alaska

Because Alaska is one of the most earthquake-prone areas in the world, seismic information is essential for public safety, sound economic development, and knowledge of our physical environment. In the long run, a comprehensive, continuous seismic record is necessary for an accurate picture of Alaska's seismicity. Alaskans cannot find out what they need to know about earthquakes in our state without a seismic monitoring program. Questions from state residents demonstrate the need for information on seismic hazards:

I plan on building a house in Bethel; do I have to worry about earthquake damage?

Should our school be built to withstand high, low, or moderate seismic hazards?

Dust from volcanic eruptions threatens aircraft in flight and on the ground. Can we be forewarned?

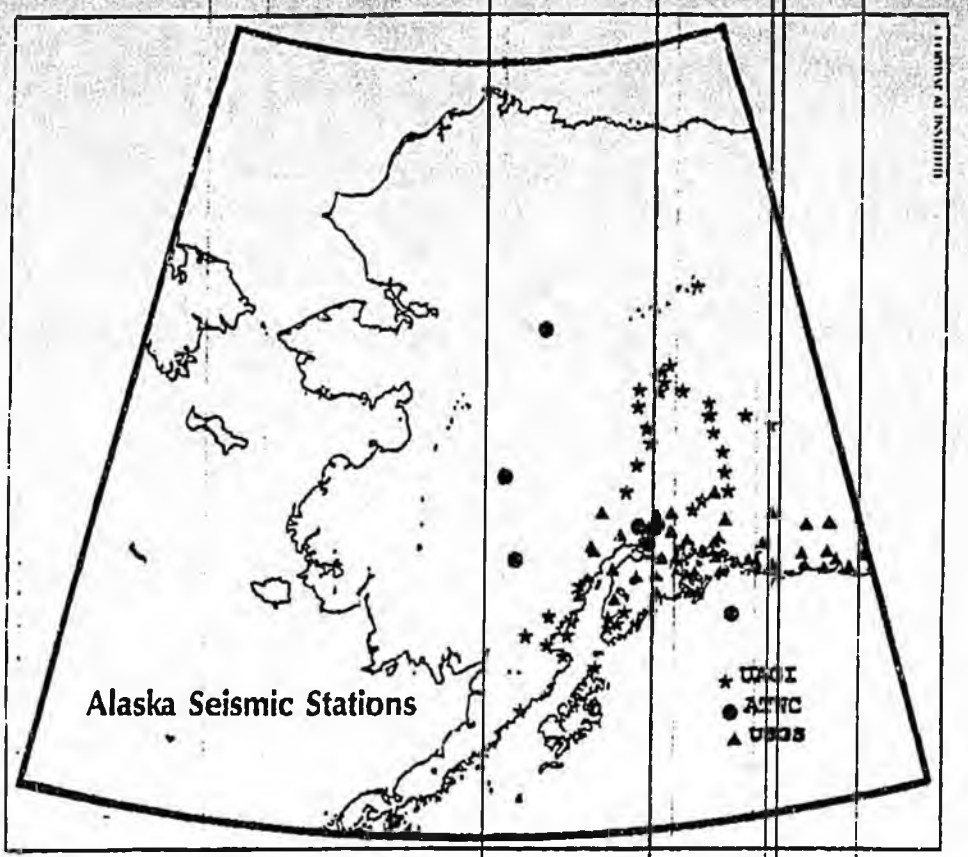
Is an earthquake-generated tsunami likely in our area of the coast?

Much of the information we have today can be credited to state-funded seismic monitoring. Continued monitoring will build on that foundation; an aggressive response to the need for seismic information will create a dependable base for many vital decisions Alaskans are making daily. The program is capable of saving both lives and millions of dollars in future losses. It has already saved Alaskans far more than has been expended.



STAN BLOOMFIELD

This Anchorage home was destroyed during the 1964 earthquake.



State Monitoring and Public Safety

Seismic monitoring and associated expertise support vital public safety capabilities. This public service has not and will not be provided by federal agencies or other state agencies. Below are three examples of how the state seismologist's office, using information provided by monitoring, can respond when public safety is threatened by seismic events.

AUGUSTINE ISLAND—Using seismic information and analysis, Alaska seismic network staff were able to warn the appropriate authorities of the impending eruption of Augustine volcano. The volcano erupted in March 1986. Precautions were taken to protect public health and property.

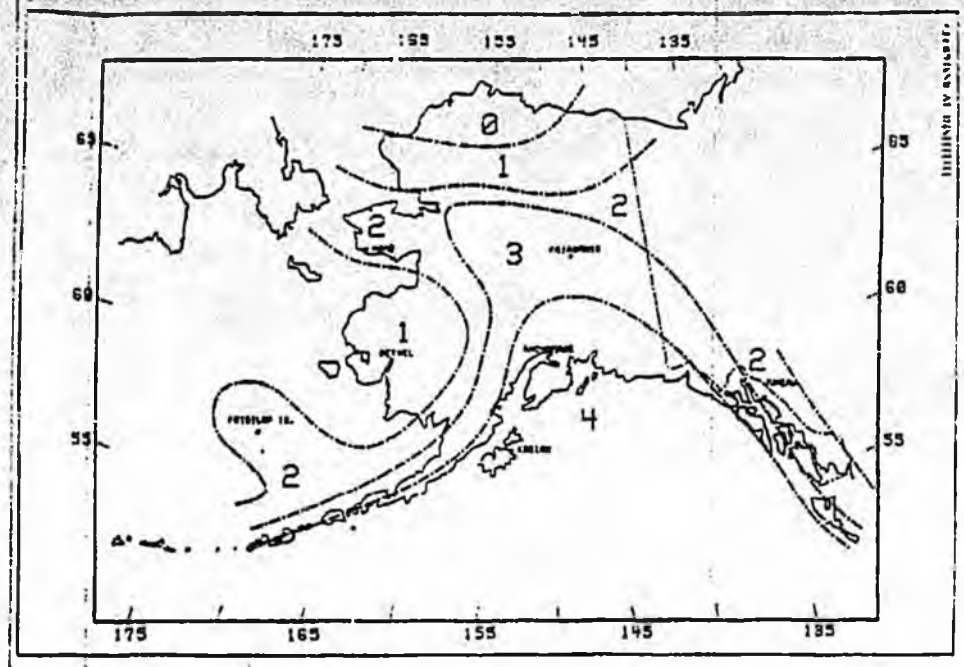
GULF OF ALASKA—The ability of seismic monitoring to help people prepare for tsunamis (giant sea waves) associated with major earthquake events was demonstrated in 1987 and 1988 when an unusual amount of earthquake activity occurred in southcentral and southeastern Alaska. Information provided by the state seismologist was used by emergency service personnel to prepare communities that might be affected.

KING COVE, ALASKA—A costly and disruptive evacuation was avoided in July 1988, after seismologists determined that residents were not endangered by a potential eruption of Mt. Dutton volcano. King Cove, a fishing village near the tip of the Alaska Peninsula, is approximately nine miles from the volcano.

The Alaska Volcano Observatory program allows scientists to monitor Augustine and other hazardous volcanoes. Its operation depends in part on seismic monitoring provided by the state-funded seismic network.

AVO is a joint project of the Geophysical Institute, the Alaska Division of Geological and Geophysical Survey, and the U.S. Geological Survey (USGS). Federal funding provides $500,000 annually for AVO operations in Alaska. The funding was secured after the disruptive 1986 eruption of Augustine, the fourth in this century. The state-funded seismic monitoring program is a key part of the AVO project.

Through AVO, scientists will keep a closer watch on some of the more dangerous volcanoes in Alaska, particularly those in the Cook Inlet region. Major concerns relate to the safety of individuals, communities, and aircraft. Instrumentation of dangerous volcanoes, one by one, is underway. AVO also promotes interagency cooperation on work related to volcanoes and earthquakes in Alaska.



The seismic zone map indicates hazards of: 0, no damage; 1, minor damage; 2, moderate damage; 3, major damage; 4, areas of zone 3 determined by proximity to certain major fault systems.

Alaska's Seismic Monitoring Program

Seismic information is obtained using monitoring stations to record ground motion or seismic waves. Determining depth and other characteristics of an earthquake requires records from at least three seismometers in different locations.

After ground motion is recorded by seismometers, the data is relayed for laboratory analysis of location and magnitude. Information obtained by the state-funded seismic network is made public by the state seismologist's office at the Geophysical Institute, University of Alaska Fairbanks.

The institute Seismic Monitoring Program operates a network of 40 seismic stations. Except for a few (at Nome, Barrow, Fort Yukon, and Juneau) they are located along the highway system in interior Alaska and around Augustine and Illamna volcanoes in lower Cook Inlet.

These locations were chosen to complement those of the USGS and the Alaska Tsunami Warning Center (ATWC). There is close cooperation between these two federal agencies and the state-supported network: they freely exchange seismic data and some Geophysical Institute stations are jointly operated with one or the other federal agency.

The three networks reflect distinct purposes. Immediately after a large earthquake, the tsunami warning center is responsible for issuing a timely alert to areas that might be affected by any potential tsunami. For this purpose, ATWC operates a few stations spread over the southern coastal regions of Alaska; the Aleutian Island chain is the area where most tsunami-generating earthquakes occur. Because this network is sparse, it is not well suited to determine with great precision the location, depth, and cause of an earthquake.

The precision needed to associate an earthquake with a specific fault and understand its basic cause requires more dense networks like the regional ones operated by the USGS and the Geophysical Institute. The USGS network is concentrated in the Anchorage, Prince William Sound, Cordova, and Yakutat areas. The institute network is focused on the central interior and southern Cook Inlet areas.

To achieve a first step toward a genuine statewide network, the institute also operates some stations in northern, western, and southeastern Alaska; it also records data from some of the USGS and ATWC stations.

The collective capability of these monitoring stations is at present very spotty. In areas such as Fairbanks and Anchorage, earthquakes as small as magnitude one on the Richter scale can be located; in most remaining areas of Alaska, only earthquakes of magnitude 4 or larger can be located.

In these regions, it will take a very long period of continuous monitoring to acquire sufficient information to accurately assess earthquake hazards, and we must continue to defer any hope of predicting Alaskan earthquakes. Maintaining and improving the present monitoring capability is of vital importance to future understanding.

Earthquakes and Construction

Coupled with information on soil types and the location of geologic faults, long-term, continuous monitoring provides information necessary to moderate or mitigate the effects of large earthquakes. Because this information is used to create the Seismic Zone Map of Alaska in the Uniform Building Code, it has a direct impact on construction and economic development.

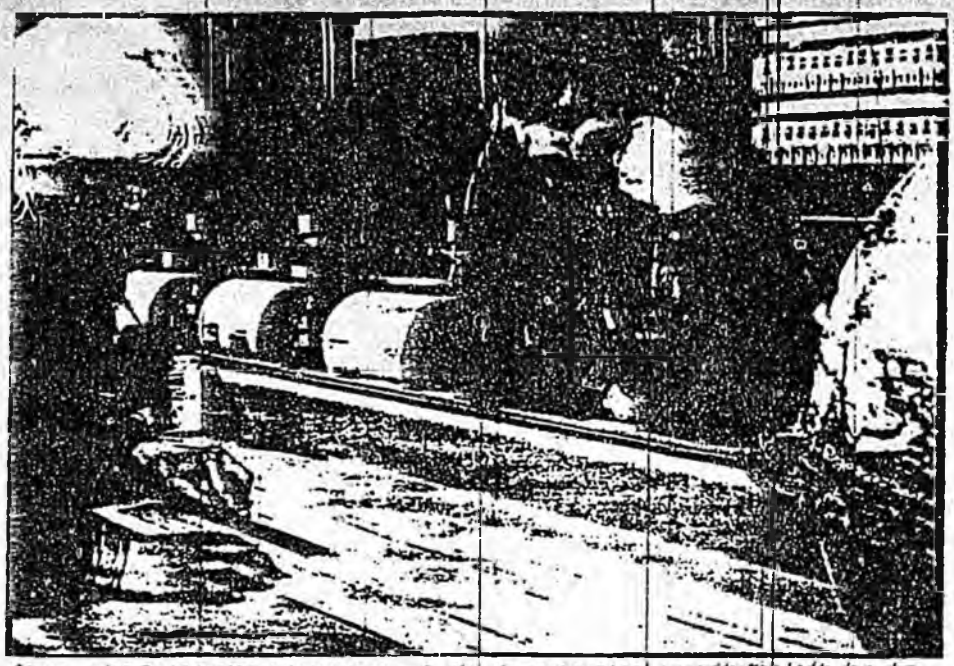
Written by the International Conference of Building Officials (Whittier, California), the building code is adopted by most municipalities in the western United States. The seismic map for Alaska divides the state into five zones that are defined by degree of earthquake hazard. Moderate-sized buildings like schools are designed to withstand earthquakes according to the local zone.

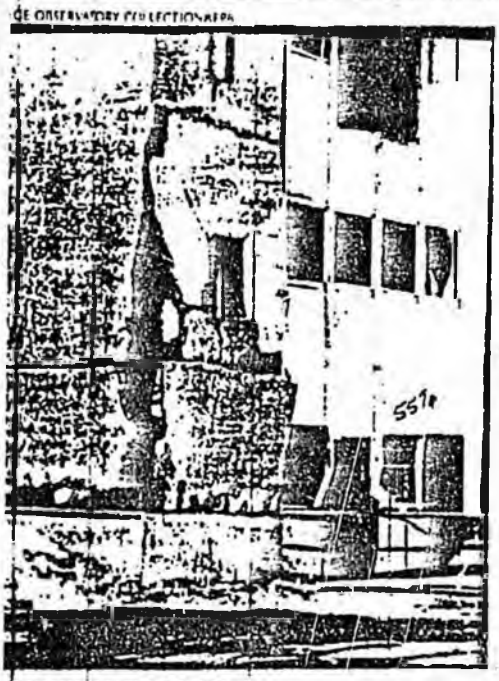
A recent proposal to change the seismic zone map for Alaska would have reclassified Fairbanks and most southeast Alaska towns from zone 2 or 3 to the more hazardous zone 4. **The change would have cost builders approximately $10 million a year for unnecessary** strengthening of buildings. On the other hand, the proposed map would have put some areas of western Alaska, where there have been magnitude 7 earthquakes, into zone 0. Buildings there would not be designed to withstand even moderate earthquakes.

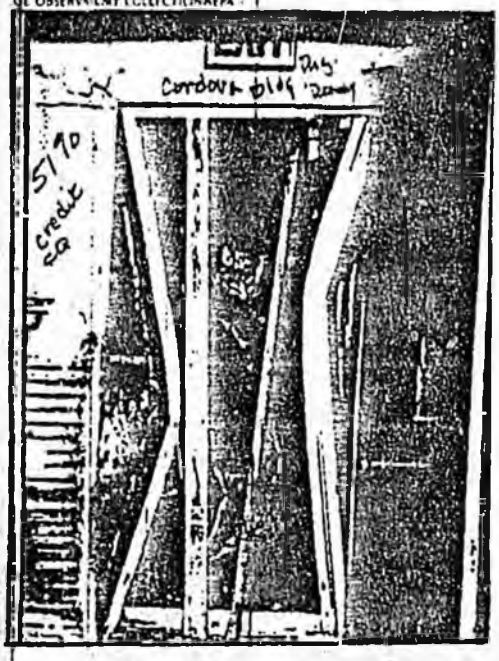
Based on Alaska's own seismic information, the state seismologist was able to suggest an alternate zone map that more closely matches the actual earthquake hazard. Fortunately, this alternative map has been included in the 1988 Uniform Building Code.

In another case, seismic information was the basis for an approximate $1 million savings for a building on Alaska's North Slope, an area of low seismic risk. The information used to revise construction plans was provided by the state seismologist during the design phase of the project.









Above, the seismology laboratory at the Geophysical Institute (left) and the Aftermath of Alaska's 1964 earthquake: Government Hill School in Anchorage (above); (left from top) boats tossed ashore at Kodiak by the tsunami; the Cordova Building in Anchorage; The 1986 eruption of Augustine Volcano (bottom left). A damaged exit at the Cordova Bldg.

Maintaining the Alaska Seismic Network

The state-supported seismic monitoring effort, based at the Geophysical Institute, includes the network of seismic monitoring stations, the seismology laboratory where data is analyzed, and the state seismologist's office (a state seismologist and support staff). The network and laboratory equipment now in place is valued at well over a million dollars.

For the current year, FY89, the governor has submitted a supplemental budget request for $300,000 to continue funding the seismic monitoring operations. The initial budget request for continuing the program was $320,000.

Prior to FY89, the state seismologist position and operation of the seismic network was funded by the state through the Alaska Division of Geological and Geophysical Surveys, which contracted with the Geophysical Institute for day-to-day operations. Although the seismic monitoring function was transferred to the Geophysical Institute beginning in FY89, operating funds for the network of seismic stations were not provided for the current fiscal year. With encouragement from the Governor's Office and other state and university officials, the Geophysical Institute has kept the monitoring program operational this year.

Through 12-31-88, the program has expended $121,223 and projected expenditures through 6-31-89 are $178,777. To date, no equipment has been purchased during the first six months of operation; serious equipment needs have been deferred until legislative approval of project funds.

Monitoring and Outside Funding

Although the Seismic Monitoring Program requires substantial state support, it also receives considerable funding from external grants and contracts. The state seismologist office ($130,000) and the seismic monitoring network ($300,000) are required for projects that annually generate $700,000 in federal funding. The state seismic program has also been augmented by substantial one-time grants from other sources.

At the Geophysical Institute, solid earth research that depends on seismic monitoring annually attracts approximately $200,000 in federal research funding. The Alaska Volcano Observatory is supported by $500,000 in annual federal funding, of which $100,000 directly funds seismic monitoring of volcanoes.

To enhance the Alaska monitoring effort, the Geophysical Institute was recently awarded a one-time, $350,000 grant by the W.M. Keck Foundation of Los Angeles to equip a portable geophysical observatory; the main component will be a set of seismograph stations designed for quick deployment when major earthquakes or volcanic eruptions occur.

John Davies

Geophysical Institute
Seismic Monitoring Program

	Expenses Thru 12-31-88	Anticipated Expenditures Jan. Thru June	Total Expended
Salaries	31,663	37,291	68,954
Staff Benefits	5,886	8,727	14,613
Travel	8,832	890	9,722
Service Centers	47,053	47,577	94,630
Services	13,089	12,726	25,815
Supplies	14,700	15,566	30,266
Equipment	0	56,000	56,000
TOTALS	121,223	178,777	300,000

The above is an accounting of the expenditures for the Seismic Monitoring Program at the Geophysical Institute for the first six months of FY1989.

The original request for funding to operate the program was: $320,035.

No equipment has been purchased during the first six months of operation because we were not authorized any equipment purchases on this account. There are serious equipment needs which must be taken care of this fiscal year which have been deferred until legislative approval of the project funds.

Travel expenditures were higher than budgeted in the first six months due to unexpected repairs required in Homer and the cost of operations to monitor Mt. Dutton in King Cove.

Salaries expenditures have been less than one half the budget because of end of calendar year holidays and because the start of data analysis was delayed until fall 1988.

SEISMOLOGICAL FACTS ABOUT THE GREAT ALASKA EARTHQUAKE OF 1964

TIME & DATE - 5:36 PM, March 27, 1964 Alaska Standard Time. Scismologists give the time and date as 03:36:14.0 ± 0.2, March 28, 1964 Coordinated Universal Time (CUT). CUT is the international time standard used by scientists, the military and others who need a global clock. This means that the origin time of the earthquake was 3 hours, 36 minutes, and 14 plus-or-minus 0.2 seconds on the morning of March 28, 1964 in Greenwich, England, which is located on the Prime Meridian.

MAGNITUDE - 9.2 on the Richter scale. Note: In 1977 the magnitudes of this and many other great earthquakes were recalculated to take into account energy radiated away from the epicenter by low-frequency waves. These low-frequency (or long-period) waves were not measurable with seismographs in use in 1964. As a result of this recalculation, the magnitude of the great Alaska earthquake of 1964 was increased from prior estimates of 8.4-8.6 to 9.2, making it the second largest earthquake ever recorded. The largest was a 9.5 earthquake in Chile in 1960.

EPICENTER - The epicenter was about 6 mi east of the mouth of College Fiord, at Latitude 61.04±0.05°N, and Longitude 147.73±0.07°W. This is approximately 55 mi west of Valdez and 73 mi east of Anchorage.

DEPTH - The point where the rupture began was about 17 miles deep within the crust below the epicenter.

INTENSITY - The maximum intensity reported was XI on the Modified Mercalli Intensity Scale, indicating major structural damage. The Modified Mercalli Intensity Scale is a rating of the amount of damage or how strongly the earthquake was felt at a particular location. It is a 12-point scale, usually given in Roman numerals ranging from I, not felt/no damage, to XII, total destruction/many lives lost. The area where there was significant damage caused by the 1964 quake covered about 50,000 sq. miles. Intensities of IV-V, felt by most people/minor damage, were reported as far away as Cold Bay, Bethel, McGrath, Kotzebue, Deadhorse, Ft. Yukon, Eagle, and Skagway. The area in which it was felt was about 500,000 sq. miles.

The strong ground motion in the Anchorage area lasted about four minutes and probably reached peak accelerations of 0.2 g. One g is the acceleration of gravity at the earth's surface. This long duration of shaking triggered many landslides and avalanches. Most of the damage in Anchorage was due to landslides from the bluffs along Knik Arm and Ship Creek.

LOSSES - Deaths: 115 in Alaska, 16 in Oregon and California.
Damage: 300-400 million dollars (1964).

CAUSE - The inexorable northwestward motion of the Pacific plate at about 2-3 in per year causes the crust of southern Alaska to be compressed and warped, with some areas along the coast being depressed and other areas inland being uplifted. After periods of tens to hundreds of years, this compression is relieved by the sudden southeastward motion of portions of coastal Alaska as they move back over the subducting Pacific plate.

As a result of the 1964 quake, the Latouche Island area moved about 60 feet to the southeast. Also, the patterns of uplift and subsidence which had been slowly developing prior to the earthquake were suddenly reversed, with areas around Montague Island being uplifted 15-30 feet and areas around Portage down-dropped as much as 9 feet. The hinge line (line of no vertical change separating the uplift and subsidence zones) extended from near the epicenter in Prince William Sound to the SE coast of Kodiak Island. This vertical deformation affected an area of approximately 100,000 sq. miles.

WATER WAVES - Much of the damage and most of the lives lost as a result of the 1964 quake were due to the effects of water waves. These were mainly of two kinds: the tsunami or open-ocean sea wave, generated by large-scale motion of the sea floor; and the local wave, generated by underwater landslides in bays or fiords.

The 1964 Alaska tsunami was the second largest ever recorded, again following only the one caused by the 1960 Chile earthquake. The greatest wave heights recorded at tide gauges in 1964 were (in feet): 7.6 at Yakutat; 14.3 at Sitka; 8.9 at Prince Rupert, B.C., Canada; 8.1 at Tofino, B.C., Canada; 13.0+ at Crescent City, California; 7.4 at San Francisco, California; 7.8+ at Ensenada, Mexico; and 12.5+ at Hilo, Hawaii. Of the 122 deaths attributable to the effects of the ocean, about half were due to the open-ocean tsunami: 4 at Newport Beach, Oregon; 11 at Crescent City, California; and about 51 in Alaska.

Local waves claimed at least 56 lives (and may have been responsible for other deaths): 31 in Valdez, 13 in Whittier, and 12 in Seward. Maximum heights reported for these waves were (in feet): 220 in Valdez Arm, 104 in Whittier, and about 30 in Seward.

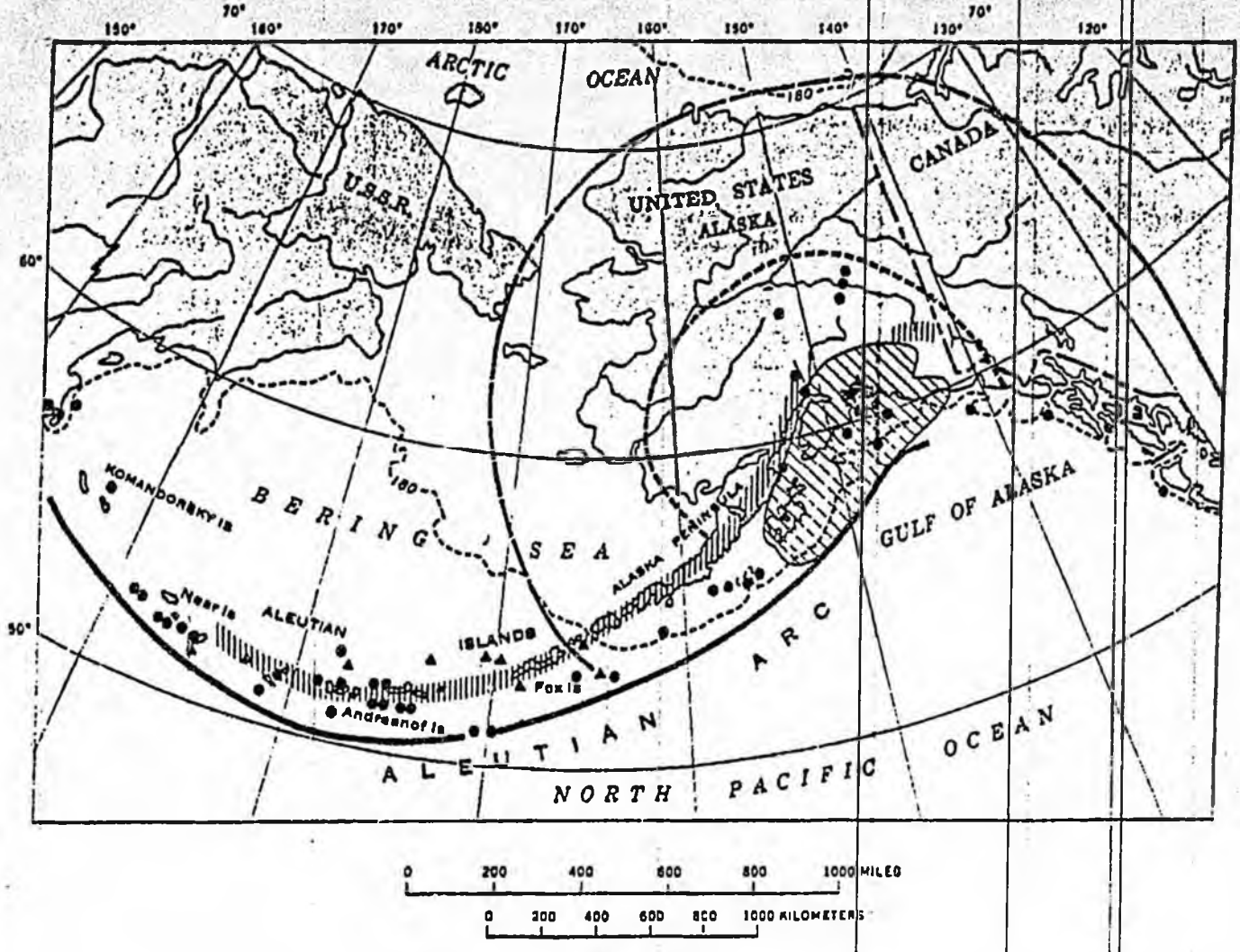
Heights for other waves of uncertain origin were reported as follows (in feet): 90 at Chenega, 50-70 at Port Nellie Juan, 40 at Point Nowell, and 5 at Cordova. These heights are not all referenced to the same stage of the tide, but at these and many other communities, the wave arrived near high tide, causing the most possible damage.

Seiches, a sort of sloshing of water back and forth in a small body of water like a boat harbor or swimming pool, were observed as far away as Louisiana where a number of fishing boats were sunk. Oscillations in the height of water in wells were reported from as far away as South Africa.

- AFTERSHOCKS - The aftershock zone of this earthquake was about 150 mi wide (NW-SE) and extended about 490 mi from Prince William Sound to the SW end of Kodiak Island. The mainshock and its aftershocks occurred on a fault which is part of the boundary between the Pacific and North American plates. This fault surface extends from the trench in the Gulf of Alaska and dips at about 10 degrees to the NW. It reaches a depth of about 21 mi under Anchorage and increases in dip under Cook Inlet to reach a depth of 67 mi under the volcanos of the easternmost Aleutian Arc. The aftershocks ranged along this surface at depths from 12 mi beneath the Gulf of Alaska to 18 mi beneath the Kenai Peninsula and Kodiak Island.

Thousands of aftershocks were recorded in the months following the mainshock. In the first day there were 11 aftershocks with magnitude greater than 6.0 on the Richter scale; in the next three weeks there were 9 more. Smaller aftershocks continued for more than a year.

Prepared by: Dr. John N. Davies, State Seismologist
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EXPLANATION

★ Epicenter of the 1964 earthquake

Approximate limit of human perceptibility
Dashed where inferred

Approximate limit of landslides, avalanches, and ground cracks

Approximate area of major tectonic deformation
Dashed where inferred

● Shallow depth (<70 km)

▲ Intermediate depth (70–200 km)

Large earthquake epicenters ($M > 7$) for period 1904–52
(From Gutenberg and Richter, 1954)

Aleutian Trench

Aleutian volcanic arc

180 Approximate outer edge of continental shelf
Depth in meters

1.—Map of Alaska and adjacent areas showing the location of the 1964 earthquake, the area affected by the earthquake, epicenters of previous major earthquakes, belts of active volcanism, and the Aleutian Trench.

GEORGE PLAFKER
U.S. GEOLOGICAL SURVEY

Reprinted with minor changes from
U.S. Geological Survey Professional Paper 543-I,
"Tectonics of the March 27, 1964, Alaska Earthquake"

go1039hEe
Cook/Utermohle
4/26
OIL SPILL

A M E N D M E N T

OFFERED IN THE HOUSE BY BROWN

TO: CSHB 154 (2d Finance)

Page 1, line 8, after "years":

Insert "making supplemental and special appropriations related to the Exxon Valdez oil spill,"

Page 11, after line 8:

Insert new bill sections to read:

"* Sec. 58. (a) The sum of $36,500,000 is appropriated from the general fund to the Office of the Governor for expenditures by state agencies that are necessary and appropriate, and that, in the best judgment of the attorney general, are reimbursable from third parties as Exxon Valdez oil spill related expenses for

(1) social, economic, and environmental assessments of the oil spill as set out in 43 CFR 11;

(2) other social, economic, and environmental assessments; and

(3) mitigation of the effects of the oil spill.

(b) The expenditure of funds for the purposes set out in (a)(2) and (3) of this section is conditioned upon the

(1) submission to the Legislative Budget and Audit Committee by the governor of a report setting out a procedure to ensure that all expenditures under (a)(2) and (3) of this section are necessary and appropriate and, in the best judgment of the attorney general, are reimbursable from

third parties as Exxon Valdez oil spill related expenditures; and

(2) approval of those procedures by the committee.

(c) The appropriation made by this section shall be allocated between the fiscal years ending June 30, 1989, and June 30, 1990.

(d) The unexpended and unobligated portion of the appropriation made by this section lapses February 15, 1990.

* Sec. 59. (a) The sum of $3,500,000 is appropriated to the Department of Law for litigation costs associated with the Exxon Valdez oil spill.

(b) The unexpended and unobligated portion of the appropriation made by this section lapses February 15, 1990.

* Sec. 60. It is the intent of the legislature that funds appropriated under secs. 58 and 59 of this Act will not be used to develop long-term employees, and that all expenditures will be submitted to the Legislative Budget and Audit Committee for review. The departments expending funds under these sections shall ensure that positions needed to supervise the contractual services or perform necessary in-house tasks will be deleted upon completion of the project for which the position is needed. The departments expending funds under these sections for contractual or personal services shall ensure that Alaska residents are hired to perform the services to the maximum extent possible. It is also the intent of the legislature that funds appropriated for the Exxon Valdez oil spill related activities that are not expended or encumbered shall be carried forward to the following fiscal year; however, as soon as the activities are completed the remaining funds lapse back to the general fund. The governor shall report on compliance with this intent by the first day of the Second Session of the Sixteenth Alaska State Legislature in conjunction with a status

report on the activities related to the Exxon Valdez oil spill.

* Sec. 61. (a) The sum of $750,000 is appropriated from the general fund to the fisheries enhancement revolving loan fund (AS 16.10.505) to provide emergency loans to private nonprofit hatcheries in Prince William Sound for expenses arising from the Exxon Valdez oil spill.

(b) The appropriation made by this section is for capitalization of a loan fund and does not lapse under AS 37.25.010."

Renumber the following bill section accordingly.

Adjust funding information accordingly.

6-1348A
Cook
4/26/89

Funding Information
General Fund $40,750,000
Other Funds -0-
$40,750,000

IN THE HOUSE BY BROWN

HOUSE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making special appropriations relating to the Exxon Valdez oil spill; and providing for an effective date."

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

* Section 1. (a) The sum of $36,500,000 is appropriated from the general fund to the Office of the Governor for expenditures by state agencies that are necessary and appropriate, and that, in the best judgment of the attorney general, are reimbursable from third parties as Exxon Valdez oil spill related expenses for

(1) social, economic, and environmental assessments of the oil spill as set out in 43 CFR 11;

(2) other social, economic, and environmental assessments; and

(3) mitigation of the effects of the oil spill.

(b) The expenditure of funds for the purposes set out in (a)(2) and (3) of this section is conditioned upon the

(1) submission to the Legislative Budget and Audit Committee by the governor of a report setting out a procedure to ensure that all expenditures under (a)(2) and (3) of this section are necessary and appropriate and, in the best judgment of the attorney general, are reimbursable from third parties as Exxon Valdez oil spill related expenditures; and

(2) approval of those procedures by the committee.

(c) The appropriation made by this section shall be allocated between the fiscal years ending June 30, 1989, and June 30, 1990.

(d) The unexpended and unobligated portion of the appropriation made

by this section lapses February 15, 1990.

* Sec. 2. (a) The sum of $3,500,000 is appropriated to the Department of Law for litigation costs associated with the Exxon Valdez oil spill.

(b) The unexpended and unobligated portion of the appropriation made by this section lapses February 15, 1990.

* Sec. 3. It is the intent of the legislature that funds appropriated under secs. 1 and 2 of this Act will not be used to develop long-term employees, and that all expenditures will be submitted to the Legislative Budget and Audit Committee for review. The departments expending funds under these sections shall ensure that positions needed to supervise the contractual services or perform necessary in-house tasks will be deleted upon completion of the project for which the position is needed. The departments expending funds under these sections for contractual or personal services shall ensure that Alaska residents are hired to perform the services to the maximum extent possible. It is also the intent of the legislature that funds appropriated for the Exxon Valdez oil spill related activities that are not expended or encumbered shall be carried forward to the following fiscal year; however, as soon as the activities are completed the remaining funds lapse back to the general fund. The governor shall report on compliance with this intent by the first day of the Second Session of the Sixteenth Alaska State Legislature in conjunction with a status report on the activities related to the Exxon Valdez oil spill.

* Sec. 4. (a) The sum of $750,000 is appropriated from the general fund to the fisheries enhancement revolving loan fund (AS 16.10.505) to provide emergency loans to private nonprofit hatcheries in Prince William Sound for expenses arising from the Exxon Valdez oil spill.

(b) The appropriation made by this section is for capitalization of a loan fund and does not lapse under AS 37.25.010.

* Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

#0-3

General Fund	$3,282,500	4/19/89
Federal Funds	1,510,900	
TOTAL	$4,793,400	

AMENDMENT

HB 154/PRINCE WILLIAM SOUND OIL SPILL

by BROWN

* Sec . ___ . The sum of $ 92,100 is appropriated from the general fund to the Department of Labor for costs incurred as a result of the Prince William Sound oil spill disaster for the fiscal year ending June 30, 1989, and is allocated as follows:

Employment Services	49,000
Occupational Safety and Health	39,100
Commissioner's Office	4,000

* Sec . ___ . The sum of $ 557,900 is appropriated from the general fund to the Department of Commerce and Economic Development for costs incurred as a result of the Prince William Sound oil spill disaster for the fiscal year ending June 30, 1989, and is allocated as follows:

Measurement Standards	47,500
Insurance	20,000
Tourism Operations	490,400

* Sec . ___ . The sum of $ 279,700 is appropriated from the general fund to the Department of Natural Resources for costs incurred as a result of the Prince William Sound oil spill disaster for the fiscal year ending June 30, 1989, and is allocated as follows:

Land and Water Management	73,800
Parks Management	205,900

* Sec. ____. The sum of $ 3,546,500 is appropriated from the following sources to the Department of Fish and Game for costs incurred as a result of the Prince William Sound oil spill disaster for the fiscal year ending June 30, 1989, and is allocated as follows:

	General Fund	Federal Funds
Commercial Fisheries	623,500	415,700
Sport Fisheries	104,400	156,700
FRED	316,800	211,200
Wildlife Conservation	380,000	253,400
Subsistence	52,200	34,800
Habitat	227,600	151,800
Commissioner	431,100	287,300

* Sec. ____. The sum of $ 217,200 is appropriated from the general fund to the Department of Public Safety for costs incurred as a result of the Prince William Sound oil spill disaster for the fiscal year ending June 30, 1989, and is allocated as follows:

Fish and Wildlife Protection	69,500
Fire Prevention	3,500
Alaska State Troopers	144,200

Oil Spill

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Alaska State Legislature

House of Representatives

COMMITTEES

CHAIRMAN
HOUSE TRANSPORTATION

MEMBER
COMMUNITY AND
REGIONAL AFFAIRS
LEGISLATIVE COUNCIL
TRANSPORTATION
BUDGET SUBCOMMITTEE

MEMORANDUM

TO : HOUSE FINANCE COMMITTEE MEMBERS

FROM : REP. BETTE CATO BC

DATE : APRIL 28, 1989

RE : KCHU - VALDEZ AND APRN SUPPLEMENTAL -- BY ULMER

I WOULD LIKE TO URGE MEMBERS TO CONSIDER AND APPROVE THIS SUPPLEMENTAL REQUEST FOR FUNDING FOR THE RADIO STATIONS.

IN PARTICULAR, KCHU RADIO STATION IN VALDEZ DESPERATELY NEEDS THESE FUNDS. THE STATION SUFFERED VENTILATION AND OTHER EQUIPMENT DAMAGES IN THE WINTER AND HAS HAD INCREDIBLY HEAVY DEMANDS FOR COVERAGE DUE TO THE OIL SPILL. I'M TOLD THAT THE STATION HAS HAD TO JURY RIG SOME OF ITS EQUIPMENT TO STAY "ON THE AIR" AND TODAY HAS AUTO JUMPER CABLES CONNECTING THE TRANSMITTER TO THE TOWER.

I HAVE HAD MANY LETTERS FROM CONSTITUENTS SUPPORTING THE STATION. THESE MONIES ARE LEGITIMATE EXPENSES FOR THE STATE AS THE PUBLIC NEEDS AND DEMANDS TO BE KEPT INFORMED THROUGH THE PUBLIC RADIO SYSTEM, THE EFFORTS AND STATUS OF THE OIL SPILL CLEAN-UP AND THIS SUPPLEMENTAL WILL PAY FOR COVERAGE TO DATE AND ASSURE CONTINUED COVERAGE.

THANK YOU FOR YOUR CONSIDERATION.

KTOO-FM & TV
MEMORANDA

To: Fran Ulmer

From: Peter Frid
General Manager PF

Date: April 28, 1989

Subject: Costs associated with Valdez Oil Spill

Why the expenses are not part of a station's standard operating budget:

- The spill is one of the biggest, if not the biggest story of 1989. It has generated more news coverage in newspapers, radio and television for a longer period of time than most national and international stories.

- The demands to handle the variety of coverage; local, statewide, national and international is of such a magnitude that any station would not have the necessary equipment and staff resources to handle the on going coverage.

- No station budgets or can afford to cover a story this large. There are no news or public affairs financial pools we can tap in either radio or television.

- The location of the spill is in an area where the local public radio station was ill equipped and under financed to handle a story this large. Due to the cost of coverage, KCHU has expended almost all its operating funds and will be hard pressed to meet its on going expenses for the remainder of the fiscal year.

  Stations in response to the need to assist KCHU and to cover the story from all angles committed the resources (sending staff to Valdez, hiring or paying staff additional hours, contracting for necessary facilities to provide feeds, ect.) knowing the funds were not available but recognizing the public's right to know.

- The cost of delivering television coverage is more expensive due to the large amount of equipment and personnel required to handle a story of this size.

  If we had not responded, Alaskans would be not have been adequately informed as the story has developed.

Alaska Department of Fish and Game - University of Alaska - Oil Spill Impact Assessment

	FY89 PROJECTS	UA	F&G	Total	Fed
1	Anadromous Fish Habitat Assessment	0.0	142.9	142.9	
2	Assessment of Intertidal Spawning Areas Directly Affected	0.0	81.0	81.0	
3	Black and Brown Bear Impact Assessment	*	88.9	88.9	USFS
4	Clean-up Assessment and Inspection Program	0.0	145.1	145.1	
5	Coho and Chinook Salmon Tagging Study	0.0	38.0	38.0	
6	Colonial and Cliff Nesting Birds and Shore Bird Impact	0.0	10.6	10.6	
7	Dungeness Crab Sampling	0.0	46.2	46.2	NMFS
8	Early Marine Salmon Studies	310.0	303.0	613.0	NMFS
9	Ecological Effects on Marine Mammals	0.0	20.0	20.0	
10	Ecosystem Analysis and Synthesis	150.0	0.0	150.0	
11	Harbor Seal Impact Assessment	0.0	123.0	123.0	
12	Harring Spawn Deposition and Egg Survival Study	0.0	217.0	217.0	
13	Harvest Inspection	30.0	93.0	123.0	
14	Histopathological Examinations of Finfish and Shellfish	0.0	105.0	105.0	
15	Impact on Anadromous Cutthroat Tout and Dolly Varden	0.0	164.0	164.0	
16	Impact on Black-tailed Deer and Deer Habitat	*	81.5	81.5	USFS
17	Impact on River Otter and Mink	*	31.6	31.6	USFS
18	Impact on Steller Sea Lions	0.0	121.3	121.3	
19	Impact on Subsistence Use	0.0	87.0	87.0	
20	Impacts on Deep Soft Bottom Communities	60.0	0.0	60.0	
21	Impacts on Intertidal Communities	30.0	0.0	30.0	
22	Information Coordination and Research Support (Library)	0.0	7.3	7.3	
23	Juvenile Pink and Chum Salmon Tagging Study	0.0	228.5	228.5	
24	Juvenile Salmon in Situ Bioassay	0.0	120.0	120.0	
25	Management, Administrative and Technical Support	0.0	718.6	718.6	
26	Microbial Hydrocarbon Consumption Studies	25.0	0.0	25.0	
27	Multispecies Trawl Survey	87.5	207.8	295.3	
28	Oil and Biological Transport Studies	50.0	0.0	50.0	
29	Oil Levels and Persistence on Critical Habitats	0.0	83.6	83.6	
30	Pink and Chum Salmon Pre-emergent Fry Sampling	0.0	55.5	55.5	
31	Program Integration, Coordination and Vessel Support	373.2	0.0	373.2	NMFS
32	PWS Recreational Fishery Harvest and Effort Study	0.0	15.7	15.7	
33	Raptor, Passerine, and Scavenging Bird Impact Assessment	0.0	69.6	69.6	
34	Satellite Remote Sensing Data Acquisition and Analysis	62.0	0.0	62.0	
35	Sockeye Salmon Tagging and Smolt Studies	0.0	138.7	138.7	
36	Spot Shrimp Pot Survey	0.0	14.5	14.5	
37	Waterfowl and Sea Duck Impact Assessment	0.0	55.7	55.7	
38	Wildlife Assessment Technical and Administrative Support	0.0	45.5	45.5	
39	Trophic Level Responses in Rocky Intertidal Areas and Estuaries	273.6	*	273.6	
40	Physiological Assessment of Contaminated Animals	103.4	*	103.4	
	FY89 PROJECTS TOTAL	1,554.7	3,660.1	5,214.8	

* Agency will be involved in joint project

Fed: 1,500.0
GF: 3,714.8

#1. Anadromous Fish Habitat Assessment

ADF&G: $142.9

Purpose: to identify and assess uncataloged anadromous fish stocks and intertidal and estuarine anadromous fish habitat directly affected by the oil spill.

#2. Assessment of Intertidal Anadromous Spawning Areas Directly Affected by Oil Contamination

ADF&G: $ 81.0

Purpose: to visually inspect all known intertidal salmon spawning areas in that portion of Prince William Sound directly affected by oil contamination to determine the physical extent of fouling; to visually inspect near shore rearing areas near streams to document oil contamination; to determine short-term (one month) changes in chemical composition of intertidal waters and sediment within known intertidal salmon spawning areas directly affected by oil; to document utilization of affected intertidal spawning areas by pink and chum salmon; to determine the historical utilization of intertidal spawning areas in western Prince William Sound; to produce sound-wide photographic documentation and maps for future reference.

#3. Black and Brown Bear Impact Assessment

ADF&G: $ 88.9

Purpose: to determine if ingestion of oil causes direct mortality or sublethal physiological abnormalities. Meat from black bears that have ingested oil will be tested to see if it is fit for human consumption.

#4. Clean-up Assessment and Inspection Program

ADF&G $ 145.1

This project provides personnel to work with Exxon in identifying areas needing cleanup, monitoring cleanup activities, and inspecting areas after cleanup for effectiveness of cleanup activities.

#5. Coho and Chinook Salmon Tagging Study

ADF&G: $ 38.0

Purpose: to estimate the survival from smolt to adult of coho salmon released from both Esther Island and Solomon Gulch (VFDA) hatcheries; to estimate the survival from smolt to adult of chinook salmon released from Esther Island Hatchery. Without this stock separation, estimation of long-term economic loss from oil contamination would be impossible.

#6. Colonial and Cliff Nesting Birds and Shore Bird Impact

ADF&G: $ 10.6

PWS has 87 seabird colonies that include the largest glaucous-winged gull colony in the world and numerous large kittiwake colonies. Cooperatively with US Fish and Wildlife, this project will determine mortality and reproduction effects.

#7. Dungeness Crab Sampling

ADF&G: $ 46.2

[National Marine Fisheries Service $130.0]

Purpose: to determine if Dungeness crab populations residing in Prince William Sound were contaminated with crude oil by-products; to determine impacts of oil on fecundity and egg development. This relatively small pilot project will allow staff to determine if an expanded Dungeness crab sampling program will be needed in future years to fully assess oil spill impacts on these potentially vulnerable crab stocks.

#8. Early Marine Salmon Studies

University of Alaska: $310.0
ADF&G: $303.0
[National Marine Fisheries: $140.0]

Purpose: to determine the effects of oil contamination on juvenile salmon residing in and migrating through critical early marine-life habitat; to evaluate water quality, plankton production, and benthos at five to seven sites; to evaluate the growth, feeding habits, and migration of the juvenile salmon at these sites; to conduct hydrocarbon tissue assays on CWT'd juvenile salmon collected from near shore and estuarine waters in oiled and non-oiled areas.

#9. Ecological Effects on Marine Mammals

ADF&G: $ 20.0

This project will assess the overall ecological impact on all species by synthesizing data from all marine mammal projects and fish resources.

#10. Ecosystem Analysis and Synthesis

University of Alaska: $150.0

Purpose: to analyze, synthesize and integrate environmental and biological data from an ecosystem perspective and to determine the recovery rates and processes. This component is necessary to integrate the results of the other studies to continually develop and revise hypotheses to guide the field sampling program. It will be done in concert with other investigators.

#11. Harbor Seal Impact Assessment

ADF&G: $123.0

Purpose: to measure mortality of harbor seals and determine if oil causes premature births or high pup mortality as well as how long oil persists on haulout areas and on seal fur. Meat will also be tested for contamination and food quality.

#12. Herring Spawn Disposition and Egg Survival Study

AFF&G: $217.0

Purpose: The oil spill was coincidental with the annual migration of mature herring to near-shore spawning areas. Without stock assessment through these surveys, and without some estimate of the fraction of available spawning habitat compromised by oil, no assessment of long-term economic loss from this resource is possible.

#13. Harvest Inspection

University of Alaska: $ 30.0
ADF&G: $ 93.0

Purpose: to determine the extent of the harvest that is compromised with hydrocarbons. Without this study, no estimate of long-term economic loss from unpalatable seafood caused by the spill is possible.

#14. Histopathological Examinations of Finfish and Shellfish

ADF&G: $105.0

Purpose: to assess the physiological health of the finfish and shellfish populations in the Prince William Sound. Many, if not all, finfish and shellfish populations in the Sound will be exposed to crude oil and its component compounds. As part of the overall effort to detect and assess the impact on these animals from this exposure, specimens of the various species groups sampled in the field will be sent to laboratories for screening.

#15. Impact on Anadromous Cutthroat Trout and Dolly Varden
ADF&G: $164.0
Purpose: to compare two oil affected areas and two unaffected areas containing cutthroat trout and Dolly Varden in order to estimate abundance and composition of adult and juvenile populations during the spring out-migration in 1989 so as to compare the long term survival and growth of cutthroat trout and Dolly Varden in the four areas. Without this comparison, no estimates of economic and aesthetic loss from these fisheries can be estimated.

#16. Impact on Black-tailed Deer and Deer Habitat
ADF&G: $ 81.5
The 15,000 to 20,000 Sitka black-tailed deer use the intertidal areas extensively during late winter and early spring. This project will assess direct mortality of deer, changes in reproduction, changes in distribution, and determine if the meat is fit for human consumption if deer ingest sublethal amounts of crude oil.

#17. Impact on River Otter and Mink
ADF&G: $ 31.6
Both species rely on marine foods and both are closely associated with the intertidal zone where oil contamination has caused direct mortality and impact on food supply. This project will determine the extent of mortality and long-term effects of reduced or contaminated food.

#18. Impact on Stellar Sea Lions
ADF&G: $121.3
This project will assess direct mortality, determine if reproduction has been affected, and assess changes in population size. Tissue will be tested for hydrocarbon contamination.

#19. Impact on Subsistence Use
ADF&G: $ 87.0
Many communities along Prince William Sound depend on Sitka black-tailed deer, bear, marine mammals and sea ducks as a major food source. This project will assess the immediate impact of current mortalities and future changes in productivity and patterns.

#20. Impacts on Deep Soft Bottom Communities
University of Alaska: $ 60.0
Purpose: to examine the bottom animal community under the oil plume waters to assess abundance, distribution and composition of species and to measure the accumulation of hydrocarbon in sediments under the plume. This project will determine the impact of hydrocarbons on the bottom community and how it affects the biology of important organisms.

#21. Impacts on Intertidal Communities
University of Alaska: $ 30.0
Purpose: to determine the impact on the biology, recruitment and survivorship of intertidal mussels, barnacles, and other organisms important to fisheries food webs.

#22. Information Coordination and Research Support (Library)
ADF&G: $ 7.3
Purpose: storage, compilation, synthesis and application of the extensive technical information which will be produced during this project's life.

#23. Juvenile Pink and Chum Salmon Tagging Study
ADF&G: $228.5
Purpose: to (1) Estimate survival from outmigrant to adult from three impacted and two unaffected pink salmon spawning streams to determine the marine survival and production from these systems; (2) Estimate the survival from outmigrant to adult from pink salmon produced at four hatcheries in Prince William Sound; (3) Estimate survival from outmigrant to adult for Esther Island Hatchery chum salmon production.

#24. Juvenile Salmon in Situ Bioassay
ADF&G: $120.0
Purpose: In Situ Bioassay, monitor the changes in tissue hydrocarbon content and histology in pink, chum, and sockeye salmon reared in saltwater.

#25 Management, Administrative and Technical Support
ADF&G: $718.6
ADF&G will require a Cordova based administrative assistant and clerk-typist. Program continuity and coordinative support services will be provided by existing staff. Detailed technical support services will be provided by fishery biologist IV, biometrician II, and publication technician positions. Additional bunkhouse facilities will be provided in Cordova and Valdez. Contingency funding is provided ($250,000) for additional resource assessments which will be needed.

#26. Microbial Hydrocarbon Consumption Studies
University of Alaska: $ 25.0
Purpose: to measure the rates of degradation of hydrocarbons in the water column by bacteria. This component will concentrate its efforts on the rate of hydrocarbon consumption by microbes. This study will measure concentrations of petroleum hydrocarbons in water and will determine the degradation rate constants of petroleum hydrocarbons in tracer experiments. This component will provide information about the rate at which petroleum is broken down in marine waters of Prince William Sound by natural populations of bacteria.

#27. Multispecies Trawl Survey
University of Alaska: $ 87.5
ADF&G: $207.8
Purpose: to (1) estimate absolute abundance of Tanner crab, sidestripe shrimp, and primary groundfish species in PWS; (2) estimate short- and long-term impacts of oil on absolute abundance of shellfish and ground fish stocks; (3) determine impacts of oil contamination on Tanner crab molting timing, egg development, and other parameters; (4) determine the impacts of prey contamination; and (5) determine the level of contamination of commercially-important fish and shellfish species.

#28. Oil and Biological Transport Studies
University of Alaska: $ 50.0
Purpose: to (1) Determine the circulation patterns with in PWS and the associated movement of oil; (2) Measure the movement of water out of PWS, and therefore the rate at which spilled oil moves into and out of Prince William Sound; (3) Determine the physical transport of juvenile fisheries from the stream, hatchery and nearshore areas.

#29. Oil Levels and Persistence on Critical Habitats
ADF&G: $ 83.6
This project will systematically and periodically assess the extent and duration of oiling on key haulout sites to assist in determining overall mortality and changes to current patterns.

#30. Pink and chum Salmon Pre-emergent Fry Sampling
ADF&G: $ 55.5
Purpose: to estimate survival from egg to fry for pink and chum salmon within existing index streams located in contaminated and uncontaminated areas and to sample additional streams from contaminated locations. Without some comparison of survivals of pink salmon in gravel polluted with oil and in gravel free of oil, no determination of long-term economic loss from this resource is possible.

#31. Program integration, coordination, and vessel support
University of Alaska: $373.2
Purpose: to provide substantial vessel time (R/V Alpha Helix and R/V Little Dipper); to provide additional technical support. Studies will be based out of appropriate agency facilities in Seward and Fairbanks.

#32. Prince William Sound Recreational Fishery Harvest and Effort Study
ADF&G: $ 15.7
Purpose: to estimate catch and harvest of salmon, rockfish, halibut, cutthroat trout and Dolly Varden in Prince William Sound sport fisheries; to estimate angler effort in the sport fishery in Prince William Sound and identify the temporal and spatial distribution and location of origin of angling effort; to estimate the components of both harvest and effort contributed by anglers utilizing the services of a charter operator or guide; to determine angler satisfaction and willingness to return to Prince William Sound.

#33. Raptor, Passerine, and Scavenging Bird Impact Assessment
ADF&G $ 69.6
Purpose: to assess mortality and reproductive success of eagles, peregrine falcons, passerine birds, and scavenging birds whose primary life support requirements are dependent upon the oil-affected marine and coastal environment.

#34. Satellite Remote Sensing Data Acquisition and Analysis
University of Alaska: $ 62.0
Purpose: to provide data showing oceanic information, primarily temperature and suspended sediment distributions in the affected areas of Prince William Sound; to provide data sets for retrospective analysis and documentation of spill trajectory and assessment of environmental impact; to assess new developments in remote sensing technology for improved response capability for future marine oil spills in Alaskan cold waters.

#35. Sockeye Salmon Tagging and Smolt Studies
ADF&G: $138.7
Purpose: to estimate smolt production from specific wild stock systems including Coghill, Eshamy and Jackpot systems; to estimate survival rate from smolt to adult for wild stock sockeye salmon in Coghill, Eshamy and Jackpot systems; to estimate survival rate from smolt to adult for Main Bay released sockeye salmon; to estimate the contribution to the commercial fishery of both the Main Bay and specific wild stock components.

#36. Spot Shrimp Pot Survey
ADF&G: $ 14.5
Purpose: to determine the impacts of oil on relative abundance of shrimp by conducting annual pot surveys for spot shrimp in impacted and unimpacted areas; to determine reproductive success by comparing fecundity-size relationships for spot shrimp in impacted and unimpacted areas; to determine embryonic development by comparing histological samples of eggs from impacted and unimpacted areas; to determine the contamination of harvestable shrimp.

#37. Waterfowl and Sea Duck Impact Assessment
ADF&G $55.7
Purpose: to determine how the ingestion of hydrocarbons affects mortality, reproduction, and other physiological processes. Tissue samples fo invertebrates (food source) and sea ducks will be analyzed for hydrocarbon levels. PWS is a wintering area for over 100,000 sea duck as well as a major migration area.

#38. Wildlife Assessment Technical and Administrative Support
ADF&G $45.5
Purpose: personnel to supervise and assist the overall wildlife assessment program to include quality control, data collection, and coordination with other agencies.

#39. Trophic Level Responses in Rocky Intertidal Areas and Estuaries Affected by Spilled Crude Oil
University of Alaska: $273.6
Purpose: to determine the long-term effects of petroleum deposition on coastal wetland habitats, by examining petroleum effects on soil/plant/herbivore processes that drive ecosystem functioning; to determine if oil reaching these sedge communities may cause direct mortalities through feeding and indirect mortality through altered productivity and quality of forage produced.

#40. Physiological Assessment of Contaminated Animals
University of Alaska: $103.4
Purpose: to identify the internal dosage of oil-related pollutants received by mammals in the Prince William Sound area through measuring key parameters associated with biochemical toxicity in order to accurately assess the effects of oil exposure.

MEMORANDUM State of Alaska

TO: Alison Elgee, Director
Division of Budget Review
Office of Management & Budget

DATE: April 14, 1989

FILE NO:

TELEPHONE NO: 465-2700

FROM: Jim Sampson, Commissioner
Department of Labor

SUBJECT: Supplemental Budget Requests for Valdez Oil Spill

The Department of Labor requests your approval of three general fund supplemental budget requests related to the Valdez oil spill. Some of the expenditures in the requests will be submitted to the Exxon corporation for their reimbursement. However, we do not know at this time how much if any Exxon will reimburse.

Employment Services Component

Shortly after the spill a large influx of job seekers descended upon Valdez. The Job Service Office there began immediately registering job applicants and matching them with the many jobs created by the spill. At times there were between 200 and 300 people in line waiting to be registered. This large increase in workload necessitated overtime and additional trained Job Service staff being sent in from Anchorage. Additionally, the Cordova area experienced a dramatic increase in jobs and job seekers. We have temporarily stationed a Job Service employee there to handle applications and fill job orders. A summary of costs anticipated since the spill until the end of the year associated with this additional staffing is as follows:

Overtime	$15.8
Salary for Additional Staff for Valdez and Cordova	$15.7
Travel & Per Diem for existing staff working in Valdez	$14.4
Supplies and equipment (Answering machine, etc.)	$ 1.3
Data Processing overtime to allow processing on weekends	$ 1.8
TOTAL	$49.0

Occupational Safety & Health Component

The dramatic increase in work related to the oil spill cleanup has also increased workers exposure to occupational hazards in the Valdez area. To monitor the safety of the workers involved in cleanup activities, we have dispatched two inspectors from the Anchorage office. We plan to rotate our employees there so we maintain two inspectors for the remainder of the fiscal year. Due to the severe shortage of housing in Valdez, we rented a motorhome in Anchorage and now

have it stationed in Valdez. A summary of the costs associated with this monitoring effort is as follows:

Overtime	$ 8.0
Travel to and from Valdez	$ 7.0
Per diem for those employees stationed in Valdez	$14.4
Motor Home rental for remainder of year	$ 9.7
TOTAL	$39.1

Commissioner's Office Component

I have already traveled twice to Valdez and expect to go there two more times before the end of the year. Also, we purchased float coats and boots for our staff stationed there for their protection. A summary of costs is as follows:

Travel and per diem for Commissioner	$ 3.5
Protective clothing for inspectors	.5
TOTAL	$ 4.0

The total departmental request is therefore $92.1. As mentioned above we will be submitting most of these expenditures through the claim procedure outlined by Mike Nizich for possible reimbursement by Exxon. If we are not reimbursed, however, we will need the entire amount.

Let me know if you have any questions.

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)

Increase in contractual and grants lines to cover oil spill related expenses

AGENCY CONTACT/PHONE NUMBER:

Brenda Knapp 465-2012

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

300 This increase is needed to purchase additional advertising and to conduct additional public relations efforts in our foreign markets that will mitigate the damage inflicted on the state's tourism industry by the media coverage of the Prince William Sound oil spill disaster. Of necessity, these figures are only best estimates and may alter as our assessment of the damage becomes more complete. For example, at this time our estimates for the foreign markets do not include the cost of television coverage because it involves so many variables (e.g. one minute of television time in West Germany costs from $1.0 - 30.0 depending on the station and time of day).

The incremental breakdown for the foreign marketing and public relations effort is as follows:

Western Europe	$101.0
West Germany	
Switzerland	
Austria	
U.K.	
Netherlands	
France	
Italy	
Sweden	
Spain	

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel		
300	Contractual Services	240.4	
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.	250.0	
800	Miscellaneous		
	TOTAL	490.4	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund		
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

( ) Enhance Existing Service Compared to FY89

( ) New Service Compared to FY89

( ) Continuation of FY89 Service Level

( ) Formula Program

( ) New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line ____

mm0951t

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

(7/88).c5

AGENCY Commerce and Economic Development

BRU Tourism

COMPONENT Tourism

PROJECT

FY89

Revised Date:

Japan	69.4
Australia	20.0
Korea	50.0
TOTAL	$240.4

These additional funds would cover placements in consumer and trade publications, newspaper ads, development and production of special brochures and maps, direct mailing, participation in travel trade shows, familiarization tours for agents and journalists, and increased window display campaigns in key locations.

700 The increase in the grants line would enable the division to immediately assist the Southcentral communities and tourism related organizations with needed public relations efforts to counteract the negative impressions being fostered by the oil spill coverage and with the repair and enhancement of existing attractions. We anticipate allocating an additional 8-10 grants in the range of $20.0 - $35.0.

C5 ADDITIONAL EXPLANATION FORM

AGENCY Commerce and Economic Development

BRU Tourism

COMPONENT Tourism

Revised Date

FY 89

(7/88)-ac1

MEMORANDUM
Department of Natural Resources

STATE OF ALASKA
Office of the Commissioner

Alison Elgee, Director
Division of Budget Review
Office of Management and Budget

April 14, 1989

DRAFT

465-2400

Lennie Gorsuch
Commissioner

Oil Spill funding

Please find attached the Department of Natural Resources's FY 1989 Supplemental and FY 1990 Incremental Oil spill funding requests.

In summary the requests are for the following:

FY 1989 Supplementals:

1.	Land & Water Management	$ 73,800
2.	Park Management	
	a. Archaeological monitoring	57,200
	b. Park Protection	148,700
	c. Park fee revenue loss	150,200
3.	Agricultural Management	26,000
		$ 455,900

FY 1990 Increments:

1.	Commissioner's Office	$ 19,500
2.	Information Resorce Mgt	464,100
3.	Land & Water Management	756,300
4.	Petroleum Management	217,000
4.	Parks Management	1,027,700
5.	Agricultural Management	26,000
	Total	$ 2,526,600

The attached budget forms are in draft, as most of them were received over the telecopier, we will final type them and forward the final documentation under separate cover.

A summary explanation of each of the requests is attached. If you have any questions please feel free to contact Sharon Barton at 465-2406.

Attachments

cc Rod Swope
Tom Hawkins
Division Directors
Nico Bus

DEPARTMENT OF NATURAL RESOURCES
SUMMARY OF FY 89 & 90 OIL SPILL FUNDING

Commissioner's Office - $ 19.5 (FY 90 only)

Additional Travel for Oil and Gas Lease Sales. The Commissioner and her staff will be required to travel to more public hearings or meetings and make additional effort to restore public confidence in the management of oil and gas leasing.

Administrative Services - $ 464.1 (FY 90 only)

Information Management and Damage assessment of Multi-Resource Impact. Products will include such topics as:

a. Ownership information for uplands, tidelands, and submerged lands.
b. Land use designations, Game managements Units, Fisheries Mgt. Units, etc.
c. Land use to include noncommercial activities such as archaeological sites. kayak routes, cabins, fishing spots, camping, etc., and commercial activities such as ferry routes , fishing, guide areas, herring areas, villages, towns, etc.

Land and Water Management - $ 756.3 (FY 90) - $ 73.8 (FY '89 suppl)

As the land owner the Division of Land and Water needs an active field presence in areas hardest hit by the oil spill. There is an immediate need for a full-time office in Valdez; there may be a need for seasonal offices in Seward, Homer, and Kodiak. The following services will be provided:

a. Evaluation of damage to state owned tidelands
b. Determination of clean-up priorities
c. Identification of clean-up methodologies
d. Issuance of authorizations (permits, water rights, etc) for clean-up activities and offshore mooring of vessels, housing of clean-up crews, and
e. provide information to the public

In addition a staff position is needed in Anchorage to provide coordination of field activities, operate a Geographic Information System(GIS), and conduct research as needed by the Attorney General's Office.

Petroleum Management - $ 217.0 (FY 90 only)

Management of data critical to evaluating oil spill contingency plans to facilitate effective clean-up operations. This data will be a variety of pertinent physical and biological information: direction of currents, tidal ranges, prevailing wind directions, ocean floor and shoreline morphologies, hatcheries, etc.

Parks Management - $ 1,037.7 (FY 90) - $ 356.1 (FY 89 suppl)

1. Historic resource monitoring and assistance
   FY 1990 $ 212,200 – FY 1989 suppl $ 57,200

   To provide expertise that will protect historic and archaeological sites impacted by the spill from inadvertent destruction.

2. Historic Resource Management damage assessment $ 402,500

   A critical investigation of the effect of the oil spill and the ability to radiocarbon date oil contaminated archaeological sites is necessary.

3. Park field teams
   FY 1990 $ 113,000 – FY 1989 suppl $ 148,700

   To maintain response to the spill for protection of park and tourism resources and to coordinate clean-up activities.

4. Oil spill Park Fees revenues loss
   FY 1990 $ 300,000 – FY 1989 suppl $ 150,200

   The Division of Parks relies on the collection of Park fees to operate part of its budget. The oil spill has an immediate impact on the number of visitors coming to the State and the Park fees that will be collected. To maintain the same level of service the loss of Fees collected will need to be offset by General Funds.

Agricultural Management - $ 42.0 (FY 90) - $ 26.0 (FY 89 suppl)

The spill has caused damage to the stands of Beach Wildrye. These communities are extremely important in preventing coastal erosion. The Plant Material Center staff will monitor the damage and prepare plans for re-introduction of native stands or repair of existing stands.

MEMORANDUM State of Alaska

Department of Natural Resources - Division of Land and Water Management

TO: Sharon Barton, Director
Division of Management

DATE: April 14, 1989

FILE NO:

TELEPHONE NO: 762-2692

THRU:

SUBJECT: Valdez Oil Spill
FY 89 Funding Needs

FROM: Gary Gustafson
Director

The division of Land and Water Management must respond to the worst ecological disaster ever to occur on the North American continent. It has been termed the worst human-caused disaster since Hiroshima. Land and Water Management must be in a position to respond effectively to protect the land and water resources it manages. These resources have been damaged, and damage will continue to occur as long as the oil contaminates our land and water resources. These resources are important economically to the state and are a trust We must protect for future generations.

Much of Alaska's economy is water-based, especially in Prince William Sound, the Kenai Peninsula and Kodiak. Whether it be commercial fishing, sport fishing, mining, tourism, mariculture operations or esthetic employment by residents, the Valdez Exxon spill has damaged the water and tidelands which provide habitat for wildlife, access to resources, tourism destinations, fishing areas, or places we all enjoy just being in. DLWM must be in a position to limit future damage to tidelands, submerged lands, uplands and water. We also must be able to adequately assess damages to these resources for possible future litigation. This increment will enable DNR to meet its mandate in an cost-effective efficient manner.

The division established a temporary office in Valdez shortly after the oil spill. Office space was offered by the DOT/PF with the understanding that it would house a temporary emergency operation. The division has been staffing the field office by diverting staff from other projects. Staff is stationed in Anchorage and assigned to Valdez for eight-day shifts, including a one-day overlap to ensure continuity.

The temporary field office participates in setting priorities for beach cleanup, issuing permits for use of the tidelands for cleanup-related activities, and monitoring cleanup activities on state-owned tidelands. While a temporary field office has enabled the division to participate in the early planning phase, it cannot

be sustained on a long-term basis without seriously disrupting the management of state lands in other parts of Southcentral. We anticipate the need for sustained, onsite field presence for at least the next three years.

The division would like to establish a field office staffed by two land managers. A budget increment has been submitted for FY 90. However, beach cleanup activities are expected to accelerate during the next few weeks and the division should be prepared to commit the necessary staff. Consequently, we would like to establish the field office by May 1.

The cost of a field office in Valdez for May and June 1989 is as follows:

100	Personal Services			
	Natural Resource Manager I	Range 18	2 mo.x$3,862 =	$ 7.7
	Natural Resource Office 2	Range 16	2 mo.x$3,356 =	$ 6.7
	Subtotal			$14.4
200	Travel			$ 5.0
300	Contractual			
	Helicopter			$16.8
	Boat			$15.4
	Floatplane			$17.6
	Office space			$ 2.4
	Utilities and phone			$ 1.2
	Subtotal			$53.4
400	Commodities			$ 1.0
	Total			$73.8

REQUEST FOR APPROVAL OF IMMEDIATE EXPENDITURE OF OIL SPILL FUND

Department of Natural Resources
Division of Parks and Outdoor Recreation
Office of History and Archaeology

Project: Archaeological and Historic resource monitoring and assistance

Time Period: April 16 to June 30, 1989

Total Request: $57.2

NEED: The Office of History and Archaeology needs to immediately send archaeologists to the Incident Command Centers to assist in assessment of impacts to the State's archaeological and historic resources caused by the oil spill, beach clean-up activities, development of on shore camps and facilities, as well as long term impacts. Immediate assistance is needed in the central office for information management on archaeological sites. Accurate, up-to-date information on site locations needs to be entered into the Alaska Heritage Resources Survey. This is the primary source in the state for heritage site location information. All parties working on the oil spill clean-up access this information through this office.

JUSTIFICATION: The Department of Natural Resources has broad responsibilities under the Alaska Historic Preservation Act and the National Historic Preservation Act to protect and preserve historic and archaeological sites as well as assist federal and state agencies in making decisions that impact historic and archaeological sites. Federal and state agencies are to consult with the Office of History and Archaeology and State Historic Preservation Officer for possible impacts their activities may have on sites.

Staff participation in the Incident Command Center teams will provide state staff expertise, coordination and oversight to the numerous agencies and Exxon regarding the impacts of the clean-up activity on historic and archaeological sites, protection strategies, research methodology, evaluation of site significance, and data recovery.

The oil spill impacts a historically rich area. Although few archaeological and historical surveys have been conducted, the Alaska Heritage Resources Survey indicates 460 prehistoric and 140 known historic sites may be effected by the oil spill. Impacts will come from beach clean-up and crew camp sites. The Pacific coast was the center of Alaska's highest prehistoric native population. It is expected that unknown sites out number known sites.

BUDGET:

Personal Services: Most of the archaeological staff is project funded on a reimburseable basis. Personal services money is needed to fund the archaeologists for work on the oil spill activity. New positions are not needed. Additional months will be added to existing seasonal positions. One archaeologist is funded with general funds will be working on the oil spill and this request does not include funding for that position.

PCN	Range	Class	Months
5234	18	Archaeologist II	2.5
5237	16	Archaeologist I	2.5
5238	16	Archaeologist I	2.5

Total Personal Services $33.2

Travel: Travel to Incident Command Centers and per diem costs. It is expected most travel expenses to the field locations will be covered by the Incident Command Centers.

Round trip from Anchorage to
Incident Command Centers
(Valdez, Seward, Kodiak, Homer)
4 trips each location
and per diem $16.0

Contractual Services: Services for film processing, analysis of data, telephone charges, and other services.

Contractual Services $ 3.0

Supplies: Field equipment, film, office supplies, maps.

Supplies $ 5.0

Total Request: $57.2

Draft

Division of Parks and Outdoor Recreation Funding Needs
Related to the 1989 Valdez Oil Spill

to be funded from $20,000.0 Emergency Fund or as a Supplemental Appropriation to the FY'89 Budget.

Need: To respond to Valdez Oil Spill to protect park and tourism resources and to coordinate clean-up activities by U.S. Coast Guard/Exxon/DEC. The division does not presently have adequate staffing to respond to the oil spill.

Public Benefit: Damage to park areas from the oil spill will be reduced and a well managed clean-up effort will help park resources to recover quicker improving biological, recreational, scenic and tourism resources and values of these areas. From the site of the spill in Prince William Sound to Kodiak Island there are 12 existing coastal state park units, outside of Cook Inlet, that are expected to receive some degree of oil on the coastline of these areas. If oil goes into Cook Inlet or the marine parks proposed in SB 42, 14 additional state parks may be affected. Thus, potential oil spill impacts to 26 areas are of direct concern to the division. This ~~increment~~ project would provide for the direct field supervision of clean-up work by two teams. Each team is comprised of a Park Ranger I and Archaeologist I. Their task will be to supervise field clean-up work, monitor compliance with park use permit stipulations, make on-site resource management decisions about clean-up methods and priorities, and provide law enforcement and public safety support to the clean-up effort.

Economic Stimulation: Coastal community economies will benefit from payroll and purchasing under this project increment. A well-managed clean-up of affected state parks will help to restore the biological, recreational and scenic attractiveness of these areas to both in-state and out-of-state visitors. Clean and biologically productive state parks are important to the tourism industries in the affected coastal communities.

Direct Revenue to the State: None.

Support Groups: Visitor industry, conservation groups, outdoor recreation groups, sport and commercial fishing industry, local communities.

What Will Happen If This Increment Is Not Funded: Existing staff will be less able to conduct regular operations of the park system this summer as resource protection concerns resulting from the oil spill compete for their time. In-field supervision and management of clean-up work will be inadequate, resulting in adverse impact to park resources. The division will not be able to adequately respond to U.S. Coast Guard/Exxon/DEC requests for information and guidance.

Four temporary positions will be established for this work.

Funding to support this work is budgeted as follows:

100 Personal Services:

Park Ranger I range 14 2 mos. x $2,900 = $ 5.8

Park Ranger I	range 14	2 mos. x $2,900	= $ 5.8
Archaeologist I	range 16	2 mos. x $3,764	= $ 7.5
Archaeologist I	range 16	2 mos. x $3,764	= $ 7.5
		TOTAL	$26.6

200 Travel:

Transportation between Anchorage, Homer, Valdez, Seward and Kodiak to work with incident command staffs and other agencies for existing staff and two field teams.

$250 per trip for 10 trips	= $	2.5
field per diem 25 days x 4 x $16	= $	1.6
miscellaneous expenses	= $	2.0
TOTAL	$	6.1

300 Contractual:

aircraft charters	= $	5.0
boat charters	= $	3.0
photo processing	= $	2.0
TOTAL	= $	10.0

400 Supplies:

field equipment (safety, survival, field camp gear)	= $ 15.0
archaeology equipment	= $ 2.0
TOTAL	= $ 17.0

500 Equipment:

2 portable hi-band radios	= $ 5.0
2 portable ground/air radios	= $ 1.0
boat/motor/trailer	= $ 20.0
work boat/motor/trailer	= $ 55.0
camera/video equipment	= $ 3.0
miscellaneous	= $ 5.0
TOTAL	$ 89.0

GRAND TOTAL ~~$ 114.7~~ 104.7

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Oil Spill Increment-Fee revenue loss and economic impact on State Park System (FY89)

AGENCY CONTACT/PHONE NUMBER:
Jacke Miles 762-2603

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

NEED: The anticipated decline to visitors in Alaska due to the oil spill in Prince William Sound will have a direct tangible impact on our capability to generate revenue from our park user fee program. Funds from this program are used throughout the state for staffing, minor maintenance and vandalism repair and janitorial services.

PUBLIC BENEFIT: Well-maintained state park facilities with perodic patrols by Park staff handle emergencies, visitor needs and provide support activities. Park staff's presence in facilities deters vandalism and destruction of state property and resources.

ECONOMIC STIMULATION: Funds will be invested in facility maintenance to ensure mirimum dogradation to state resources. Revenues will also be used to support current level of staff months to retain experienced field staff. This will preclude high attrition and subsequent high costs for training of new staff. Staffing stability especially in a snasonal work force is necessary to maintain acceptable standards for visitor safety, health and a sanitary environment. Salaries will be spent by staff personnel in local communities for needed goods and services. Contracts will be initiated with local vendors for supplies and materials required for minor maintenance and janitorial services.

DIRECT REVENUE TO THE STATE: In FY89, we anticipate collecting $910,000 from park fee activities. The prior approval of Program Receipts by the Legislative Branch allows State Parks to retain $628,400 of collected revenue for reinvestment in facilities maintenance and visitor services. This continues to be a positive incentive for field personnel and the general public. Unfortunately, the oil spill in Prince William Sound result in changed visitor destinations and an impact directly on tourism and as a result there will be a decline in revenue spent to our state. In FY89, this could result in loss of over $150,000 in fee revenue in the State Park System. The retention of our

(Continued on next page)

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	58.4	
200	Travel	9.8	
300	Contractual Services	69.8	
400	Supplies	7.7	
500	Equipment	4.5	
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	150.2	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	150.2	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

___ Enhance Existing Service
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___ New Service Compared
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field staff and maintenance of quality standards in our park units will guarantee our capability to collect fee revenues by providing visitors an enjoyable and rewarding experience.

SUPPORT GROUPS: Local merchants and recreational support businesses; Division of Tourism; visitors served by the State Park System.

WHAT WILL HAPPEN IF THIS INCREMENT IS NOT FUNDED: Layoffs will be implemented which will inhibit our capability to enforce compliance and collect the minimum fees in the State Park System. This domino theory will ultimately arrest all fee collection capability and reinvestment of these revenues into park facilities. The most paramount loss will be to our staff of experienced technicians, maintenance workers, and rangers who cannot survive in Alaska with less than 5 months of compensated work. This loss will [illegible]gate our capability to deploy a work force with the skills and knowledge to guarantee visitor safety and to ensure that existing park facilities are well maintained to encourage public use and appreciation.

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BRU Park and Recreation Management

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INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
OIL SPILL CLEAN UP COSTS FY 89 /

AGENCY CONTACT/PHONE NUMBER:

Frank Mielke 745-7200

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The recent oil spill may have caused significant damage to existing stands of Beach Wildrye Elymus mollis. These communities are extremely important in preventing coastal erosion.

The Alaska Plant Materials Center (PMC) is the only agency in state government with experience in dealing with this species. No federal agency has been identified as being experienced with the species.

The PMC has supervised the re-establishment of Beach Wildrye communities on a 27-acre site on Adak, St. Paul, Red Dog port site and Prudhoe Bay.

This increment will permit members of the PMC staff to assess the damage to these vegetation communities and determine what, if any, corrective measures should be attempted to rejuvenate the existing stands.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	5.0	
200	Travel	15.0	
300	Contractual Services	3.0	
400	Supplies	3.0	
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	26.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	26.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

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BRU AGRICULTURAL MANAGEMENT

COMPONENT AGRICULTURAL MANAGEMENT

PROJECT OIL SPILL CLEAN UP

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INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)

Additional Travel for Oil and Gas Lease Sales

AGENCY CONTACT/PHONE NUMBER:

Carol Wilson 465-2400

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

This increment will fund additional travel for the Commissioner or her staff to attend hearings or meetings in areas proposed for state oil and gas lease sales. In the wake of the Exxon Valdez oil spill, the department will need to expend extra effort to restore public confidence in state management of oil and gas development. The Commissioner will be required to attend hearings or meetings to explain what DNR will do differently as a result of the oil spill disaster.

The department currently proposes to hold five oil and gas lease sales during FY 90, and will continue to gather socioeconomic and environmental data for eight other sales. This increment would pay for one trip for each of these 13 sales (13 x $1,500).

In the early years of the state's oil and gas leasing program, the Commissioner routinely traveled to local communities to discuss oil and gas leasing proposals. As the public became more accepting of oil and gas development, the Commissioner's presence at local meetings was rarely required. The oil spill has dramatically changed public acceptance of oil and gas development. The Commissioner must once again become closely involved in the oil and gas leasing public participation process.

CODE	EXPENDITURE BY OBJECT	ACENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel	19.5	
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	19.5	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	19.5	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

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Revised Date:

TO: Barton
FR: Lyles 3/95

N/DECREMENT DESCRIPTION (Limit to 30 characters)
lex Oil Spill - Information Management and Damage Assessment of Multi-Resource Impact

AGENCY CONTACT/PHONE NUMBER: Dianne M. Lyles 762-2384

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

NEED

The Department, as the land management agency for State interests, lacks adequate information management and damage assessment resources for quantification of the acres of land and miles of shoreline which are polluted. This increment would be used to supplement the Department's current GIS Project, whose technical forte is this type of assessment inventory and modeling work.

WHAT WILL THIS PROVIDE THE STATE and THE PUBLIC

The GIS Project would work closely with government agencies such as the EPA Emergency Response information management group and the USGS EROS office in Anchorage, and State agencies such as DEC and Fish and Game. It is our current information that the Federal agencies are in a position to provide the necessary computerized basemap and pollution data available from remote sensing imagery. This data would be provided to the Department in a cooperative fashion.

The GIS Project will take this computerized information and combine it with the necessary thematic overlays using the project's existing Data General MV8000 environment. Thematic overlays will be created using Department and interagency data. Although not exhaustive, thematic products will include such topics as:

1) Ownership information for uplands, tidelands, and submerged lands.
2) Administrative information such as Legislatively designated areas, land use designations from the Prince William Sound Area Plan, Game Management Units, Fisheries Management Units, etc.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	121.6	
200	Travel	5.0	
300	Contractual Services	58.0	
400	Supplies	40.0	
500	Equipment	239.5	
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	464.1	
	I-A Transfer (MBR-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	464.1	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT	3.0	
	PPT		
	Non Permanent		
	Staff Months	36.0	

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PROJECT Geographic Information System

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3) Land use information to include noncommercial activities such as archeological sites, kayak routes, cabins, fishing spots, hunting, camping, etc., and commercial activities such as ferry routes, fishing, guide areas, herring areas, villages, towns, etc.
4) Wildlife habitat to include the uplands issues of anadromous streams, tidelands, to include commercial and noncommercial species, and submerged species such as crabs and shrimps, etc.

From these thematic layers, the Project will process and model the necessary damage assessment information. Products from this process will include:

1) Color cartographic products in large format and at regional and local scales.
2) Statistical summary reports on issues such as acres of land, miles of coast, number of salmon streams, number of camp sites, etc. impacted by the pollution.

These products will be used as decision making tools for the Department and other agencies. The Department will also make these products available to the Public in a format that is most compatible with the answers needed for a variety of State sectors.

WHAT WILL THIS PURCHASE

This increment will purchase the following project resources:

Personnel - An Analyst/Programmer III (17A) will be required for data management and necessary application programming, and NROII (16A) will be required to perform the resource modeling and output product generation, and a Data Processing Clerk II (11A) will be required for data input.
Travel - Travel monies will be needed to coordinate with government agencies in Juneau.
Contractual Services - Monies will be needed to provide maintenance for the incremental equipment required. $5k is also needed to provide new staff with the necessary training.
Supplies - Supply monies will be needed for plotter paper and supplies, magnetic tapes, printer papers, and reproduction costs.
Equipment - Although the existing GIS Project has adequate equipment to meet existing Department needs, this incremental project would require the ability to process large amounts of new data, to deal with data management, and to provide output products rapidly and of a professional quality. Details are as follows:

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Two workstations	$126.0
Ethernet (communications)	15.0
Electrostatic Plotter	65.0
High density tape backup	15.0
PC ARC/INFO software	10.0
TINS software	8.5
TOTAL	$239.5

WHAT WILL THIS APPROACH SAVE

In addition to these incremental resources, this approach to oil spill assessment needs will benefit from the existing infrastructure of the LRIS Section. This project will require excellent implementation skills to deal with the complexities posed by the information and processing needs. This increment will directly use extensive services from the Section Chief, (initial project manager), the current GIS Project manager, existing technical and administrative staff, the Data General computer system, and close interagency ties within the public information management community. To meet this need via contract, or as a start-up approach in another State agency, would cause the State to incur a much higher price for the same services.

WHAT WILL HAPPEN IF INCREMENT NOT FUNDED

Current GIS Project resources are required to meet current Department resources information interpretation. Without this increment, the State, Department and the Public will be unable to receive, process, interpret and quantify the damage assessment to State uplands, tidelands, and submerged lands.

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INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters) **Oil Spill**

AGENCY CONTACT/PHONE NUMBER:
Veronica Gilbert and Gary Gustafson 762-2253 and 762-2692

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED & WHAT IT PURCHASES:

Need: The Division of Land and Water Management (DLWM) needs an active field presence in areas hardest hit by the Exxon Valdez oil spill. There is an immediate need for a full-time field office in Valdez; there may be a need for seasonal field offices in Seward, Homer, and Kodiak. Field offices would provide the following services:

1. evaluate damage to state-owned tidelands from the Exxon Valdez oil spill,
2. determine cleanup priorities,
3. identify cleanup methodologies,
4. issue necessary authorization (permits, water rights, etc.) for cleanup activities and offshore mooring of vessels housing cleanup crews, and
5. provide information to the public.

In addition, a staff position is needed in Anchorage to provide the following services:

1. coordinate field office activities,
2. operate a Geographic Information System workstation in the Public Information Office (Anchorage) to provide ready access of resource and damage information to the public and adjudicators, and
3. conduct research as needed by the Attorney General's Office.

Benefit: Expedite cleanup operations by providing onsite agent with authority to issue necessary permits. Help restore public confidence in state resources in affected areas by providing readily accessible, accurate information on the extent of damage and the condition of state resources. Finally, provide necessary agency support to litigation that would benefit the state.

CORE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ
100	Personal Services	195.2	
200	Travel	37.0	
300	Contractual Services	357.8	
400	Supplies	37.5	
500	Equipment	128.8	
600	Lands, Bldgs, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	756.3	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	756.3	
1005	Program Receipts/GF		
1007	I-A Receipts		

POSITION INFORMATION			
	PFT	2.0	
	PPT	4.0	
	Non Permanent		
	Staff Months	48.0	

☐ Enhance Existing Service Compared to FY 89
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☐ Continuation of FY 89 Service Level
☐ Formula Program

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Economic Stimulation: Preserve or restore the resources that support shore fishery leases, glacier ice harvesting, tourism, mariculture, logging, and mining.

What Will Happen If This Increment Is Not Funded: These services would be provided in reduced by existing staff in Anchorage. Response time would be slower, familiarity with onsite conditions would be considerably reduced, and there would be less coordination with Exxon and other agencies. Furthermore, staff would be diverted from other services on which the public depends.

Direct Revenue to the State: Fees for permits, leases, and water rights.

Estimated Allocation of Costs:

Valdez Field Office:

100 Personal Services

Natural Resource Manager I	Range 18	12 Months	$53.1
Natural Resource Officer II	Range 16	6 Months	23.1
Subtotal			$76.2

200 Travel $10.0

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300 Contractual	
Helicopter	$ 84.0
Boat	46.2
Floatplane	75.0
Office Space	15.0
Utilities	7.2
Vehicle Maintenance	4.0
Microfiche Reader	14.4
Mainframe Hookup	1.5
Copier Maintenance	1.2
Subtotal	$248.5
400 Supplies	
Maps	$ 6.5
Field Supplies	5.7
Office Supplies	7.3
Subtotal	$19.5
500 Equipment	
Boat and peripherals	$ 29.2
Vehicle	25.0
Computer (Personal Computer with Mainframe capability)	7.0
IBM Reader/Printer	12.0
Other (fan, copier, phone, video camera)	4.0
Subtotal	$ 77.2
TOTAL	$421.6

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Anchorage

100 Personal Services			
Natural Resource Manager I	Range 18	12 Months	$ 51.2
200 Travel			$ 3.0
300 Contractual			$ 2.0
300 Personal Computer GIS Station			$ 20.0
400 Supplies			$ 3.0
TOTAL			$ 74.3

Cost For Each Additional Field Office (Seward, Homer, Kodiak):

100 Personal Services			
Natural Resource Officer	Range 16	6 Months	$ 22.6
200 Travel			$ 2.0
300 Contractual			
Helicopter			$ 8.4
Boat			4.6
Floatplane			7.5
Office Space			2.4
Utilities			1.2

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Vehicle Maintenance	4.0
Mainframe Hookup	1.0
Subtotal	$ 29.1
400 Supplies	$ 5.0
500 Equipment:	
Vehicle	$ 16.0
Mainframe Terminal	1.2
Subtotal	$ 17.2
TOTAL - SEWARD	$ 79.4
TOTAL - HOMER	$ 79.4
TOTAL - KODIAK	$ 79.4

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OILSP.CS

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INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Management of data critical to evaluating oil spill contingency plans to facilitate effective cleanup operations

AGENCY CONTACT/PHONE NUMBER: James Hansen 762-2184

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES: The state lacks a centralized, managed database containing all of the information needed to evaluate oil spill contingency plans, and to facilitate effective cleanup in the event of spills. Such a database would contain a variety of pertinent physical, and biological information: direction of ocean currents, tidal ranges, prevailing wind directions, documented ocean bottom and shoreline morphologies on a site specific basis, fish hatchery locations, bird nesting areas, areas of sea mammal concentrations, sport and commercial fisheries information, etc. In addition, the database would include logistical information such as the location, description and quantity of in-state oil spill cleanup gear, the location and specifics of barges used for cleanup, the location and specifics of other air, sea and land transportation alternatives, locations of oil spill equipment outside Alaska (including foreign countries), how long it takes to mobilize all these resources, etc.

The Division of Oil and Gas (DOG), through the utilization of the expertise and computer resources of its Resource Evaluation (RE) section should become the lead state agency responsible for maintaining this database, rather than having the state establish a new group of people with the necessary computer capabilities. DOG already possesses most of these resources within its RE section, both in personnel and in computer hardware and software. Placing this database management responsibility within the RE section of DOG would be a cost effective way to amass and centralize the data necessary to evaluate statewide spill contingency plans of the oil industry, so that future response by the oil companies and state and federal agencies would be swift and efficient.

The RE section has recently purchased the Oracle database software which is housed in the MicroVAX II. With the purchase of additional disk space this database could easily store the required information. The section already has the entire state coastline digitized in the current database; any localized updating would be an inexpensive task.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	120.0	
200	Travel	10.0	
300	Contractual Services	15.0	
400	Supplies	2.0	
500	Equipment	70.0	
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	217.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	217.0	
1006	I-A Receipts		
	Other		
POSITION INFORMATION	PFT	2.0	
	PPT		
	Non Permanent		
	Staff Months	24.0	

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Personnel within the RE section have expertise in modeling, database design and database management. In addition to the MicroVAX II the RE section has two 386 PCs and a 3100 VAX workstation (in the process of being purchased). The combination of hardware/software and in-house expertise will facilitate a timely and effective execution of this proposed project's stated goals.

Only two new positions would be created, Analyst/Programmer III and Natural Resources Manager (NRM) III. The Analyst/Programmer would be responsible for the writing, installing and updating of the database software, and for insuring that persons at remote spill sites can, through the use of PCs, access the information. The NRM III would be responsible for obtaining the necessary data from outside sources and for coordinating the input of these data into the database, and the dissemination of the data during times of emergency.

In addition to providing the information necessary for swift response to any future oil spill, this database would also be utilized by DOG on an ongoing basis in preparing its best interest findings prior to each scheduled oil and gas lease sale.

6% vacancy factor figure in personnel services.

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AGENCY NATURAL RESOURCES

BRU PETROLEUM MANAGEMENT

COMPONENT PETROLEUM MANAGEMENT

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INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Oil Spill - Historic resource monitoring and assistance.

AGENCY CONTACT/PHONE NUMBER:
Jack Wiles 762-2603

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

NEED: Archaeologists to work with Incident Command Centers and cleanup groups to provide expertise that will protect historic and archaeological sites impacted by the Exxon Valdez oil spill from inadvertent destruction. Data entry of archaeological and historic site information on Alaska Heritage Resources Survey.

PUBLIC BENEFIT: Provide expertise, coordination and oversight to the numerous agencies and Exxon regarding the impacts of the cleanup activity on historic and archaeological sites, protection strategies, research methodology, evaluation of site significance, and data recovery. Provide site location information on historic and archaeological sites to all parties working.

ECONOMIC STIMULATION: Increased staff months for existing seasonal employees.

DIRECT REVENUE TO THE STATE: None.

WHAT WILL HAPPEN IF THIS INCREMENT IS NOT FUNDED: If increment is not funded, the state's historic and prehistoric resources will be impacted without the state historic preservation experts having an input into the decisions which have the potential to destroy sites. The state will not be fulfilling its responsibilities under the Alaska Historic Preservation Act and the National Historic Preservation Act to protect and preserve historic sites as well as assist federal and state agencies in making decisions that impact historic resources.

The oil spill impacts a historically rich area. Although few archaeological and historical surveys have been conducted, the Alaska Heritage Resources Survey indicates 460 prehistoric and 140 historic known sites may be effected by the oil spill. Impacts will come from beach cleanup and crew camp sites. The Pacific coast was the center of Alaska's highest prehistoric native population. It is expected that the unknown sites outnumber known sites.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	132.2	
200	Travel	45.0	
300	Contractual Services	20.0	
400	Supplies	15.0	
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	212.2	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	212.2	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months	30	

___ Enhance Existing Service
/ / Compared to FY 89

/X/ New Service Compared to FY 89

___ Continuation of FY 89
/ / Service Level

/ / Formula Program

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/ / Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/DECREMENT REQUEST

Agency Priority _____ of _____
C5c

AGENCY Natural Resources

BRU Park and Recreation Management

COMPONENT State Historic Preservation Program

PROJECT Historic Resource Management

FY 90

Revised Date _____

INCREMENT/DECREMENT DESCRIPTION (Limit to 90 characters)
Oil Spill - Historic Resource Management damage assessment

AGENCY CONTACT/PHONE NUMBER:
Jack Wiles 762-2603

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

NEED: The Exxon Valdez oil spill necessitated cleanup and impact assessment activities well beyond the expected and funded level for the Office of History and Archaeology. Identification of sites are being effected and the degree of effect is absolutely necessary to be able to manage coastal sites. A critical investigation is the effect of the oil spill and the ability to radiocarbon date oil contaminated archaeological sites. That method is the only widely accepted method of assigning a numeric age to prehistoric deposits.

PUBLIC BENEFIT: Allow assessment of effects on cultural sites which are managed for interpretation of past lifeways, resource use and scientific research. Interpretation of archaeological sites provides a major attraction for tourism and the knowledge of local residents. Assessing the impact of the oil spill will provide direction on what has to be done to mitigate impacts so that normal management of the resource can proceed.

ECONOMIC STIMULATION: Increased staff time for existing seasonal employees; local expenditures with air and boat charter companies and other support businesses.

DIRECT REVENUE FOR THE STATE: None.

WHAT WILL HAPPEN IF THIS INCREMENT IS NOT FUNDED: Effects on the state's historic and prehistoric sites in the spill area will be unknown except from happenstance. The ability to plan future management of cultural resources will be severely impaired because the state will lack information about the degree of degradation suffed from the oil spill. Suitability of archaeological sites for development and interpretation will be questionable and expensive to resolve. Construction and other development projects will be delayed because methods of site mitigation will be unknown until impacts are assessed. Dates assigned to sites will be questionable until impact assessment and mitigation has been accomplished.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	248.8	
200	Travel	52.0	
300	Contractual Services	50.0	
400	Supplies	9.0	
500	Equipment	5.0	
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous	37.7	
	TOTAL	402.5	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	402.5	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months	45	

/ / Enhance Existing Service Compared to FY 89

/X/ New Service Compared to FY 89

/ / Continuation of FY 89 Service Level

/ / Formula Program

/ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

CS INCREMENT/DECREMENT REQUEST

Agency Priority ____ of ____

AGENCY Natural Resources

BRU Park and Recreation Management

COMPONENT State Historic Preservation Program

FY 90

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
1989 Valdez Oil Spill: Parks field teams

AGENCY CONTACT/PHONE NUMBER:
Jack Wiles 762-2603

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

NEED: To maintain response to Valdez oil spill to protect park and tourism resources and to coordinate cleanup activities by U.S. Coast Guard/Exxon/DEC. The division does not presently have adequate staffing for FY90 to respond to the oil spill.

PUBLIC BENEFIT: Damage to park areas from the oil spill will be reduced and well managed cleanup effort will help park resources to recover quicker improving biological, recreational, scenic and tourism resources and values of these areas. From the site of the spill in Prince William Sound to Kodiak Island, there are 12 existing coastal state park units, outside of Cook Inlet, that are expected to receive some degree of oil on the coastline of these areas. If oil goes into Cook Inlet or the marine parks proposed in SB 42, 14 additional state parks may be affected. Thus, potential oil spill impacts to 26 areas are of direct concern to the division. This increment would provide for the direct field supervision of cleanup work by two teams. Each team is comprised of a Park Ranger I and Archaeologist I. Their task is to supervise field cleanup work, monitor compliance with park use permit stipulations, make on-site resource management decisions about cleanup methods and priorities, and provide law enforcement and public safety support to the cleanup effort.

ECONOMIC STIMULATION: Coastal community economies will benefit from payroll and purchasing under this increment. A well managed cleanup if affected state parks will help to restore the biological, recreational and scenic attractiveness of these areas to both in-state and out-of-state visitors. Clean and biologically productive state parks are important to the tourism industries in the affected coastal communities.

DIRECT REVENUE TO THE STATE: None.

SUPPORT GROUPS: Visitor industry, conservation groups, outdoor recreation groups, sport and commerical fishing industry, local communities.

(Continued on next page)

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	80.0	
200	Travel	10.0	
300	Contractual Services	13.0	
400	Supplies	5.0	
500	Equipment	5.0	
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	113.0	
	1-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	113.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent	4	
	Staff Months	24	

___ Enhance Existing Service
/ / Compared to FY 89

/ X / New Service Compared to FY 89

___ Continuation of FY 89
/ / Service Level

/ / Formula Program

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/ / Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

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AGENCY Natural Resources

BRU Park and Recreation Management

COMPONENT Park Management

FY 90

Funding to support this work is budgeted as follows:

100 Personal Services:

Park Ranger I	Range 14	6 months x $2900 =	$17.4
Park Ranger I	Range 14	6 months x 2900 =	17.4
Archaeologist I	Range 16	6 months x 3764 =	22.6
Archaeologist I	Range 16	6 months x 3764 =	22.6
TOTAL:			$80.0

200 Travel: Transportation between Anchorage, Homer, Valdez, Seward and Kodiak to work with incident command staffs and other agencies for existing staff and two field teams.

$250 per trip for 20 trips =	$5.0
Field per diem 150 days x 4 x $16 =	9.6
Miscellaneous expenses =	3.0
TOTAL:	$10.0

300 Contractual Services:

Aircraft charters =	$8.0
Boat charters =	5.0
Photo processing =	2.0
TOTAL:	$13.0

400 Supplies:

Field equipment (safety, survival, field camp gear) =	$5.0
TOTAL:	$5.0

500 Equipment: 2 portable hi-band radios; 2 portable ground/air radios; Boat/motor/trailer; Work boat/motor/trailer; Camera/video equipment; Miscellaneous = TOTAL: $5.0

GRAND TOTAL: $118.0

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Oil Spill Increment-Fee revenue loss and economic impact on State Park System (FY90)

AGENCY CONTACT/PHONE NUMBER:
Jacke Miles 762-2603

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

NEED: The anticipated decline to visitors in Alaska due to the oil spill in Prince William Sound will have a direct tangible impact on our capability to generate revenue from our park user fee program. Funds from this program are used throughout the state for staffing, minor maintenance and vandalism repair and janitorial services.

PUBLIC BENEFIT: Well-maintained state park facilities with perodic patrols by Park staff handle emergencies, visitor needs and provide support activities. Park staff's presence in facilities deters vandalism and destruction of state property and resources.

ECONOMIC STIMULATION: Funds will be invested in facility maintenance to ensure minimum degradation to state resources. Revenues will also be used to support current level of staff months to retain experienced field staff. This will preclude high attrition and subsequent high costs for training of new staff. Staffing stability especially in a seasonal work force is necessary to maintain acceptable standards for visitor safety, health and a sanitary environment. Salaries will be spent by staff personnel in local communities for needed goods and services. Contracts will be initiated with local vendors for supplies and materials required for minor maintenance and janitorial services.

DIRECT REVENUE TO THE STATE: In FY90, we anticipate collecting $940,000 from park fee activities. The prior approval of Program Receipts by the Legislative Branch allows State Parks to retain $628,400 of collected revenue for reinvestment in facilities maintenance and visitor services. This continues to be a positive incentive for field personnel and the general public. Unfortunately, the oil spill in Prince William Sound result in changed visitor destinations and an impact directly on tourism and as a result there will be a decline in revenue spent in our state. In FY90, the loss will impact directly on our capability to earn $900,000. The loss of fees coupled with a projected reduction of $240,000 in General Funds appropriations in the Park Management Component
(Continued on next page)

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	116.7	
200	Travel	19.5	
300	Contractual Services	139.4	
400	Supplies	15.2	
500	Equipment	9.2	
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	300.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	300.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

___ Enhance Existing Service
/ / Compared to FY 89

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/ / to FY 89

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/X/ Service Level

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Oper.

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C5 INCREMENT/DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Natural Resources

BRU Park and Recreation Management

COMPONENT Park Management

FY 90

will have a serious impact on staffing. The retention of our field staff and maintenance of quality standards in our park units will guarantee our capability to collect fee revenues by providing visitors an enjoyable and rewarding experience.

SUPPORT GROUPS: Local merchants and recreational support businesses; Division of Tourism; visitors served by the State Park System.

WHAT WILL HAPPEN IF THIS INCREMENT IS NOT FUNDED: Layoffs will be implemented which will inhibit our capability to enforce compliance and collect the minimum fees in the State Park System. This domino theory will ultimately arrest all fee collection capability and reinvestment of these revenues into park facilities. The most paramount loss will be to our staff of experienced technicians, maintenance workers, and rangers who cannot survive in Alaska with less than 5 months of compensated work. This loss will stagnate our capability to deploy a work force with the skills and knowledge to guarantee visitor safety and to ensure that existing park facilities are well maintained to encourage public use and appreciation.

C5 ADDITIONAL EXPLANATION FORM

C5f

AGENCY Natural Resources

BRU Park and Recreation Management

COMPONENT Park Management

Revised Date

FY 90

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
OIL SPILL CLEAN UP COSTS FY 90

AGENCY CONTACT/PHONE NUMBER:

Frank Mielke 745-7200

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The recent oil spill may have caused significant damage to existing stands of Beach Wildrye Elymus mollis. These communities are extremely important in preventing coastal erosion.

This increment will allow Plant Materials Center staff to monitor damage to Beach Wildrye communities into the 1989 growing season, and prepare plans for re-introduction of native stands or the repair of existing stands.

The PMC is the only agency with extensive experience in dealing with this species. Once plans and procedures are developed for restoration efforts, industry will be expected to conduct the actual planting, clean-up, and rehabilitation as determined necessary.

PMC staff will monitor industry in the rehabilitation effort and determine success.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	23.0	
200	Travel	9.0	
300	Contractual Services	5.0	
400	Supplies	5.0	
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	42.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	42.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

/ / Enhance Existing Service Compared to FY89

/ / New Service Compared to FY89

/ / Continuation of FY89 Service Level

/ / Formula Program

/ / New Facility Oper.

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C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY NATURAL RESOURCES

BRU AGRICULTURAL MANAGEMENT

COMPONENT AGRICULTURAL MANAGEMENT

PROJECT OIL SPILL CLEAN UP

FY 90

Page _____ of _____

Revised Date

MEMORANDUM State of Alaska

TO Alison Elgee
Director
Division of Budget Review
Office of Management and Budget

DATE April 13, 1989

FILE NO

TELEPHONE NO. 465-4100

FROM Don W. Collinsworth
Commissioner
Department of Fish and Game

SUBJECT: Oil Spill Impact Assessment

The Department of Fish and Game is currently in the field responding to the spill from the Exxon Valdez oil tanker. In addition, in cooperation with the National Marine Fisheries Service, Fish and Wildlife Service, the University of Alaska, as well as other state and federal agencies, we have proposed a series of assessment studies to determine the impact of the oil spill on the fish and wildlife resources in Prince William Sound. Through these efforts we hope to determine the social and economic losses to the people of Alaska, predict how long these impacts may last and determine if there are reasonable management or mitigation efforts that should be undertaken.

Given the uncertainty of when funding will be available from Exxon or possibly the federal government and the urgency of beginning our field assessment, the department is requesting a supplemental request for FY 89 and an amendment for FY 90 to cover the work already begun. C5s and project lists for both FY 89 and FY 90 are enclosed. We also request that a new Budget Request Unit be created for this project.

Our proposal shows General Fund as the funding source for both FY 89 and FY 90. Our intent would be that as other funding sources are identified, we would go to Legislative Budget and Audit and request a change in funding source from General Fund to Program Receipts (from Exxon) or Federal Funding. Considering the size of the program for the remainder of FY 89, we believe this is the only way we can keep from impacting our normal field season. However, we would look to your best judgment on FY 90. Perhaps FY 90 should be a mixture of Program Receipts and General Fund, with the caveat still in place that we would go to LB&A whenever we could identify funds to replace general funds.

I would be happy to supply any additional information you may need.

Enclosure

cc: Beverly Reaume
John Clark

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)

Oil Spill Impact Assessment

FY 89 SUPPLEMENTAL

AGENCY CONTACT/PHONE NUMBER:

Beverly Reaume/465-4120

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The oil tanker Exxon Valdez spilled between 10 and 11 million gallons of crude oil in the Prince William Sound (PWS) on March 24, 1989. This spill will have a major impact upon natural resources and human uses of these resources throughout PWS. The productivity of these resources and the economic viability of the fisheries and wildlife that they support are tied directly to the health of the fragile marine environment in the Sound. Birds and mamals that migrate through PWS this spring will also be impacted.

Because the Alaska Department of Fish and Game has statutory responsibility for the stewardship of marine resources in PWS, the department also has the responsibility to assess the impact of the oil spill on the fish and wildlife resources on behalf of the people of the State of Alaska. Based upon this responsibility, the department has critically evaluated the potential impacts from the oil spill and the severity of these impacts on the productivity of fisheries in the Sound. This evaluation has shown that studies involving many disciplines will be needed to adequately assess these impacts. Since many of these disciplines require expertise available only outside of the Department of Fish and Game, we are looking forward to cooperating with other agencies of the state and federal government, with universities, and with industry in assessing the impacts.

The goals and objectives of the following projects were formulated to assess the direct and indirect mortality to fish and wildlife, loss of future productivity, loss of commercial resources, loss of recreational value and to understand how ecological processes have been altered, compromised or destroyed. Through an understanding of these processes it will be possible to predict how long the effects will last and how the process of recovery might be enhanced by man.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	971.1	
200	Travel	121.7	
300	Contractual Services	1496.9	
400	Supplies	251.1	
500	Equipment	805.7	
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	3646.5	
	I-A Transfer (NON-ADD)	.	
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	3646.5	
1005	Program Receipts/GF		
1007	I-A Receipts		
POSITION INFORMATION	PFT	60	
	PPT	25	
	Non Permanent	85	
	Staff Months	300	

___ Enhance Existing Service
/X/ Compared to FY 89

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/___/ to FY 89

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/___/ Formula
___ Program
/___/ New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

C5 INCREMENT/DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Department of Fish and Game

BRU Oil Spill Impact Assessment

COMPONENT Oil Spill Impact Assessment

PROJECT _____

FY 89

Revised Date _____

ALASKA DEPARTMENT OF FISH AND GAME
OIL SPILL IMPACT ASSESSMENT

PROJECTS FY89		FY89 SUPPLEMENTAL					
		71000	72000	73000	74000	75000	Tota
Assessment of Intertidal Spawning Areas Directly Affected	SF	15.0	1.0	60.0	3.0	2.0	1
Pink and Chum Salmon Egg Mortality Investigations	CF	0.0	0.0	0.0	0.0	0.0	
Pink and Chum Salmon Pre-emergent Fry Sampling	CF	18.4	2.8	7.0	2.5	25.0	
Early Marine Salmon Studies (Smolt Survival)	FRED	75.0	8.0	70.0	50.0	100.0	3
Juvenile Pink and Chum Salmon Tagging Study	CF/FR	41.5	2.0	169.0	8.0	10.0	
Sockeye Salmon Tagging and Smolt Studies (Survival)	CF/FR	56.7	2.0	15.0	15.0	50.0	1
Coho and Chinook Salmon Tagging Study	CF/FR	20.0	4.0	2.0	2.0	10.0	
Impact on anadromous Cutthroat Trout and Dolly Varden	SF	64.0	1.3	17.8	45.3	36.0	1
Herring Spawn Deposition and Egg Survival Study	CF	57.0	5.0	105.0	20.0	30.0	2
Rockfish Sampling	SF	0.0	0.0	0.0	0.0	0.0	
Effects of Hydrocarbons on Bivalve Mollusks	FRED	0.0	0.0	0.0	0.0	0.0	
Dungeness Crab Sampling	CF	9.2	1.0	10.0	2.0	24.0	
Spot Shrimp Pot Survey	CF	8.5	2.0	0.0	4.0	0.0	
Brown King Crab Pot Survey	CF	0.0	0.0	0.0	0.0	0.0	
Multispecies Trawl Survey	CF	27.3	6.0	0.0	3.5	171.0	2
Histopathological examinations of finfish and shellfish	FRED	60.0	8.0	16.0	10.0	11.0	1
Harvest Inspection	CF	55.0	13.0	0.0	5.0	20.0	
Evaluation of Economic Impacts	OSIA	0.0	0.0	0.0	0.0	0.0	
PWS Recreational Fishery Harvest and Effort Study	SF	8.7	1.0	2.0	4.0	0.0	
Juvenile Salmon In Situ Bioassay	FRED	28.0	0.0	65.0	27.0	0.0	1
Management, Administrative & Technical Support	OSIA	108.8	5.0	397.8	5.0	202.0	7
Wildlife Assessment Technical & Administrative Support	DWC	8.5	5.0	30.0	2.0	0.0	
Impact on River Otter and Mink	DWC	9.6	2.0	20.0	0.0	0.0	
Impact on Black-tailed Deer and Deer Habitat	DWC	22.8	4.5	48.0	1.0	5.2	
Black and Brown Bear Impact Assessment	DWC	14.4	4.0	59.5	11.0	0.0	
Harbor Seal Impact Assessment	DWC	28.0	5.0	50.0	10.0	30.0	1
Impact on Steller Sea Lions	DWC	22.3	4.0	45.0	10.0	40.0	1
Impact Assessment of Marine Mammal Ecology	DWC	0.0	2.0	3.0	1.0	0.0	
Waterfowl and Sea Duck Impact Assessment	DWC	7.1	1.8	18.0	1.6	27.0	
Raptor, Passerine, and Scavenging Bird Impact Assessment	DWC	7.1	1.5	55.0	3.0	3.0	
Colonial & Cliff Nesting Birds and Shore Bird Impact	DWC	6.6	2.0	2.0	0.0	0.0	
Impact on Subsistence Use	SUB	15.0	5.0	62.0	2.0	3.0	
Oil Levels and Persistence on Critical Habitats	HAB	23.6	5.0	50.0	1.0	4.0	
Anadromous Fish Habitat Assessment	HAB	70.4	3.0	63.0	4.0	3.5	1
Information Coordination and Research Support (Library)	HAB	7.3	0.0	0.0	0.0	0.0	
Clean-up Assessment and Inspection Program	HAB	75.3	15.0	54.8	0.0	0.0	1
TOTAL		971.1	121.7	1496.9	251.1	805.7	3

MEMORANDUM State of Alaska

TO: Alison Elgee, Director
Division of Budget Review
Office of Management & Budget

DATE: April 14, 1989

FILE NO: jnr/366

TELEPHONE NO: 465-4322

FROM: Arthur English
Commissioner
Department of Public Safety

SUBJECT: FY 89 Supplemental
Valdez Oil Spill Costs

The Department of Public Safety requests an FY 89 Supplemental Appropriation of $ 217.2 to cover the departmental expenses that have been incurred and will be incurring through the balance of FY 89. These costs are directly related to the Valdez Oil Spill. The funding is to be distributed to the Division of Fish & Wildlife Protection, the Division of Fire Prevention, and the Division of Alaska State Troopers as follows:

I) Division of Fish & Wildlife Protection: $ 69.5

A) Enforcement & ISU Component:
Personal Services $ 23.6

B) Aircraft Component:
Contractual Svcs $ .9

C) Marine Enforcement Component:
Personal Services $ 25.7
Contractual Svcs 19.3
Total $ 45.0

II) Division of Fire Prevention: $ 3.5

A) Fire Prevention Operations Component:
Personal Services $ 2.0
Travel & Per Diem 1.5
Total $ 3.5

III) Division of Alaska State Troopers: $ 144.2

A) Detachment Component:
Personal Services $ 64.3
Travel & Per Diem 40.9
Total $105.2

B) Criminal Investigation Bureau Component:
Personal Services $ 25.3
Travel & Per Diem 13.7
$ 39.0

Attached are memorandums received from division Director's which explain in greater detail their efforts placed on this unfortunate situation.

Should you have any questions or concerns, please contact my Administrative Services Director, Ken Bischoff, at 465-4336. Your assistance in this matter is appreciated.

Attachments

CC: Colonel Robert Jent, Director
Division of Alaska State Troopers

Colonel Jack Jordan, Director
Division of Fish & Wildlife Protection

Sam Neal, Director
Director of Fire Prevention

Budget File

MEMORANDUM State of Alaska

TO: Arthur English
Commissioner
Department of Public Safety

DATE: April 10, 1989

FILE NO:

TELEPHONE NO: 269-5641

FROM: Colonel Robert E. Dent
Director
Alaska State Troopers

SUBJECT: Valdez Oil Spill
Expenditure Plan

The Division of Alaska State Troopers has responded to the Valdez Oil Spill disaster by increasing the number of law enforcement officers in Valdez in order to investigate the cause of the accident and to provide general law enforcement efforts to the temporarily expanded population.

Provision of these services has caused an unanticipated burden upon the budget of the Division. These expenditures are unavoidable and clearly beyond the normal activities of the Division. Spending will be kept to a minimum where possible, but costs are anticipated to increase in the areas of personal services, travel and per diem, equipment usage (contractual), and supplies. Expected expenditures in each of these categories are discussed below:

A. PERSONAL SERVICES

1. Enforcement: The oil spill has caused an influx of people into the Valdez area, they are looking for jobs, or they are protesting the oil companies handling of the cleanup. Prior to the oil spill AST had only one trooper assigned to that area. Since that time, it has been necessary to send additional support to assist the Valdez trooper.

2. Investigative: AST has assigned four commissioned troopers to handle the investigation into criminal charges involving the grounding of the Exxon Valdez. This has required investigators to be sent from the Anchorage Director's Office, Anchorage CIB, and Palmer Investigations. Investigation includes constant contact with the Valdez Police Department, the District Attorney's Office, the U.S. Coast Guard, Exxon, Alyeska Pipeline, and local residents in the area. This contact has not only been casual, but has consisted of extensive interviews.

3. Clerical/Administrative: Clerical assistance has been required to handle the transcribing of interviews collected from the investigators. This has required additional clerical support throughout the department. AST has solicited support from FWP, Administrative Services, and Fire Prevention. These clerical duties are over and above the normal routine tasks assigned to these individuals.

4. Dispatch: Dispatchers from Anchorage, Soldotna, and Fairbanks have been sent to assist the Division of Emergency Services. Their purpose will be to provide dispatching, typing, and sending messages, and to assist in any other clerical function needed in the Valdez area, due to the heavy workload placed on the personnel and area with the oil spill.

Overtime hours have been expended in all categories. Commissioned personnel have been indicating case #89-20572 on their activity report. Overtime hours expended by the clerical staff is indicated on their time sheet using collo code 12-62-1-243.

B. EQUIPMENT

1. Transportation: Additional transportation equipment may be necessary to assist in the enforcement and/or investigative activities of AST. This could include not only land transportation, but air as well. Air transportation could include efforts to check the progress of the oil spill's route pertaining to washing inland, or boarding one of the vessels located in the Prince William Sound area. This could include chartering additional air transportation in addition to the department's fleet already assigned to that area.

2. Investigative/Enforcement: Equipment may be required to assist the investigative and enforcement personnel located in Valdez. This may include cameras and similar tools required by the commissioned personnel.

3. Administrative: Additional equipment may be needed to assist the enforcement, investigative, and clerical staff. Equipment has been required to handle the additional clerical staff that has been pulled to assist in the transcribing. Clerical personnel have been pulled from various other duties during this time period, and therefore, have not had the required equipment to handle transcribing of interviews.

C. SUPPLIES

1. Supplies have been required not only in the Valdez area, but in the Anchorage area, for department personnel. Normal office supplies have been required to support the investigative and clerical staff. Most items have not been in stock and have had to be ordered. These items include: pens, pencils, film, cassette tapes, computer discs, etc.

2. Film processing will be required for investigative purposes. This processing will either be handled out of the Anchorage Headquarters or the Valdez local area.

3. Shipping will be required on all supplies taken to the Valdez area. Investigators will be taking commercial airlines and the excess supplies that will be required will be shipped by air freight. Shipment of supplies will be to and from the Valdez area. Expenses could be accrued with local air freight services, or the local postal services.

D. TRAVEL/PER DIEM:

1. TA's and TR's will be issued using the AST code 12-62-1-243. Travel has been required for the investigative staff to process the interviews in the Valdez area, and the additional enforcement personnel sent to these areas. The investigative team has been required to return to the Anchorage area every 4 to 5 days to process reports and to take their RDO's. The availability of housing in the area has made it extremely difficult to house our personnel. Per diem has been given to the personnel assigned to the Valdez area. A possibility could exist that actual expenses will have to be issued to the personnel with the increase in the lodging expenses in the area.

   Travel may be required to check the progress of the oil spill, either in Valdez or in the Prince William Sound area. Travel will also be anticipated on the peninsula to check the areas for the direction of the spill or any damage done to the area.

Other expenditures may be necessary at a later date. Approval for these invoices will only be authorized by Major McConnaughey, Lana Hobson, Frank Allan, or myself.

cc: Ken Bischoff
Major Terry McConnaughey
Lana Hobson
Frank Allan

Division of Alaska State Troopers
Valdez Oil Spill
Unbudgeted Personal Services And Travel Costs
FY 89 Estimate

A) PERSONAL SERVICES:

1) Investigators:

Sergeants:

Stockard - 1 month + O/T	$ 5.2	
McGhee - 1 month + O/T	5.2	
Schadle - .5 month	[illegible]	
subtotal		13.5

Troopers:

Burke - 1 month + O/T	4.8	
Grimes - 1 month + O/T	4.2	
Stickler - 1 month + O/T	5.0	
Storey - 1 month + O/T	5.2	
McMillon - 1 month + O/T	5.4	
Crawford - 1 month + O/T	5.5	
subtotal		30.1

2) Dispatchers:

Radio Dispatcher III		
Speerstra - 2 months + O/T		11.6
Radio Dispatcher II		
Austin - 2 months + O/T	11.0	
Kimsley - 2 months + O/T	8.9	
subtotal		19.9

3) Uniformed Trooper:

Not yet assigned - June 1 x 76F		7.1

4) Clerical Premium Pay:

Typing support 210 hrs @ 34		7.4
Total Personal Services Estimate		89.6

B) TRAVEL & PER DIEM

Airfare 24 round trips - Anchorage to Valdez @ 173 per		4.2
630 days @ $ 80 per		50.4
Total Travel & Per Diem		54.6

Total FY 89 Estimate	144.2

Division of Alaska State Troopers
Valdez Oil Spill
Unbudgeted Personal Services And Travel Costs
FY 89 Estimate
BRU & Component Spread of Costs

A) Alaska State Troopers BRU / Detachments Component	
(1) Personal Services	$ 64.3
(2) Travel & Per Diem	40.9
Component Total	105.2
B) Alaska State Troopers BRU / Criminal Investigation Bureau Component	
(1) Personal Services	25.3
(2) Travel & Per Diem	13.7
Component Total	39.0
BRU Total	$ 144.2

MEMORANDUM

State of Alaska

TO: Kenneth Bischoff
Director
Administrative Services
Juneau

DATE: April 14, 1989

FILE NO:

TELEPHONE NO: 269-5682

SUBJECT: FY89 & 90 Valdez Oil Spill Costs

FROM: Captain Conrad Seibel
Operations Commander
Fish & Wildlife Protection
Anchorage

This memo is to address your request for input on Fish & Wildlife Protection's need for supplemental funding for FY89 and FY90. Manpower is, basically, the only costs incurred by the division in the efforts for the oil spill. The manpower to date is based on total hours (straight time and overtime).

Trooper Mike Fox - Valdez

3/24/89 through present - 235.5 hours

Sergeant Roy Vanderpool - Cordova (Supercub)

3/28/89 through 4/14 - 49 hours

Trooper Jim Cavin - Cordova (P/V Burton)

3/28/89 through 4/4 - 111 hours

Trooper Bruce Lester - Seward (P/V Burton)

3/28/89 through 3/31 - 80.5 hours

Trooper Greg Hamm - Cordova (P/V Burton)

4/4/89 through 4/11 - 104 hours
4/14 through ?

FWEO Frank Bell - Cordova (P/V Burton)

4/3/89 through 4/15 - 133 hours

P/V Vigilant - escort of "Exxon Valdez" to Naked Island
4/4/89 through 4/8/89
Corporal Dean Layton - 66 hours
Trooper Dan Culbertson - 66 hours
ABO Eggerman - 59 hours
ABO Steele - 59 hours
Engineer Stenglein - 59 hours

Projected salaries to date: $33,691

For additional consideration is the equipment used in our divisional efforts.

Projected vessel operating costs: $12,328
P/V Burton - 3/28/89 through present, 18 days x $414/day = $7,452
P/V Vigilant - 4/4/89 through 4/8/89, 4 days x $1,219/day = $4,876

Projected aircraft operating costs: $878
Supercub, Cordova - 3/28/89 through present, 13.1 x $67/hr. = $878

Year-to-Date Costs: $46,897

Future plans involve 7 to 10 additional days for the P/V Burton sailing the Sound to wire shrimp pots open, contact fishermen references pots and spill impact. On 4/17 or 4/18, plans are being made for the P/V Burton to coordinate security efforts with Purcell security for cleanup crews in several areas in protection of potential bear problems. This includes enforcing the taking or defense of life and property regulations.

Potential use of the P/V Burton by the Department of Environmental Conservation for 5 to 7 days for three of their scientists.

In summary, we are planning a maximum of 17 days for a crew of two:

P/V Burton crew of two for 17 days straight = $11,164 (1 Trp. & 1 FWEO)
or 15,500 (2 Troopers)

P/V Burton operating costs, 17 days @ $414.00 per day = $7,038

Future FY89 Costs: $18,202 - 22,538

This can change dramatically; however, if support needs or security efforts are required and we should not be locked into this forecast. We have other areas on standby which may incur costs if the spill enters into critical regions.

The above costs are in direct relation to the oil spill and should be considered as reimbursable by Exxon. However, this division would have been impacted more if the oil spill did not occur. Our seasonal hires and sea pay costs have decreased due to the closure of the herring fishery in addition to the P/V Caution not being utilized with the closure. Thus we are forecasting less premium pay requirements with the oil spill. FY90 costs are unknown at this time but should have minimal impact if we proceed as planned.

In closing, the Valdez oil spill has had a impact on our enforcement efforts and their associated expenses but the majority of costs would have been incurred only under different circumstances, fisheries instead of oil spills.

cc: Colonel Jordan
Captain Gilson
Karen Allam

MEMORANDUM State of Alaska

TO: Alison M. Elgee, Director
Division of Budget Review
Office of Management and Budget

DATE: April 14, 1989

FILE NO:

TELEPHONE NO:

THRU: Larry Merculieff, Commissioner
Department of Commerce and
Economic Development

SUBJECT: Valdez Oil Spill Recovery
Appropriation

FROM: Paul Roller, Director
Division of Insurance
Department of Commerce and
Economic Development

Our inquiries about the oil spill caused by the Exxon Valdez have produced evidence to date showing that Exxon is covered by "unauthorized" insurance. These insurance arrangements are outlined in the attached memoranda dated April 6, 1989 and April 11, respectively.

Our records do not indicate that Exxon has ever paid premium taxes on this insurance as is required by AS 21.33.055 or AS 21.33.061 for this year or any other year. If Exxon has in fact violated the insurance code, there will be civil penalties levied. The tone and tenor, however, of Richard Riordan's letter (copy attached) indicates that collection efforts will be protracted and costly. Further, it is our opinion that other entities associated with the spill have similar insurance arrangements.

I estimate that two existing financial examiner positions will each spend one-third of their time and the existing investigator will spend one-quarter of his time on these and related oil spill activities. Accordingly, I estimate the cost to be $21.1 for each financial examiner and $16.0 for the investigator for a total of $58.2 in personal services. The Deputy Director, other staff, and I will also be involved in oil spill related activities, but the extent of that involvement is as yet unknown. In addition to the personal services costs, there will be travel and contractual costs incurred during the investigative and hearing process estimated at $20.0 and $50.0, respectively. I anticipate that the division will be inundated with subpoenas and court dates.

Funds are also requested for the preparation and publication of a consumer handbook which will include our new Unfair Claim Settlement Practices regulation. The individuals affected by the spill will be filing numerous insurance claims. The handbook will give instructions on how to properly submit a claim so that it will not be delayed in processing and what consumers should expect from the insurance companies involved in claims handling. Our estimate is that there will

be between $1.5 and $2.0 billion in claims submitted. An extremely rough estimate for 5000 copies of a handbook of 25 pages is $10.0 for preparation and printing.

In addition, I anticipate holding a series of public hearings in Valdez and surrounding communities to answer insurance questions. AS 21.06.115 and case law hold that the purpose of the division's activities is to protect the consumer. I envision the need for two to four staff members to be available in Valdez to assist consumers for a period of several weeks. I anticipate that the division's two consumer complaint specialists will be flooded with calls and complaints. By having staff on-site, we hope to mitigate that onslaught. I estimate $10.0 for travel costs in FY 89 and $30.0 for FY 90 travel.

This budget amendment submission is a best guess at this point in time. It is quite conceivable that the division will need additional funds at a later date. In summary, the division is currently requesting:

	FY 89	FY 90	Total
Personal Services		$ 58.2	$ 58.2
Travel	$10.0	50.0	60.0
Contractual	10.0	50.0	60.0
TOTAL	$20.0	$158.2	$178.2

It cannot go unnoticed that perhaps the single most important matter in the oil spill is whether Alyeska or Exxon and/or their insurers can and will answer in damages for the harm caused. An important function of the Division of Insurance is that "insurance transactions with nonadmitted insurers are so affected with a public interest as to require regulation, taxation, supervision and control of the transactions and matters relating to nonadmitted insurance . . ." AS 21.33.011.

Your approval of this budget amendment is requested.

PR/JB/wfs8022V
41489d

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Insurance Consumer Handbook FY 89

AGENCY CONTACT/PHONE NUMBER:
Joan Brown 465-2597

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Division of Insurance proposes to contract for the preparation and publication of a new consumer handbook. This publication will contain data on how to file insurance claims properly so that they are not delayed in processing. It will also contain relevant sections of the division's new Unfair Claim Settlement Practices regulation and information on what claimants should expect from insurers in claim handling.

The division estimates claims for damages will be filed totalling $1.5 to $2.0 billion, so the information in the proposed handbook is extremely important.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel		
300	Contractual Services	10.0	
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	10.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	10.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

/ / Enhance Existing Service Compared to FY89
/X/ New Service Compared to FY89
/ / Continuation of FY89 Service Level
/ / Formula Program
/ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

6964M

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority ____ of ____

AGENCY Commerce and Economic Development
BRU Insurance
COMPONENT Operations

FY 89

Page 1 of 1
Revised Date:

INCREMENT/DECREMENT DESCRIPTION (Limit to 98 characters)
Public Hearings on Insurance Matters FY 89

AGENCY CONTACT/PHONE NUMBER:
Joan Brown 465-2597

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:

The Division of Insurance plans to hold a series of public hearings in Valdez and surrounding communities to answer insurance questions. In addition, staff members will be on-site for several days at a time to provide on-going assistance in order to mitigate the expected flood of calls and complaints from confused or irate residents in the affected communities.

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services		
200	Travel	10.0	
300	Contractual Services		
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	10.0	
	I-A Transfer (NON-ADD)		
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	10.0	
1005	GF/Program Receipts		
1007	I-A Receipts		
POSITION INFORMATION	PFT		
	PPT		
	Non Permanent		
	Staff Months		

/ / Enhance Existing Service Compared to FY89
/X/ New Service Compared to FY89
/ / Continuation of FY89 Service Level
/ / Formula Program
/ / New Facility Oper.

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

6964M-3

C5 INCREMENT/ DECREMENT REQUEST

Agency Priority _____ of _____

AGENCY Commerce and Economic Development

BRU Insurance

COMPONENT Operations

PROJECT

FY 89

Page 1 of 1

Revised Date:

MEMORANDUM

State of Alaska

TO: Guy Bell, Director
Division of Administrative Services

DATE April 11, 1989

FILE NO D.3.0.

TELEPHONE NO (907) 345-7750

THRU: Edward Mosel, Director

SUBJECT Valdez Weigh Station Costs

FROM: Aves D. Thompson, Chief
Division of Measurement Standards
Department of Commerce and
Economic Development

The attached worksheet is an update based upon the requirement to keep the Valdez weigh station open 24 hours per day, 7 days per week. There will be an additional requirement for small amounts of overtime to maintain this schedule.

A small, high speed fax machine was placed in the facility to process and receive oversize/overweight permits. It was anticipated that the fax lease cost would be a charge-back item for the duration of the project. The only other projected costs, at this point, are for operating supplies.

cc: Marvin Rieger, Administrative Officer
MaryAnn Ammi, Accounting Technician I

FY-93 Personal Services Valdez Weigh Station [illegible]

Division of Measurement Standards

PIN	Name	Loc	PEC	Salary #1	Mo	Salary #2	Mo	Total Salary	Total Benefits	Total Costs
185078-S	Hall	Fox	W/S	$2,155.00	2.7	$0.00	0.0	$5,818.50	$2,438.40	$8,256.90
185192-S	Reif	Fox	W/S	$2,155.00	2.7	$0.00	0.0	$5,818.50	$2,438.40	$8,256.90
185079-S	Hogg	Ster	W/S	$2,072.00	2.7	$0.00	0.0	$5,594.40	$2,389.54	$7,983.94
185085-S	Green	Vez	W/S	$2,895.00	2.7	$0.00	0.0	$7,816.50	$2,873.96	$10,690.46
								$25,047.90	$10,140.30	$35,188.20
						Long Term Per Diem				$12,300.00
						Total Cost				$47,488.20

MEMORANDUM State of Alaska

TO: Representative Kay Brown
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

DATE: April 24, 1989

FILE NO: ae78/wp50

TELEPHONE NO: 465-3568

FROM: Alison M. Elgee, Director
Office of Management and Budget
Division of Budget Review

SUBJECT: FY 90 Oil Spill Impact

Attached are the FY 90 proposals received to date from agencies involved with the assessment and mitigation of the social, economic, and environmental impacts of the Prince William Sound oil spill.

The Administration has had insufficient opportunity to review and coordinate these proposals to assure that they are all necessary and unduplicated expenditures. We are also faced with considerable unknowns which may generate additional FY 90 proposals for expenditure. A cabinet level task force has been created, chaired by the Governor's Chief of Staff, to develop a comprehensive state plan for FY 90 activity.

The proposals represented total slightly less than $87 million. However, several of the proposals, i.e. Alaska Tourism Marketing Council and Alaska Seafood Marketing Institute, may be funded directly by Exxon. These proposals do, however, give you an accurate indication of the types of impacts and assessments which will be necessary in FY 90.

We feel comfortable that a sum of $40 million dollars appropriated to the Governor's Office, with a review mechanism similar to that used for Federal Budget Impact Aid in 1982, would be the most beneficial way for the legislature to address the state's needs given so many unknown factors at this time.

OIL SPILL RELATED APPROPRIATIONS

oilsp.1
4/24/89

AGENCY/PROJECT	FY 89 AGENCY REQUEST	FY 89 GOVERNOR REQUEST	FY 90 AGENCY REQUEST	COMMENTS
DEPARTMENT OF LAW				
LITIGATION	5,200.0	5,200.0	.0	FY89 appropriation language would allow use in future years.
DEPT. OF HEALTH & SOCIAL SERV				
PUBLIC ASSISTANCE			6.0	
PURCHASED SERV/PREVENTITIVE SERV			65.0	
PUBLIC HEATLH ADMINISTRATIVE			33.5	
EMS TRAINING			43.5	
ALCOHOL ABUSE GRANTS			147.6	
COMMUNITY MENTAL HEALTH GRANTS			550.0	
HARBORVIEW			15.0	
COMMUNITY D.D. GRANTS			40.0	
MENTAL HEALTH ADMIN			25.5	
HEALTH & SOC SERV TOTAL			926.1	
DEPARTMENT OF LABOR				
EMPLOYMENT SERVICES-JOB SERVICE IN VALDEZ	49.0	49.0	42.5	
OSHA:COMPLIANCE OFFICER-VALDEZ	39.1	39.1	100.2	
COMMISSIONER'S OFFICE	4.0	4.0	.0	
LABOR TOTAL	92.1	92.1	142.7	
DEPARTMENT OF COMMERCE				
BUSINESS DEVELOPMENT	86.9	86.9	187.0	
ALASKA TOURISM MARKETING COUNCIL	12,383.1		11,106.8	FY89 costs to be paid by EXXON
INVESTMENTS-AQUACULTURE ASSOC.	2,264.0		1,113.0	
Potential revenue lost:				
PWSAA $11,623,124				
VFIC $ 2,700,000				
WEIGHTS & MEASURES	47.5	47.5	89.6	
ASMI-SEAFOOD CAMPAIGN	9,941.5		31,433.4	FY89 costs to be paid by EXXON
INSURANCE-CLAIMS ADJUSTING	20.0	20.0	100.0	
TOURISM-FOREIGN MARKET	490.4	490.4	1,545.5	
COMMISSIONER'S OFFICE			8.3	
COMMERCE TOTAL	25,233.4	644.8	45,583.6	

AGENCY/PROJECT	FY 89 AGENCY REQUEST	FY 89 GOVERNOR REQUEST	FY 90 AGENCY REQUEST	COMMENTS
DEPARTMENT OF NATURAL RESOURCES				
LAND & WATER MANAGEMENT	73.8	73.8	756.3	
PARK MANAGEMENT				
Archaelogical monitoring	57.2	57.2	614.7	
Park Protection	148.7	148.7	113.0	
Park fee revenue loss	150.2	150.2	300.0	
AGRICULTURAL MANAGEMENT	26.0	26.0	42.0	
COMMISSIONER'S OFFICE			19.5	
INFORMATION RESOURCE MANAGEMENT			464.1	
PETROLEUM MANAGEMENT			217.0	
NATURAL RESOURCES TOTAL	455.9	455.9	2,526.6	
DEPARTMENT OF FISH & GAME				FY89 Requests can be integrated with UA
COMMERCIAL FISHERIES ENTRY COMM				
Socio/economic impact			395.5	
Increased GF/PR for reports			195.9	
VARIOUS FISH & GAME ASSESSMENTS				
New Division in FY 89:	3,646.5	3,646.5	10,101.5	
PFT 60				
PPT 25				
NP 85				
FISH & GAME TOTAL	3,646.5	3,646.5	10,692.9	
DEPARTMENT OF PUBLIC SAFETY				
FISH & WILDLIFE	69.5	69.5		
FIRE PREVENTION	3.5	3.5		
ALASKA STATE TROOPERS	144.2	144.2	60.2	
	217.2	217.2	60.2	
DEPT OF ENVIRONMENTAL CONSERVATION				
ENHANCE EMERGENCY RESPONSE			2,168.0	Included in House Budget at reduced amount.
DEPARTMENT OF COMMUNITY & REG AFFAIRS				
COMMUNITY ASSISTANCE GRANTS-				
rural development grants			725.0	
LOCAL GOVERNMENT ASSISTANCE			327.3	
RURAL DEVELOPMENT DIVISION-				
Economic Development			262.0	

AGENCY/PROJECT	FY 89 AGENCY REQUEST	FY 89 GOVERNOR REQUEST	FY 90 AGENCY REQUEST	COMMENTS
UNIVERSITY OF ALASKA				FY89 Requests can be integrated with DF&G
MINING & PETROLEUM TRAINING SERV				
Training for oil spills			252.7	
Assessment of clean-up tactics			171.3	
PRINCE WILLIAM SOUND COMM COLLEGE				
Training for clean & care of birds & mammals				
Operating			225.9	
Capital			1,300.0	
INSTITUTE OF MARINE SCIENCE				
Various Fish & Game assessments				
Operating	1,478.0		3,795.0	
Capital			8,250.0	
GEOPHYSICAL INSTITUTE				
Study of oil in broken ice			215.2	
INSTITUTE OF ARTIC BIOLOGY			3,000.0	
INSTITUTE OF NORTHERN ENGINEERING				
Oil spill clean up			800.0	
Protect Aquaculture Water supply			300.0	
Risk of Petroleum Operations			5,000.0	
ISER				
UNIVERSITY TOTAL	1,478.0		23,310.1	
TOTAL REQUEST	36,323.1	10,256.5	86,724.5	

T/V EXXON VALDEZ OIL SPILL
ELEMENTS

RESPONSE	CCS SB 247 DISASTER RELIEF
ASSESS	HB 154 PROPOSED CERCLA
MITIGATE	HB 154 PROPOSED CERCLA
LONG TERM	FUTURE CONSIDERATION

Definitions

CCS SB 247 — Appppropriated to Oil & Hazardous Substance Release Response Fund
A.G. Opinion 366-090-84
$10 million General Fund
$10 million Prg/Rcpts

DISASTER RELIEF — $1 million, Div. of Emergency Services

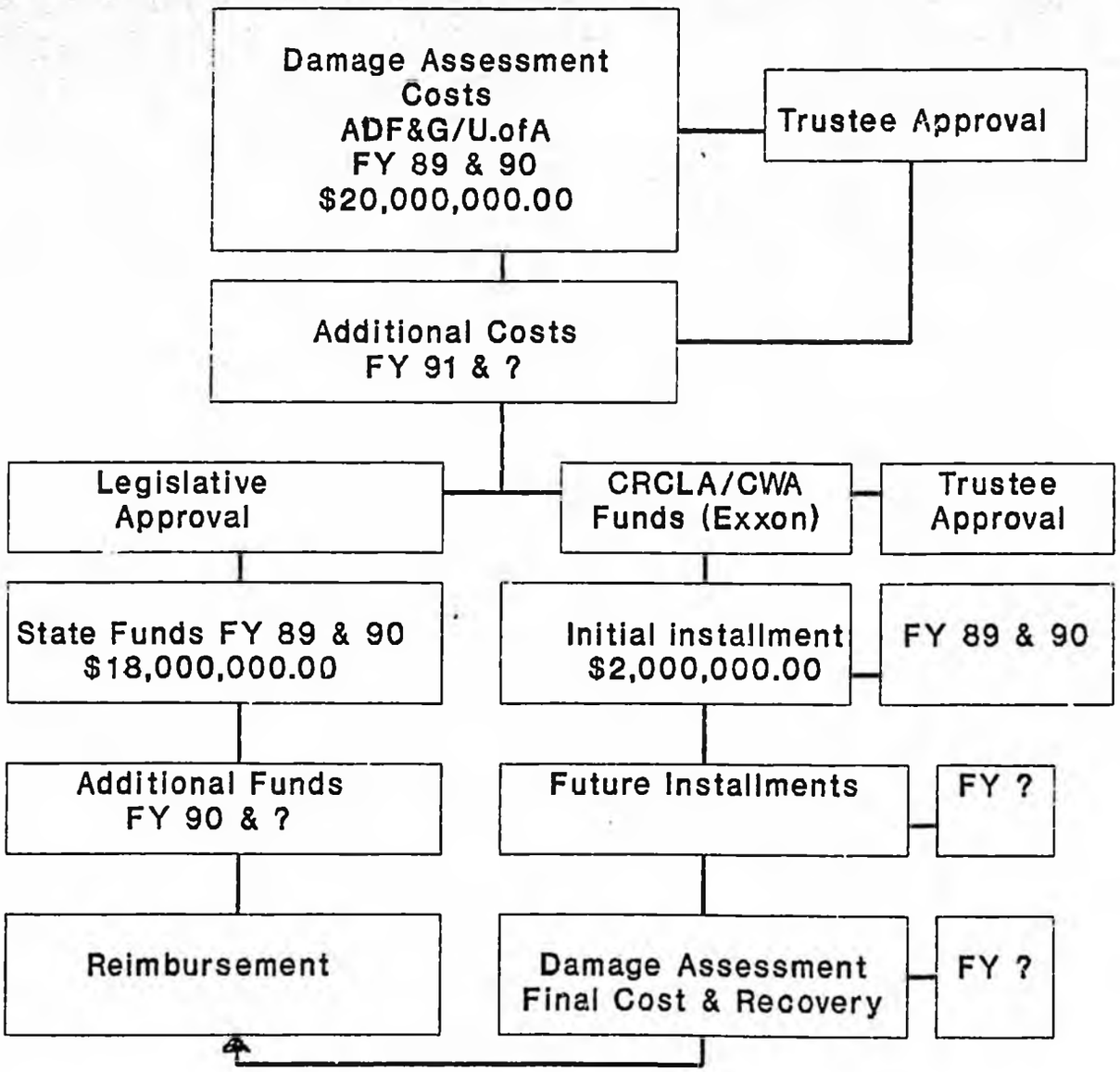
HB 154 PROPOSED — $40 million requested

CERCLA — $15 million from Exxon

$2 million Comm. ADF&G - Trustee
$2 million US Agriculture - Trustee
$2 million US Interior - Trustee
$2 million NOAA - Trustee
$7 million Future Consideration

Office of Rep. C.E. Swackhammer

DAMAGE ASSESSMENT



FLOWCHART

AGREEMENT AMONG :

EXXON

US GOVERNMENT

ALASKA

43 C.F.R. 11.32

Office of Rep. C.E. Swackhammer

1. Immediate Response to Oil Spill Clean-up

   a. CCS SB 247

      (1) Appropriated to Oil & Hazardous Substance Release Response Fund (criteria for expenditure established using A.G. Opinion 366-090-84 as guideline and legislative intent.)

      (2) $10 million General Fund: claims rejected by Exxon for reimbursement to State agencies or direct payments to vendors.

      (3) $10 million GF/PR: direct reimbursement to State based on receipts from Exxon for costs incremental to normal State operations.

   b. Procedure Agreement for payment/accounting between the State of Alaska and Exxon (covers State expenses except for damage assessment expenses.)

   c. Disaster Relief Fund

      $1 million dollars: Division of Emergency Services.

2. Damage Assessment, Mitigation, and Litigation

   a. HB 154 proposal - FY 89 & FY 90 $40 million request

      (1) Mini-Cabinet review and approval of all Executive Branch proposals (include resource agency efforts not funded under CERCLA.)

      (2) LB&A Review

   b. CERCLA Funds - $15 million from Exxon

      (1) Initial State Installment - $2 million for Resource Damage Assessment ($8 million initially split between 4 trustees: Commissioner AK Dept. of Fish and Game, Secretary of Agriculture, Secretary of Interior, and NOAA.)

      (2) $2 million to be used by resource agencies and University.

   c. State will seek reimbursement of expenditures from Exxon for damage assessment and mitigation.