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OVERVIEW:

DEPT. OF

NATURAL

RESOURCES

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**Alaska Department of Natural Resources
FY 2004 Overview**



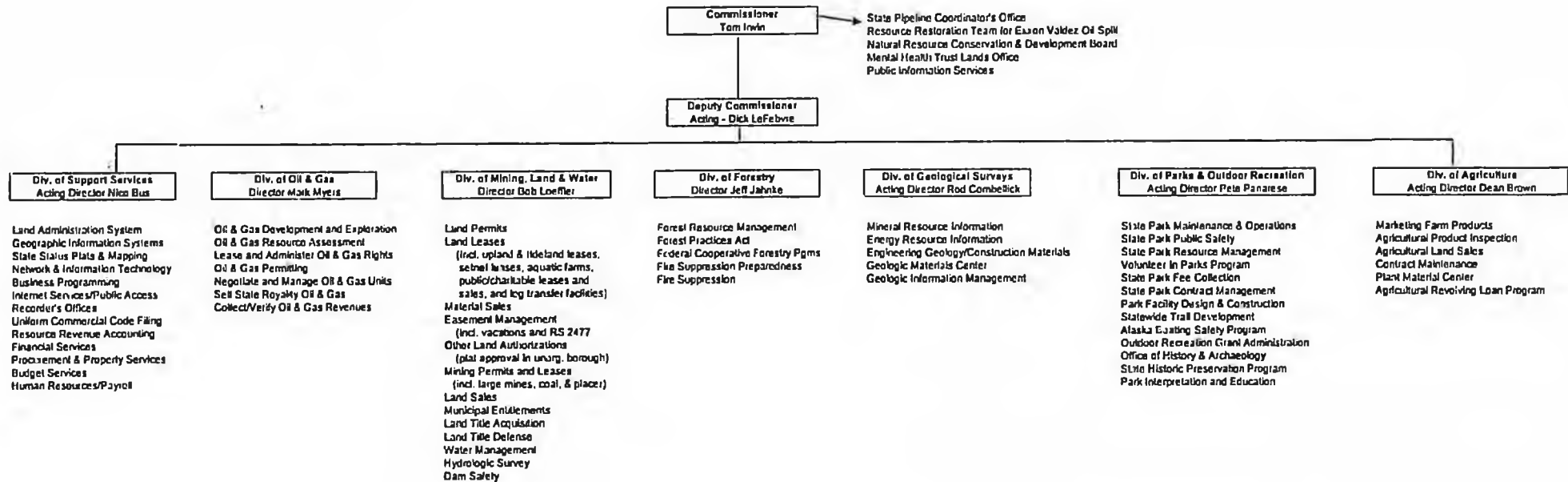
STATE OF ALASKA
Frank H. Murkowski, Governor

DEPARTMENT OF NATURAL RESOURCES
Tom Irwin, Commissioner

February 2003

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DEPARTMENT OF NATURAL RESOURCES
FUNCTIONAL STRUCTURE
February 2003



Component Name	LINE ITEM							FUNDING SOURCE												POSITIONS			
	Pers.Scr. 71000	Travel 72000	Contr. 73000	Supplies 74000	Equip. 75000	Grants 77000	Total	FED 1002	GFM 1003	GF 1004	GF/PR 1005	IA 1007	ARLF 1021	CIP 1061	PFund 1105	SDPR 1108	LDIF 1153	RSS 1156	MISC **	PFT	PPT	NP	
Commissioner's Office & "Other" Budgets																							
Commissioner's Office	407.9	18.7	249.3	5.2			761.1			505.3			55.8	200							6		
Mental Health Lends Trust	702.5	30.0	224.7	11.0	15.0		983.2												983.2		9		3
Pipeline Coordinator's Office	1,980.5	188.0	1,640.8	71.8	8.0		3,889.1	40.5			410.2	21.4									24		9
Gas Pipeline Office	534.5	48.0	1,602.6	67.4			2,252.5			10.0				2,242.5							8		
EVOS Trustees Council Projects	247.9	10.0	961.4	7.0			1,226.3	151.0													4		
Development - Special Projects			2,013.6		12.0		2,025.6			309.5									1,194.6				
TOTAL	3,953.3	294.7	6,692.4	162.4	35.0	0.0	11,137.8	191.5	0.0	824.8	410.2	77.2	0.0	2,442.5	0.0	4,611.6	0.0	0.0	2,580.0	51	0	12	
Support Services Division																							
Administrative Services	2,163.6	10.5	65.6	17.6			2,257.3			1,495.3			762.0								38		2
Recorder's Office	2,358.1	15.8	579.5	52.4	40.0		3,045.8											3,045.8			43		8
Information Resource Mgmt.	2,084.6	10.2	298.3	128.4			2,521.5	230.9		1,635.1	51.7	157.4		415.5						30.9	30		4
DOA DP Chargeback	297.0	3.5	531.4				832.7			545.8											5		2
Public Services Office	350.4	3.0	25.5	7.0	3.0		388.9														6		2
Facilities Maintenance			1,100.0				1,100.0					1,100.0											
Fairbanks Office Building			103.6				103.6					103.6											
DNR State Facilities Rent			1,373.4				1,373.4					1,268.6											
TOTAL	7,254.5	43.0	4,077.3	205.4	43.0	0.0	11,623.2	230.9	0.0	5,048.4	51.7	2,800.0	0.0	415.5	0.0	0.0	0.0	3,045.8	30.9	122	10	8	
Division of Forestry																							
Forest Management & Dev.	7,055.2	221.7	1,621.2	563.6	50.5		9,512.2	1,181.2		6,583.2		468.4		568.3		30.0					63	118	12
Fire Suppression	2,960.3	34.7	6,746.9	704.5	20.0		10,466.4	7,321.8		3,144.6											10	74	
EFF Non-Emergency	250.0						250.0							250.0									
TOTAL	10,265.5	256.4	8,368.1	1,268.1	70.5	0.0	20,228.6	8,503.0	0.0	9,727.8	0.0	480.4	0.0	818.3	0.0	30.0	0.0	0.0	681.1	73	192	12	
Division of Oil & Gas																							
Oil & Gas Development	5,065.6	139.4	322.7	133.9	41.6	0.0	5,703.2	141.7		3,633.7	51.8			15.7	1,840.3						59		3
Division of Geological/Geophysical Surveys																							
Geological Development	2,322.8	145.4	1,374.2	151.1	31.1	0.0	4,024.6	1,511.9		1,993.1	55.1	66.4		146.9		251.2					32		8
Division of Mining, Land & Water																							
Water Development	1,127.9	41.7	188.7	26.8	7.0		1,392.1	39.7		949.7	2.0	123.5				45.0					15		1
Claims, Permits & Leases	6,244.3	146.9	961.8	65.6	7.0		7,425.6	736.3	125.6	2,963.2	2,131.6	174.7		937.5							97	2	
Land Sales & Municipal Entitlement	2,059.8	47.0	904.9	29.8	5.5		3,047.0	55.8				161.9				0.0	2,759.3				35		
Title Acquisition & Defense	920.0	19.2	138.4	20.1			1,097.7			1,050.7		36.8				0.2					13		
Director's Office/ML&W	403.3	17.7	40.0	18.8			479.8			380.0		99.8									6		
RS2477/ Navigability	92.0	10.0	8.0	5.0			115.0			115.0											1		
TOTAL	10,847.3	282.5	2,241.8	166.1	19.5	0.0	13,557.2	831.8	125.6	5,458.6	2,133.6	596.7	0.0	0.0	937.5	125.2	2,759.3	232.2	356.7	167	2	1	
Division of Parks & Outdoor Recreation																							
Historic Preservation Program	963.4	92.5	303.4	35.3			1,394.6	340.3	324.2	15.0		217.5		482.5							12	4	
Parks Management	3,748.2	53.1	1,282.0	329.8	28.3	15.0	5,466.7	40.0		3,580.4	959.7	299.7				80.9					38	44	57
Parks Access	2,024.2	3.9	6.0	1.6			2,035.7	23.5				808.0		1,204.2							28	5	
TOTAL	6,735.8	149.8	1,601.4	366.7	28.3	15.0	8,897.0	403.8	324.2	3,601.4	959.7	1,325.2	0.0	1,686.7	0.0	80.9	0.0	500.0	15.1	78	53	57	
Division of Agriculture																							
Agricultural Development	812.5	22.5	339.0	21.4			1,195.4	207.8			1.5	30.0	592.8				363.3				12		
North Latitude Plant Mat Center	1,595.4	106.0	295.8	126.0	404.0		2,527.2	1,848.1			14.5	68.6	535.6			60.4					13	24	
Agr Revolving Loan Pgm Admin	280.0	32.4	719.6	11.9			1,043.9						980.6	55.3							5		
Conservation & Dev Board	67.4	20.5	24.4	2.2			114.5					25.0	89.5								1		
Grants to Soil & Water						475.0	475.0					475.0											
TOTAL	2,755.3	181.4	1,378.8	161.5	404.0	475.0	5,356.0	2,055.9	0.0	0.0	16.0	598.6	2,206.5	55.3	0.0	60.4	363.3	0.0	0.0	31	24	0	
Department Total	49,200.1	1,492.6	26,056.7	2,615.2	673.0	490.0	80,527.6	13,770.5	449.8	30,287.8	3,678.1	5,932.5	2,206.5	5,580.9	2,777.8	5,159.3	3,122.6	3,778.0	3,683.8	613	281	101	

Total GF:
GFM 449.8
GF 30,287.8
GF/PR 3,678.1
TOTAL GF 34,415.7

** MISC: 1,075.3 EVOS 1018
99.1 Oil/Haz 1055
521.5 Pub School 1066
983.2 MHTAAR 1092
323.6 Shorefish 1154
681.1 Timber 1155
3,683.8

Commissioner: Tom Irwin

Tel: (907) 465-2400 Fax: (907) 465-3886 E-mail: tom_irwin@dnr.state.ak.us

Acting Administrative Services Director: Nico Bus

Tel: (907) 465-2406 Fax: (907) 465-3886 E-mail: nico_bus@dnr.state.ak.us

Department Mission

Develop, conserve, and maximize the use of Alaska's natural resources consistent with the public interest.

Major Department Accomplishments in 2002

1. Encourage resource development that creates Alaska jobs and ensures economic growth and revenues of the state.

- Collected and accounted for \$890.5 million in O&G royalty, settlement, rental, federal share and other DNR revenues, and other DNR revenues.
- Resolved a sizeable audit dispute with BP and closed out several long-standing audit claims with other lessees. Total revenues generated by settlement of these audits equaled \$48 million.
- Leased 1.6 million acres in four oil and gas lease sales.
- Issued an exploration license, totaling 482,942 acres early in FY03. Issued 65 shallow natural gas leases totaling 452,188 acres.
- Renewed the right-of-way lease for TAPS, for a large number of facilities ancillary to TAPS, and for five common carrier pipelines on the North Slope which were due to expire in less than three years.
- Provided technical and policy support to the Governor's gas pipeline policy group and the Legislature's gas pipeline review committees.
- Permitting of 1,465 square miles of 3D seismic lines shot on the North Slope, about 3½ times the amount shot the previous year.
- Six right-of-way leases for pipelines have been executed in the last two years, reducing the number of pending applications and increasing the number of pipeline operations that the department oversees to 18.
- Offered approximately 3,000 acres of land to individuals in 2,418 parcels, and 295 remote cabin site parcels, of which 210 parcels were sold.
- Disposed of 1,247 acres of ARLF agricultural property for \$895,000; disposed of 1,360 acres of agricultural interest land for \$575,000.
- Transferred 14,418 acres of land to municipalities under municipal entitlement laws.
- Transferred title for the Denali Block from BLM to the State.
- Local contractors completed \$3.1 million in construction at 16 Parks recreation facilities.
- Generated \$452.6 from sale of forest products, offered 37.1 million board feet of timber, sold 56 timber sales, administered 182 active sales, issued 316 personal use wood permits, and replanted 365 acres.
- Increased revenues generated from Alaska Mental Health Trust Lands from \$7.2 million to \$7.8 million.
- Acquired and made available to the public geophysical maps and data for 931 square miles of prospective mineral terrain.
- Completed 671 square miles of airborne surveys and 848 square miles of geologic mapping in prospective mineral and oil and gas terrain.

2. "Doing it Right": Ensure resource development planning, management and new project approvals are based on 1) sound science, 2) prudent management, and 3) responsive, meaningful public involvement.

- Continued legal and permitting activities leading to commencement of drilling and production from the Northstar field. Drilling commenced at the Northstar production island in the Beaufort Sea.
- Completed the master plan revisions for Wood-Tikchik State Park, and the Chilkat Bald Eagle Preserve.
- Completed the Northern Southeast Area and Upper Yukon/Taylor Highway area plans which identify timber and other resources for development as well as for recreational, habitat and settlement purposes.

- Completed the planning for the Haines State Forest.
- Conducted a statewide "Firewise" conference to reduce fire dangers around private residences.
- Provided technical and policy support to the Governor's gas pipeline policy group and the Legislature's gas pipeline review committees.

3. Ensure resource sustainability and multiple use, including recreational enjoyment of the resource base.

- Collected \$2.1 million in park user fees and provided recreational opportunities for 4.3 million park visits.
- In coordination with the Alaska Marine Safety Education Association, administered Alaska's boating safety education training courses.
- Provided 10 Snowmobile and 26 National Recreation Trail grants to local clubs and government agencies.
- 773 Park volunteers contributed 103,469 hours of service.
- Provided grants to 12 communities for tree planting, conservation education, and program development.
- Trained 13 tree stewards in Fairbanks to provide volunteer tree care to community trees.
- Awarded \$15,000 in grants to two ANCSA corporations for forest stewardship plans, and completed 27 forest stewardship plans for individual landowners on 1,367 acres.
- Managed and responded to a total of 336 wildland fire occurrences on 134 million acres.
- Through collaboration with NASA guided the acquisition of high-resolution digital elevation data for the proposed natural gas pipeline corridor between Fairbanks and the Yukon, Canada border.
- Utilized the Tazlina Type 1, and Matsu and Kenai EFF Crews for hazard tree removal, firebreak improvement, and other hazard fuel work reducing the potential of a serious wildland fire on the Hillside area in the Municipality of Anchorage and on the Kenai Peninsula.
- Collaborated with the U. S. Geological Survey and the University of Alaska to expand the Alaska Volcano eruption-monitoring network from 20 to 21 volcanoes with the addition of Great Sitkin Volcano near Adak.

4. Streamline natural resource leasing, sales, and permitting processes.

- The Recorder's Office initiated a digital document imaging and bar-code system; replaced their microfiche document system; and provided public access via the Internet to statewide recording and Uniform Commercial Code index.
- Consolidated related business operations so customers can complete all the needed transactions in one place: allowed new mining claim rental payments at the Recorder's Office.
- Received funding for the absorption of the remaining court recording offices into DNR operations and thus eliminate the dual administration of recording functions in those offices.
- Amended the Alaska Coastal Management Program (ACMP) Consistency Determination regulations (6AAC50) process to make it clear, predictable, concise and efficient.

FY00 - FY02
Missions & Measures

SB169

SB281

HB250

HB515

Data Summary - See Dept's Performance Measures Report for more Detail.

Sec. 107. Department of Natural Resources. The mission of the Department of Natural Resources is to develop, conserve, and maximize the use of Alaska's natural resources consistent with the public interest.				
Sec. 108. Office of the Commissioner. The mission of the Office of the Commissioner is to provide support and policy direction to each of the divisions within the department to achieve the department's mission.				
	FY 00	FY 01	FY 02	FY03
• 108.(1). The percentage of divisions that meet the assigned performance measures.	96%	97.70%	97%	
• 108.(2). The percentage of maintained daily entry and weekly verification of the online grantor/grantee and location indexing process for all documents accepted in the recorders' offices.	FY 00	FY 01	FY 02	FY03
<u>FY00 Daily Indexing Completion - FY 01 4th quarter Daily Input Performed</u>	%	%	%	
Anchorage	9	27	35	
Bethel	98	92	98	
Fairbanks	77	95	96	
Homer	98	97	94	
Juneau	66	100	85	
Kenai	44	97	95	
Ketchikan	95	92	91	
Kodiak	91	100	99	
Nome	97	100	100	
Palmer	62	86	84	
Sitka	100	98	100	
UCC Central		97	98	
<u>Weekly Verification Completion</u>	%	%	%	
Anchorage	new	98	64	
Bethel	new	98	99	
Fairbanks	new	100	100	
Homer	new	100	100	
Juneau	new	100	94	
Kenai	new	100	100	
Ketchikan	new	100	91	
Kodiak	new	100	100	
Nome	new	97	100	
Palmer	new	100	80	
Sitka	new	100	96	
UCC Central	new	100	100	

	FY 00	FY 01	FY 02	FY03
• 108.(3). The percent of time the computer systems are able to support the annual volume of land and records transactions.	99%	99.75%	99.7	
	FY 00	FY 01	FY 02	FY03
• 108.(4). The revenue generated by the development and sale of natural resources.	1.0 billion	1.1 billion	\$816 million	
	FY 00	FY 01	FY 02	FY03
• 108.(5). The average time taken to respond to complaints and questions that have been elevated to the commissioner's office.	new FY01	15 days	14 days	
	FY 00	FY 01	FY 02	FY03
• 108.(6). The average time taken to respond to appeals and reconsiderations that have been elevated from the divisions to the commissioner's office.	new FY01	29.2 days	28 days	
• Sec. 109. Administrative Services. The mission of Administrative Services is to provide support services for departmental programs.				
	FY 00	FY 01	FY 02	FY03
• 109.(1). The average time taken to pay vendors.	22 days	24.2 days	23.34 days	
	FY 00	FY 01	FY 02	FY03
• 109.(2). The number of late penalties for payroll or vendor payments	0	0	0	
	FY 00	FY 01	FY 02	FY03
• 109.(3). The number of audit exceptions.	0	0	0	
	FY 00	FY 01	FY 02	FY03
• 109.(4). The cost of administrative services as compared to the total personnel costs for the department.	5.00%	4.34%	4.19%	
• Sec. 110. Division of Forestry. The mission of the Division of Forestry is to develop, conserve, enhance, and manage the state's forests to provide a sustainable yield of forest resources for Alaska and to manage the wild land fire suppression program.				
	FY 00	FY 01	FY 02	FY03
• 110.(1). Level of noncompliance with AS 41.17 (Forest Resources and Practices Act) measured by the annual number of field visits and violations.				
			8%	
			7%	
	FY 00	FY 01	FY 02	FY03
• 110.(2). The annual volume of state timber sold as compared to the amount offered for sale.				
	MMBF Offered	35.9	32.5	46.2
	MMBF Sold	20.8	8.9	15.5

110.(3). The acreage of	FY 00	FY 01	FY 02	FY03
A) state forest land with active insect infestations or diseases;	8,799,000	6,988,000	18,200,000	
B) infested or diseased timber offered for sale on state land; and	1256	1855	3,388.3	
C) infested or diseased timber sold on state land.	480	48	139.4	
	FY 00	FY 01	FY 02	FY03
110.(4) The annual volume of state timber offered for in-state companies and converted to value-added products.				
MMBF Offered	35.9	32.5	5.5	
MMBF Sold	20.4	8.8	15.5	
	FY 00	FY 01	FY 02	FY03
110.(5). The number of fires that result from human actions, whether as a function of population growth or other causes.				
Total Fires	324	299	336	
Human Causes	269	280	278	
	FY 00	FY 01	FY 02	FY03
110.(6). The percentage of fires in full and critical protection categories that are held to less than 10 acres.	98%	98%	96%	
	FY 00	FY 01	FY 02	FY03
Sec. 111. Division of Oil & Gas. The mission of the Division of Oil and Gas is to maximize responsible oil and gas exploration and development.				
	FY 00	FY 01	FY 02	FY03
111.(1). Compliance with the area wide leasing plan and exploration licensing.	100%	100%	100%	
	FY 00	FY 01	FY 02	FY03
111.(2). The amount of available state acreage offered for oil and gas leasing or for exploration that is.				
licensed for exploration	none	318,756	0	
leased for oil and gas development	none	1,740,009	1,673,189	
leased for shallow natural gas development	none	23,040	452,188	
	FY 00	FY 01	FY 02	FY03
111.(3). The non-tax revenue received for total state production of oil and gas.	1.0 billion	1.15 billion	\$816 million	
	FY 00	FY 01	FY 02	FY03
111.(4) . The number of resident and nonresident private-sector jobs in the o&g industry in the state.	11,123	13,100	9100	
residents	8,380	9,496		
non-residents	2,743	3,604		
	FY 00	FY 01	FY 02	FY03
111.(5). The number of new and assigned oil & gas rights, plans and units.				
Assignments	904	1070	912	
Units	112	158	5	

• 111.(6). The total amount of oil and gas acreage	FY 00	FY 01	FY 02	FY03
under lease			5,373,474	
under license			801,698	new
within oil and gas units			1,078,239	new
within participating areas and non-unitized producing acreage			615,325	new
• Sec. 112. Division of Mining, Land and Water. The mission of the Division of Mining, Land and Water is to encourage the use and development of Alaska's land mineral and water resources.				
	FY 00	FY 01	FY 02	FY03
• 112.(1). The number of leases and permits issued for public and private use of State Land.	513	417	273	
	FY 00	FY 01	FY 02	FY03
• 112.(2). The number of private-sector jobs in mining compared to the prior fiscal year	3166	3183	2882	
	FY 00	FY 01	FY 02	FY03
• 112.(3). The number of acres of land conveyed to municipalities compared to total municipal entitlement.				
	12,000	16,677	14,418	
Entitlement	1,375,836	1,375,836	1,375,386	
• 112.(4). Percentage change in the number of acres of land sold and amounts of revenue generated from land sales and leases.	FY 00	FY 01	FY 02	FY03
acres sold	1,500	2,100	4,723	
revenues increased	N/A	\$2.0 million	\$3 million	
• 112.(5). Number of water right files processed compared to the number of water rights applied for.	FY 00	FY 01	FY 02	FY03
applied for	250	250	97	
processed	104	97	168	
backlog	500	653	710	
	FY 00	FY 01	FY 02	FY03
• 112.(6). The percentage change in the number of periodic dam safety inspections.	12	7	11	
• 112.(7). Number and change in the number of active placer, lode, and coal mines permitted and the number of mining locations staked and processed.	FY 00	FY 01	FY 02	FY03
Placer mines permitted	360	301	291	
Mining claims staked and processed	12,555	2,851	1,594	
• Sec. 113. Division of Geological and Geophysical Surveys. The mission of the Division of Geological and Geophysical Surveys is to determine: 1) the potential of Alaska land for production of metals, mineral's fuels and geothermal resources, 2) the locations and supplies of groundwater and construction material, and 3) the potential hazards to buildings, roads, bridges, and other installations and structures.				

	FY 00	FY 01	FY 02	FY03
• 113.(1). The total value of Alaska's mineral industry.	1.28 billion	~1 billion	~ 1 billion	
	FY 00	FY 01	FY 02	FY03
• 113.(2). Total state revenue generated by Alaska's mineral industry.	new in FY03	new in FY03	new in FY03	
	FY 00	FY 01	FY 02	FY03
• 113.(3). The number of acres of ground under private-sector exploration.	3,301,880	3,100,000	2,663,620	
	FY 00	FY 01	FY 02	FY03
• 113.(4). Number of the square miles included in completed geophysical/geological mineral surveys of at least 1000 square miles of Alaska land.	1,032 sq. mi	1,240 sq mi	931 sq mi	
	FY 00	FY 01	FY 02	FY03
• 113.(5). The number of users requesting information on the geology of Alaska from the DGGs Web site.	21,737	27,731	31,952	
	FY 00	FY 01	FY 02	FY03
• 113.(6). The number of responses made by the division to the requests for information or assistance relating to engineering geology or hazards issues in Alaska.	320	365	360	
• Sec. 114. Division of Parks and Outdoor Recreation. The mission of the Division of Parks and Outdoor Recreation is to: 1) provide outdoor recreation opportunities, 2) conserve, interpret and preserve natural, cultural, and historic resources and services and 3) encourage the development of local park and recreation facilities and programs.				
	FY 00	FY 01	FY 02	FY03
• 114.(1). The percentage of park facilities open.	99%	100%	93% ?	
	FY 00	FY 01	FY 02	FY03
• 114.(2). The number of visits by site and type of visit.				
Northern	663,235	644,717	593,819	
Mat-Su/CB	886,844	972,253	964,233	
Chugach	938,790	965,658	1,099,500	
Kenai/PWS	677,378	807,761	945,126	
Kodiak	150,165	192,394	196,175	
Wood Tikchik	94,652	102,468	107,960	
Southeast	476,636	476,224	475,957	
resident	2,925,900	3,177,323	3,308,147	
nonresident	961,800	984,153	1,074,623	
	FY 00	FY 01	FY 02	FY03
• 114.(3). The percentage of newly identified historic properties entered on the statewide inventory.	1009	908	1147	

	74%	73%	127%	
	FY 00	FY 01	FY 02	FY03
• 114.(4). The amount of dollars generated from sources other than state government for trail maintenance and site development.	857,000	946,000	1,383,000	
	FY 00	FY 01	FY 02	FY03
• 114.(5). The level of deferred maintenance in state parks.	\$39.5 million	\$42 million	\$42.3 million	
• 114.(6). Annual dollars applied to deferred maintenance in state parks	new in FY03	new in FY03	new in FY03	
• Sec. 115. Division of Agriculture. The mission of the Division of Agriculture is to promote and encourage the development of an agricultural industry in the state.				
	FY 00	FY 01	FY 02	FY03
• 115.(1). The loan to equity ratio in the Agricultural Revolving Loan Fund.	28.90%	27.95%	27.70%	
	FY 00	FY 01	FY 02	FY03
• 115.(2). The number of improved crop accessions produced by the plant material center and grown in the state.	316	314	922	
	FY 00	FY 01	FY 02	FY03
• 115.(3). The percentage change in agricultural acreage compared to the prior year	0	0	1%	
	FY 00	FY 01	FY 02	FY03
• 115.(4). The monetary value of agricultural products grown in the state that are sold domestically or exported.	28.3 million	26.5 million	30.2 million	