

LEG. FINANCE - BILLS 1975 - 1976 442

HB 625 thru CS HB 626 442



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do her by certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/6/90
Date

COMMITTEE REPORT

HOUSE

1/28/76

Mr. Speaker:

Date _____

The Comm' tee on FINANCE has had HB 625

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

HOUSE JOURNAL

CSHB 624 & HB 625

Finance CSHB 624 incorporates, with one exception, all construction planning funds for state projects in one revolving planning fund in the Department of Administration. Expenditures from the fund will be reimbursed on a project by project basis.

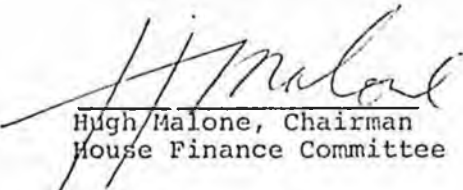
The exception above is the planning fund established in the 1974 general obligation bond issue for fisheries. This fund was established with bond proceeds, and the Committee believed that moving the fund balance into the new revolving fund might be a contradiction of the state pledge to the bondholders. However, this fund will be exhausted with the completion of the projects authorized in that bond issue and may not be renewed.

HB 625 provides an initial appropriation to the revolving planning fund in HB 624. The appropriation is based on the Governor's requested capital improvements program before the legislature (not including highway construction). The amount of appropriation is based on the percentage of construction costs for each type of project required to do planning.

According to testimony from the Department of Public Works, the advance planning fund will allow the state to put to bid virtually all bond projects authorized for the next two years, if the appropriation to the fund is adequate. This is in contrast to the history of capital expenditures so far in our state.

The total appropriation required will depend on the amounts and types of construction authorized by the legislature. Therefore, setting the final level of appropriation should be done when this is known, probably by conference committee.

Respectfully submitted,


Hugh Malone, Chairman
House Finance Committee

Introduced: 1/19/76
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 625

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Public
7 Facility Planning Fund; and providing for an effective
8 date."

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

10 * Section 1. The sum of \$2,318,650 is appropriated from the general
11 fund to the Public Facility Planning Fund for the purpose of advance
12 planning for capital projects of the state.

13 * Sec. 2. This Act takes effect upon the effective date of the Act
14 establishing a revolving fund to provide for public facility planning, as
15 enacted by the Ninth Alaska State Legislature, Second Session.

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THE LEGISLATURE OF THE STATE OF ALASKA

FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. House Bills 624 & 625
 Title: Public Facility Planning Fund
 Requested by: Legislative Finance Date: 2-10-76
 Return Date Requested: At once
 Agency: Public Works Program: Administration

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND		2,318.7				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

See attached.

IV. ATTACHMENTS

- 1) Explanation
- 2) Fiscal breakdown by program

V. DATE: 20 February 76 PREPARED BY: Richard A. Holden 

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

DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER

POUCH 2 - JUHEAU 99811
(TELEX 45326)

February 20, 1976

TO: Honorable Hugh Malone
Chairman, House Finance

FROM: *RHS*
Donald Harris, Commissioner
Department of Public Works

SUBJECT: *for* HB 624 / HB 625

The Governor has requested that the legislature establish a public facility planning fund, to provide money with which to conduct program and project planning activities in advance of a G.O. Bond Issue approval.

Currently, the State agencies must await the passage of G.O. Bond Issues before commencing those activities necessary to advertise construction contracts, e.g. the development of program plans, site investigations, preliminary and final designs, etc. Consequently, given Alaska's extreme climatic and logistical problems we generally have insufficient time (from November to April) in order to take advantage of the first available construction season, with inevitable inflationary erosion of budgets, and inadequate designs resulting from severe time pressure.

Equally, the State agencies have not been equipped to develop adequate program plans to derive well-considered resource requirements prior to submitting requests for the funding of capital projects. The result has been that individual capital programs have been funded without the necessary prior co-ordination and integration.

HB 624 has been introduced to mitigate the problems outlined above. Money appropriated to the Public Facility Planning Fund (P.F.P.F.) would be disbursed by Division of Budget and Management on a demonstrated needs basis to program agencies, e.g. Department of Education, local government instrumentalities (where applicable) and the Department of Public Works, for the purposes outlined.

Reimbursement would be made to the P.F.P.F. from the budgets of projects for which planning funds had been expended, when those projects were approved by the electorate. The P.F.P.F. would then provide funding for the succeeding biennium. The P.F.P.F. could also be augmented by additional appropriations.

It is likely that some bond issues will fail. In that event, the preliminary work would still be available to support future projects, or may provide the basis for new directions.

The expenditure of advance planning funds may be thought of as a worthwhile risk: on the one hand expenditures of 1% - 5% will occasionally be made temporarily in vain; without such expenditures, however, we face the certainty of erosion of construction budgets of the order of 15% - 25%, and the consequence of hurried work with often time poor results. To illustrate the point: 15% of \$240,000,000 = \$36,000,000.

The funding request contained in HB 625 is based on individual G.O. Bond Issues introduced by the Governor. Attachment #2 lists the funding amounts by program category and the percentages of the G.O. Bond Issues represented by those amounts. Should the Legislature wish to provide planning funds for G.O. Bond Issues introduced either by the Governor, Legislators, or Legislative Committees, and should it also alter the amounts of the various bonding proposals, the percentages may be applied to the altered totals to provide adequate funding.

In some cases we have adequate data on which to base the requested amounts, e.g. rural schools. In some cases we do not, e.g. Fish & Game projects. In the latter cases we have minimized the funding requests.

DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER

POUCH 2 - JUNEAU 99811
 (TELEX 45328)

HOUSE BILL 624 / HOUSE BILL 625

PROPOSED EXPENDITURE BY PROGRAM CATEGORY

Bill #	Program Category	Governor's Bill	P.F.P.F. Appro.	Percentage
HB 619	Small secondary school construction	19,900.0	490.0	2.5
HB 620	Emergency funds, repair, etc.	10,011.3	110.0	1.1
HB 623	Marine highway system (contained in HB 623)	3,056.0	300.0	1.0 (of State & HTF)
HB 616	Highway maintenance facilities	3,000.0	42.0	1.4
HB 618	Correctional facilities	30,000.0	595.0	2.0
HB 614	Alaska court system facilities	3,807.2	59.0	1.5
HB 611	Public safety facilities	4,590.0	87.0	1.9
HB 621	Military affairs facilities	2,000.0	40.0	2.0
HB 615	Fish and game projects	4,495.1	47.0 ⁽¹⁾	1.0
	① Governor's bill final total = 40,000.0 which would require \$860,000 in PFPF / 2.2%			
HB 612	Health facilities	4,100.0	198.7	4.9
HB 622	Trunk & secondary airports	5,575.0	200.0	3.6
HB 610	Water & sewer ② Applied to V.S.F. projects only	31,000.0	50.0 ⁽²⁾	5.0 (of 1,000.1)
HB 613	Parks	7,000.0	100.0	1.4

STATE
of ALASKA

MEMORANDUM

TO: Kent Dawson, Director
Division of Budget and Management
Department of Administration

DATE : December 30, 1975

FROM: Richard Holden *RH*
Deputy Commissioner
Department of Public Works

SUBJECT: CIP Revolving Planning Fund
Requirements

We have estimated that the following amounts will provide minimum adequate advanced planning funds for those programs to be provided with facilities by the 1976 G.O. Bond Issue.

Education	\$600,000
Health	200,000
NRM&EC - Parks	100,000
NRM&EC - Fish & Game	860,000
Environmental Conservation	50,000
Military Preparedness	40,000
Public Safety	87,000
Court System	59,000
Correctional Centers	595,000
Aviation	200,000
Marine Transportation	300,000
Highways (for building construction)	42,000
TOTAL:	\$3,133,000

\$47,000 IS INCLUDED
TO MATCH GOVERNORS
4,000,000 BOND
REQUEST. \$813,000
IS NOT INCLUDED
WHICH MATCHED
AN ADDITIONAL
\$40,000,000 BOND
REQUEST NOT
INCLUDED BY GOVERNOR

We have included no funds for the port facilities because it is felt that Water and Harbors can develop criteria without the necessity for expenditure of additional funds.

We have included no funds for the Department of Highways' road building program because we don't know where the roads are going to be built.

We have included no funds for the University construction program because it already has a revolving fund which will more than adequately service the \$15 million request.

cc: Donald Harris, Commissioner
Department of Public Works

Carl Gonder, Budget Analyst
Department of Administration

JAN 19 1976

1486 25

The Honorable Mike Bradner
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill making a special appropriation to the Public Facility Planning Fund, to be created by another bill I am proposing. The appropriation is for \$2,318,650 -- a figure arrived at by establishing the percentage of public works projects which is necessary for advance planning, multiplying the dollar amount in each of this year's proposed bond bills by that percentage, and adding up the products of that multiplication. The planning fund will operate as a revolving fund, with this appropriation being the source of the initial money in the fund. Bond issues for capital projects of the State will reimburse the fund for amounts of money advanced by the fund for the purpose of those projects.

Sincerely,

Jay S. Hammond
Governor

JAN 19 1976

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James O. Smith
Signature of Camera Operator

2/6/90
Date

COMMITTEE REPORT

SENATE

Mr. President:

Date _____

The Committee on _____ has had _____

under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

Chairman

Introduced: 1/19/76
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 625

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Public
7 Facility Planning Fund; and providing for an effective
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JAN 19 1976

HB 625

HB 625

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HOUSE JOURNAL

CSHB 624 & HB 625

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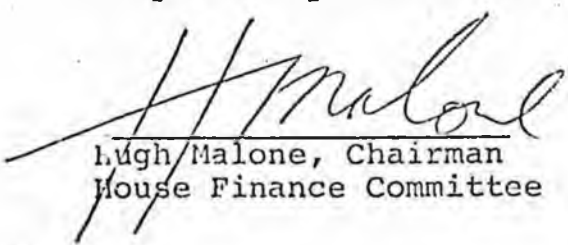
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Respectfully submitted,


Hugh Malone, Chairman
House Finance Committee

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. House Bills 624 & 625
 Title: Public Facility Planning Fund
 Requested by: Legislative Finance Date: 2-10-76
 Return Date Requested: At once
 Agency: Public Works Program: Administration

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
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TOTAL						

B. FUNDING: (Thousands of dollars)

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FEDERAL FUNDS						
OTHER						

C. POSITIONS:

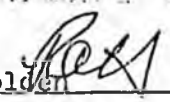
PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

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
V. DATE: 20 February 76 PREPARED BY: Richard A. Holden 

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

February 20, 1976

TO: Honorable Hugh Malone
Chairman, House Finance

FROM:  Donald Harris, Commissioner
Department of Public Works

SUBJECT:  HB 624 / HB 625

The Governor has requested that the legislature establish a public facility planning fund, to provide money with which to conduct program and project planning activities in advance of a G.O. Bond Issue approval.

Currently, the State agencies must await the passage of G.O. Bond Issues before commencing those activities necessary to advertise construction contracts, e.g. the development of program plans, site investigations, preliminary and final designs, etc. Consequently, given Alaska's extreme climatic and logistical problems we generally have insufficient time (from November to April) in order to take advantage of the first available construction season, with inevitable inflationary erosion of budgets, and inadequate designs resulting from severe time pressure.

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The expenditure of advance planning funds may be thought of as a worthwhile risk: on the one hand expenditures of 1% - 5% will occasionally be made temporarily in vain; without such expenditures, however, we face the certainty of erosion of construction budgets of the order of 15% - 25%, and the consequence of hurried work with often time poor results. To illustrate the point: 15% of \$240,000,000 = \$36,000,000.

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HOUSE BILL 624 / HOUSE BILL 625

PROPOSED EXPENDITURE BY PROGRAM CATEGORY

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HB 610	Water & sewer ② Applied to V.S.F. projects only	31,000.0	50.0 ^②	5.0 (of 1,000.1)
HB 613	Parks	7,000.0	100.0	1.4
		128,534.6	2,318.7	

STATE OF ALASKA

DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER

ATTACHMENT #1

JAY S. HAMMOND, GOVERNOR

POUCH 2 - JUNEAU 99811
(TELEX 45328)

February 20, 1976

TO: Honorable Hugh Malone
Chairman, House Finance

FROM: *RH* Donald Harris, Commissioner
Department of Public Works

SUBJECT: *RH* HB 624 / HB 625

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DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER POUCH Z - JUNEAU 99811
 (TELEX 45-328)

HOUSE BILL 624 / HOUSE BILL 625

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TO: Kent Dawson, Director
Division of Budget and Management
Department of Administration

DATE : December 30, 1975

FROM: Richard Holden *RDH*
Deputy Commissioner
Department of Public Works

SUBJECT: CIP Revolving Planning Fund
Requirements

We have estimated that the following amounts will provide minimum adequate advanced planning funds for those programs to be provided with facilities by the 1976 G.O. Bond Issue.

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Highways (for building construction)	42,000
TOTAL:	\$3,133,000

\$47,000 IS INCLUDED / TO MATCH GOVERNORS 4,000,000 BOND REQUEST. \$813,000 IS NOT INCLUDED WHICH MATCHED AN ADDITIONAL \$40,000,000 BOND REQUEST NOT INCLUDED BY GOVERNOR.

We have included no funds for the port facilities because it is felt that Water and Harbors can develop criteria without the necessity for expenditure of additional funds.

We have included no funds for the Department of Highways' road building program because we don't know where the roads are going to be built.

We have included no funds for the University construction program because it already has a revolving fund which will more than adequately service the \$15 million request.

cc: Donald Harris, Commissioner
Department of Public Works

Carl Gonder, Budget Analyst
Department of Administration

It is likely that some bond issues will fail. In that event, the preliminary work would still be available to support future projects, or may provide the basis for new directions.

The expenditure of advance planning funds may be thought of as a worthwhile risk: on the one hand expenditures of 1% - 5% will occasionally be made temporarily in vain; without such expenditures, however, we face the certainty of erosion of construction budgets of the order of 15% - 25%, and the consequence of hurried work with after-time poor results. To illustrate the point: 15% of \$240,000,000 = \$36,000,000.

The funding request contained in HB 625 is based on individual G.O. Bond Issues introduced by the Governor. Attachment #2 lists the funding amounts by program category and the percentages of the G.O. Bond Issues represented by those amounts. Should the Legislature wish to provide planning funds for G.O. Bond Issues introduced either by the Governor, Legislators, or Legislative Committees, and should it also alter the amounts of the various bonding proposals, the percentages may be applied to the altered totals to provide adequate funding.

In some cases we have adequate data on which to base the requested amounts, e.g. rural schools. In some cases we do not, e.g. Fish & Game projects. In the latter cases we have minimized the funding requests.

STATE OF ALASKA

ATTACHMENT #2
JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER

POUCH 2 - JUNEAU 99811
(TELEX 45-328)

HOUSE BILL 624 / HOUSE BILL 625

PROPOSED EXPENDITURE BY PROGRAM CATEGORY

Bill #	Program Category	Governor's Bill	P.F.P.F. Appro.	Percentage
HB 619	Small secondary school construction	19,900.0	490.0	2.5
HB 620	Emergency funds, repair, etc.	10,011.3	110.0	1.1
HB 623	Marine highway system (contained in HB 623)	3,056.0	300.0	1.0 (of State & HF)
HB 616	Highway maintenance facilities	3,000.0	42.0	1.4
HB 618	Correctional facilities	30,000.0	595.0	2.0
HB 614	Alaska court system facilities	3,807.2	59.0	1.5
HB 611	Public safety facilities	4,590.0	87.0	1.9
HB 621	Military affairs facilities	2,000.0	40.0	2.0
HB 615	Fish and game projects ① Governor's bill final total = 40,000.0 which would require \$860,000 in PFPF / 2.2%	4,495.1	47.0 ^①	1.0
HB 612	Health facilities	4,100.0	198.7	4.9
HB 622	Trunk & secondary airports	5,575.0	200.0	3.6
HB 610	Water & sewer ② Applied to V.S.F. projects only	31,000.0	50.0 ^②	5.0 (of 1,000.1)
HB 613	Parks	7,000.0	100.0	1.4

MEMORANDUM

TO: Kent Dawson, Director
Division of Budget and Management
Department of Administration

DATE: December 30, 1975

FROM: Richard Holden *RH*
Deputy Commissioner
Department of Public Works

SUBJECT: CIP Revolving Planning Fund
Requirements

We have estimated that the following amounts will provide minimum adequate advanced planning funds for those programs to be provided with facilities by the 1976 G.O. Bond Issue.

Education	\$600,000
Health	200,000
NRM&EC - Parks	100,000
NRM&EC - Fish & Game	850,000
Environmental Conservation	50,000
Military Preparedness	40,000
Public Safety	87,000
Court System	59,000
Correctional Centers	595,000
Aviation	200,000
Marine Transportation	300,000
Highways (for building construction)	42,000
TOTAL:	\$3,133,000

\$47,000 IS INCLUDED TO MATCH GOVERNORS 4,000,000 BOND REQUEST. \$813,000 IS NOT INCLUDED WHICH MATCHED AN ADDITIONAL \$40,000,000 BOND REQUEST NOT INCLUDED BY GOVERNOR.

We have included no funds for the port facilities because it is felt that Water and Harbors can develop criteria without the necessity for expenditure of additional funds.

We have included no funds for the Department of Highways' road building program because we don't know where the roads are going to be built.

We have included no funds for the University construction program because it already has a revolving fund which will more than adequately service the \$15 million request.

cc: Donald Harris, Commissioner
Department of Public Works

Carl Gonder, Budget Analyst
Department of Administration

TASK: The development of a comprehensive Capital Improvements Program (CIP) planning process.

OBJECTIVE: To describe and implement a CIP planning process to accomplish the following objectives:

(1) To ensure that State agencies can properly identify whether they need additional physical facilities to carry out their respective missions.

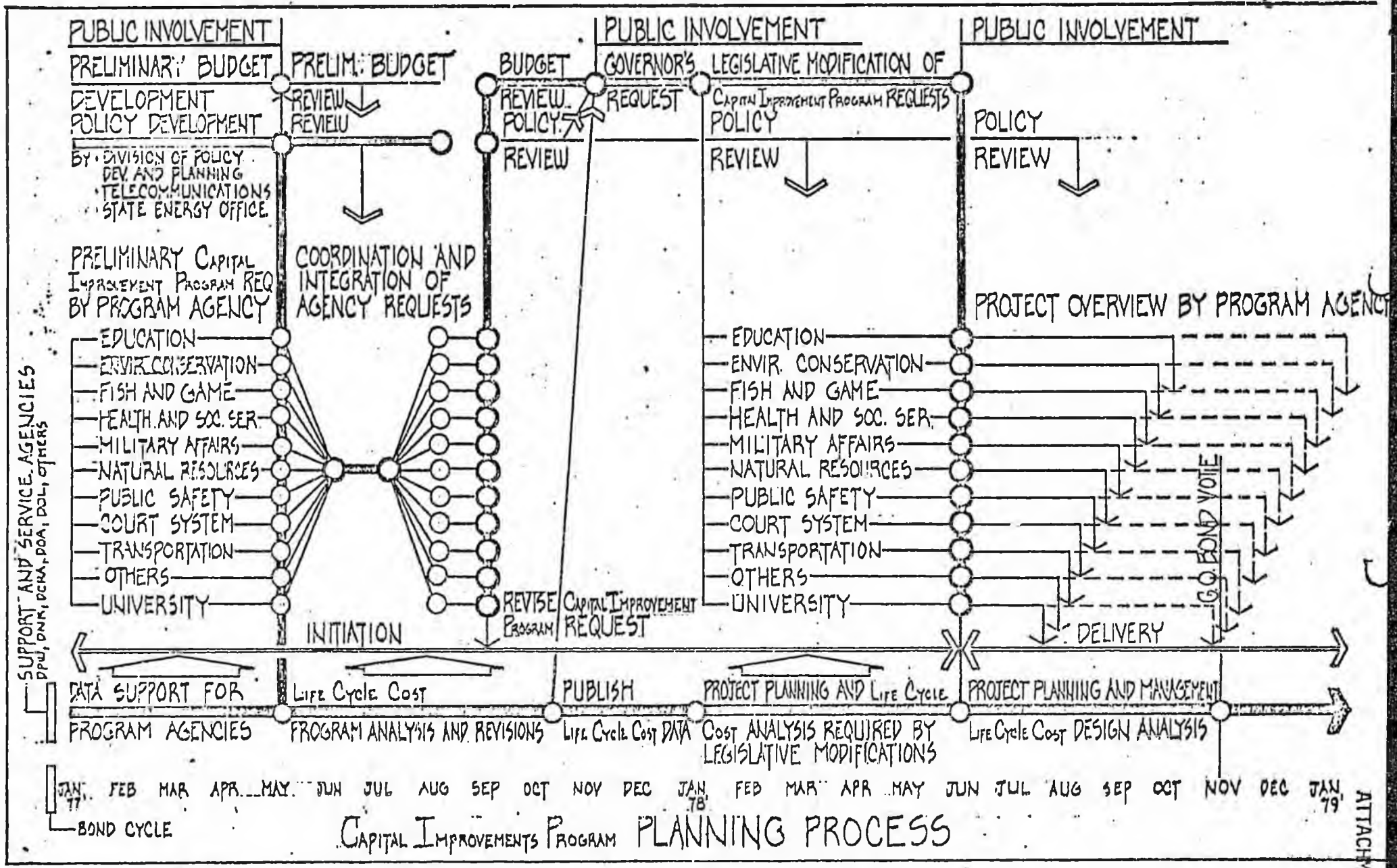
(2) To ensure that agency requests reflect each others needs and to determine whether an agency request will require support request from another agency. The school (Department of Education) should have the necessary sewer and water (Department of Environmental Conservation) and the necessary road (Department of Highways) funded and scheduled for construction in logical sequence in the request submitted to the Budget Review Committee.

(3) To enable statewide fiscal and non-fiscal policy to be integrated into agency requests prior to submission to the Budget Review Committee (e.g. energy, land policy).

(4) To enable the calculation, not only of the procurement cost, but also the life cost of agency proposals, so that long-term expenditures and income can be compared with proposed benefits.

(5) To ensure that the Governor and Legislature are provided with all feasible options so that the policy-makers can best represent their various constituencies.

(6) To ensure the most cost-effective delivery, maintenance, operation, and utilization of funded facility proposals.



REQUEST FOR PROPOSAL
COMPREHENSIVE FACILITIES PROCUREMENT PROCEDURES PROGRAM
FOR THE STATE OF ALASKA

BACKGROUND INFORMATION

Chapter 216 entitled Public Facilities Procurement Policy differs from other Life Cycle Costing legislation, which deal largely with energy implications of design in these respects:

1. The Act requires that the Commissioner of Public Works shall develop public policy for the planning, design, construction, and maintenance of public facilities of the State, which policies shall be submitted to the Legislature annually. The policies shall be based on Life Cycle Costing methodologies.

2. The Legislature is required to positively debate such policies, which shall be considered approved in the absence of debate.

3. The Life Cycle Cost definition includes "occupancy" costs, i.e. the cost to the State of the programmed usage of facilities, including salaries, supplies, and other expenditures incurred by the occupying agencies which use the facility. The legislation thus creates a planning process:

A prime function of a planning process is to challenge and reaffirm program goals; then, to identify optional means of achieving these goals with the concomitant development of resource requirements necessary to implement each option.

It is a further task of the planning process to ensure (whatever the level of expenditure, and whatever the policy decided) that appropriated funds are expended in the most cost-effective fashion.

The work outlined in this Request for Proposal is intended to accomplish the following objectives:

1. Enable facilities planners to evaluate program agency requests for capital improvements spending to determine:

a. Whether the agency's program objectives require the acquisition of more facilities or whether other means of program delivery or more effective utilization of existing facilities will, in the opinion of the Department, provide for the attainment of program goals.

b. In the event that more facilities are required, which diverse kinds of facilities might suffice, and what is the long-term profile of each option, i.e. what first cost, maintenance and operations cost and what occupancy cost accrue to each option, whether rented, leased, purchased or remodelled.

2. Once the policy-makers have accepted, modified, rejected and/or replaced the planners' recommendations, how to make the best long-term use of the funds appropriated to achieve program goals.

3. In the event that program or project funding is generated via the political process without recourse to our planning efforts, how best to make the most cost-effective long-term use of the funding, while if possible, accommodating long-range planning requirements.

4. Provide management tools necessary for sound management practice during the facility procurement process.

The Commissioner of Public Works has begun the formal organization of a Life Cycle Costing section responsible for the definition, implementation and on-going operations of a comprehensive Life Cycle Costing program. The State of Alaska is now soliciting the professional expertise of the private sector to assist and hasten this definition and implementation.

For the purposes of this proposal, all facilities procured utilizing State funds are subject to this process.

CONSULTANT SCOPE OF WORK

1. FACILITIES INVENTORY

A facilities inventory and operations and maintenance data base is required to provide analytical and management information. The tasks are identified as:

A. INVENTORY DESIGN

(a) Establish inventory scope. Establish the broad scope of the inventory, the purposes for which the data will be used and identify all constraints. Establish long-term objectives and interfaces with existing and proposed systems. Select a comprehensive list of descriptors, parameters, and information desirable for each facility.

(b) Review existing data. Review existing information held in the Building Index, Department of Public Works and other agency files. Assess reliability of data.

(c) Finalize inventory scope. Based on tasks (a) and (b) above, establish list of new information requirements, ranking items into the following groups: Essential, important, optional. Assess the resources required to collect all data and balance cost against benefits to be gained from collection of each piece of information. Finalize scope of inventory.

(d) Design data collection format. Design a form suitable for collecting of the information required. The design should enable direct key punching of completed forms.

(e) Develop rules of measurement and instructions. Develop instructions for completion and collection, including standard rules for measurement where required for each item in the inventory.

(f) Develop computerized storage and retrieval system. Develop programs for the storage, retrieval and analysis of the inventory data, for implementation on the Department of Administration computer system. The programs should respond to different needs, have an interactive capability and interface with other systems.

(g) Update inventory data base. Develop methods for updating inventory data base to maintain current information.

B. COLLECTION OF DATA

Information required for the inventory would be acquired by measurement and inspection of as-built drawings and specifications, or by field observation. A priority listing of facilities would be established. Department of Public Works personnel will complete the inventory. The consultant shall train State personnel.

2. LIFE CYCLE COSTING METHODOLOGY

A. CAPITAL COST COMPONENT

(a) Framework - Adopt the existing GSA/AIA classification framework for analysis of facility costs and make any adaptations necessary for this program.

(b) Rules of Measurement - Detail the rules for measuring each item in the classification according to accepted practice.

(c) Procedures - Develop procedures for the collection of capital cost project data in the required format. Design forms to interface with facility procurement procedures.

(d) Collection of Data - Capital cost analysis of a sample of existing facilities will be performed by the consultant. As new facilities are constructed, the forms and procedures developed in (c) above will be used by State of Alaska personnel to capture data for the file. The consultant shall train State personnel in this process.

(e) Cost Index - Develop the procedure for updating and transposing capital cost data.

B. OPERATIONS AND MAINTENANCE COST COMPONENT

(a) Code of Accounts - Expand and revise the existing Department of Public Works code of accounts for operations and maintenance to provide more detailed data for life cycle cost analysis purposes and to interface with 2. A (c) above.

(b) Cost Structure Implementation - Assist Department of Public Works in implementing a new coding structure including revisions to computer programs. Develop coding manual with instructions for allocations of all work actions.

(c) Collection of Data - Data collection under the new format will begin as soon as the forms for collection are developed. (see time schedule for desired date of implementation of new system.

(d) Cost Variation - Analyze problem of cost variations between different locations. Recommend solutions for reduction of cost.

C. OCCUPANCY COST MODEL

Assess feasibility of developing and implementing an occupancy cost analysis model. Prepare a preliminary evaluation of departmental operating budgets with the object of analyzing the interaction of facility use costs with other life cost components.

D. COMPUTER ANALYSIS

Develop a method for the meaningful analysis and interpretation of the data assembled in 2 A and B and in the physical inventory. Interrelated computer based analytical models should be designed to forecast long-term facility cost and performance patterns and to support facility planning and life cost budgeting activities.

The models should respond selectively to a carefully articulated yet comprehensive set of user needs which encompass decisions from preliminary conceptual or feasibility review, through the structuring of annual strategies for maintenance and occupancy of existing facilities.

Presently, we envision three models as necessary for data manipulation. Routine Reports should satisfy the requirement for complete periodic documentation of the system status to ensure that data is being properly entered and

maintained and to provide a variety of general statistics which may be scanned as part of the general occupancy and expenditure monitoring procedure. The reports must be suitable for distribution to management and operation personnel with varying levels of data aggregation.

Selective Reports should yield analytic results in a number of predetermined report formats but only via explicit request. This mode should permit the user to tailor relatively unique responses to specific problems such as, the analysis of a specific facility or the preliminary review of biannual agency requests or the analysis of specific design elements or features.

Interactive Reports are intended to facilitate analyses for which a particular set of procedures and report formats cannot be predetermined. Each sequential step should be invoked via user request following a judgmental response to one or more previous results.

The models should be formulated on a theoretical and empirical basis and should be designed to integrate with state operating procedures. The specific tasks outlined below are intended to indicate additional detail for the reporting models described above.

- a. Examine existing models and approaches indicating potential applicability.
- b. Review state procedures, identifying specific user data and report requirements.
- c. Develop and implement a computer based facility data management system with statistical analytic capability. Assess existing state programs for applicability.
- d. Code existing cost and performance data and formulate a uniform data set.
- e. Develop statistical relationships for budgeting and planning forecasts.
- f. Develop an integrated logistical time related scheduling model capable of analyzing most cost effective schedule and of assessing options for contracting techniques.
- g. Test equations utilizing existing state data and adjust as required.
- h. Develop an interlocking data structure to relate program and facility information at necessary levels (See Attachment _____).
- i. Develop an interlocking data structure to assess interrelationships of all program agency CIP requests.
- j. Utilizing GSA/AIA format, develop procedures for assessing data at the design and operating decision levels.
- k. Test procedures utilizing existing state data and adjust as required.
- l. Test report formats and adjust as required.
- m. Document the system. Develop a clear concise manual of instruction for inclusion in the procedures manual.
- n. Install the system and instruct potential users in its use.

- Attachments:
- A. Relevant Legislation
 - B. State Data Processing Capability
 - C. Anticipated Work Schedule
 - D. CIP Planning Process Chart With Verbal Explanation

OF ALASKA

TO: [Kevin Haring, Director
Community Planning Division
Department of Community & Regional Affairs

DATE : March 30, 1976

FROM: Kit Duke, Senior Planner
Office of the Commissioner
Department of Public Works

SUBJECT: Rural Schools Facilities
Procurement

Attached is a copy of House CS for CS for SB 554 relating to the issuance of G.O. Bonds for constructing school facilities and water reservoirs (life safety tanks). Section 3, item (5) lists the communities and school districts which would receive facilities.

In support of the Department of Education's programming efforts, we are seeking data regarding each of these sites to develop a schedule for procurement of these facilities.

At this time we are concerned with two phases which will require support data from other State agencies:

(1) Assessment of existing conditions:

- What roads, airstrips, docking facilities exist.
- Size, capacity, condition, and capability for expansion of village utilities.
- Facilities available for housing contractor's personnel.
- Availability and quality of natural resources such as gravel, sand, etc.
- Current land ownership.
- Labor sources available in the area.
- Dates for the normal construction season.

(2) Assessment of conditions influencing facility use program:

- Identification of people to be contacted within the community.
- Capacity and condition of support services available or to be available in near future such as health facilities, public meeting areas, and school facilities.
- Economic projections indicating expected growth, anticipated resource development.

- 10-11-76
- Impact the facility could have on any services provided by or on any facilities controlled by your Department.
 - Any facility requirements your Department is projecting for the community and including on the 1976 or 1978 G.O. Bond request.
 - Any personal knowledge of community conditions.

We are seeking from your Department any information related to these two phases of analysis. You may have additional data which your Department can make available to us. I would like to meet with you to discuss this, as well as the time frame for completion of this task.

cc: Richard Holden
Deputy Commissioner
Department of Public Works

Paul Carr
Division of Community Planning
Department of Community &
Regional Affairs

Bill Thompson, Director
Division of Management & Finance
Department of Education

Attachment

KD:ct



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/6/90
Date

"An Act relating to the establishment of marine sanctuaries; effective date."

COMMITTEE REPORT

9

4/13/76

HOUSE

Mr. Speaker:

Date _____

The Committee on FINANCE has had SSHB 626

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

"An Act relating to the establishment of marine sanctuaries; and providing for an effective date."

COMMITTEE REPORT

3/2/76

HOUSE

FINANCE

Mr. Speaker:

Date 4-9-76

The Committee on RESOURCES has had SSHB 626

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

(X) recommends it BE REPLACED WITH CS FOR SSHB 626 AND THAT

CS FOR SSHB 626 DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Robert Anderson DO PASS _____

E. Huntington DO PASS _____

Alvin Osterhout DO PASS _____

Leo Rhodes DO PASS _____

Members NOT concurring in the Majority report:

[Signature] recommends: Do not pass

[Signature] recommends: Do not pass unless amended

[Signature] recommends: DO NOT PASS

_____ recommends:

_____ recommends:

Robert Anderson Chairman

Original Sponsor: Rules Committee by
request of the Governor

Offered: 4/13/76
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 626

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the reacquisition of oil and gas
7 leasehold interests in Kachemak Bay; and providing for
8 an effective date."

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

10 * Section 1. AS 38.05 is amended by adding a new section to read:

11 Sec. 38.05.184. LIMITATION ON OIL AND GAS LEASES IN CERTAIN AREAS,
12 AND REACQUISITION OF LEASES. (a) No additional oil or gas leases may
13 be issued by the Department of Natural Resources or any other state
14 agency for the exploration for or the development or production of oil
15 and gas on state-owned land and waters seaward of the mean higher high
16 water line, beginning at Anchor Point; then around the perimeter of
17 Kachemak Bay, to Point Pogibshi; then west to the three mile limit of
18 state land and waters; then north to a point three miles west of Anchor
19 Point; then east to the mean higher high water line of Anchor Point, the
20 point of beginning.

21 (b) The commissioner of natural resources may enter into negotia-
22 tions to reacquire by purchase in the name of the state, title to or
23 accountable interests in oil or gas leases within the boundaries de-
24 scribed in (a) of this section which were issued before the effective
25 date of this Act.

26 (c) In lieu of cash payment for a negotiated purchase of a
27 leasehold interest, the commissioner shall authorize a credit of the
28 purchase price plus interest at the rate prescribed by AS 09.30.070 to
29 be granted the seller to be applied against future lease bonus or rental

COMMITTEE COPY

1 payments, permit fees, royalties, or oil and gas taxes which may become
2 owing on new production from other leases or property on state land held
3 by the seller for oil and gas development. The commissioner may also
4 negotiate to reimburse in like manner by credit provision, the full
5 bonus paid by the lessee to the state plus an amount not to exceed 20
6 per cent of the bonus to compensate the lessee for expenses and other
7 costs incurred by the lessee.

8 * Sec. 2. Nothing in this Act is intended to diminish a valid existing
9 exploration, operating, or production right of the leasee, including reason-
10 able access to and from the lease site and the transportation of production
11 from the lease to a shore-based facility or to a refinery or other market,
12 until full reacquisition of the lease by the state through negotiations.

13 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
14 070(c).
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Introduced: 3/2/76
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 626

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the establishment of marine
7 sanctuaries; and providing for an effective date."

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

9 * Section 1. AS 38.05.295 is amended to read:

10 ARTICLE 10. PARKS, MARINE SANCTUARIES AND

11 RECREATION AREAS.

12 Sec. 38.05.295. PARKS, MARINE SANCTUARIES AND RECREATION AREAS.

13 (a) The commissioner shall establish a policy and adopt [PRESCRIBE
14 RULES AND] regulations by which parks, marine sanctuaries, and recrea-
15 tion areas, including public scenic overlooks and cultural sites,
16 shall be developed and managed in a manner that will best serve the
17 interests of the people of the state. The commissioner may classify
18 public lands, water, and land and water areas as parks, marine sanctu-
19 aries, scenic overlooks, cultural sites and recreation areas as long
20 as the general intent of this chapter is maintained.

21 (b) Annually, the commissioner shall call for nominations from
22 the public for the establishment of additions to the state system of
23 parks, marine sanctuaries and recreational facilities. Any person,
24 including state or federal agencies, or local governments may nominate
25 state land, water, or land and water areas for additions to the system.
26 The commissioner shall adopt regulations which are necessary to carry
27 out this section, including provision for public hearings.

28 * Sec. 2. AS 41.20.010 is amended to read:

29 CHAPTER 20. PARKS, MARINE SANCTUARIES, AND

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RECREATIONAL FACILITIES.

ARTICLE 1. ACQUISITION, DEVELOPMENT AND MAINTENANCE OF STATE
PARKS, MARINE SANCTUARIES, AND RECREATIONAL AREAS GENERALLY.

Sec. 41.20.010. DECLARATION OF PURPOSE. (a) It is the purpose of secs. 10--47 [10--40] of this chapter to foster the growth and development of a system of parks and recreational facilities and opportunities in the state, for the general health, welfare, education, and enjoyment of its citizens and for the attraction of visitors to the state.

(b) It is also the purpose of this chapter to foster the growth and development of marine sanctuaries, water, or land and water areas to be set aside as part of the state parks and recreation system, under the general management responsibility of the Department of Natural Resources, with responsibility for the fish and wildlife resources vested in the Alaska Department of Fish and Game. It is the intent to protect certain areas in the coastal zone for their exceptionally high natural, recreational, habitat, or scientific values, for the benefit of the people of the state.

* Sec. 3. AS 41.20.020 is amended to read:

Sec. 41.20.020. DUTIES OF DEPARTMENT OF NATURAL RESOURCES. The Department of Natural Resources shall

(1) develop a continuing plan for the conservation and maximum use in the public interest of the scenic, historic, archaeological, scientific, biological, and recreational resources of the state;

(2) plan for and develop a system of state parks, marine sanctuaries, and recreational facilities, to be established as the legislature authorizes and directs;

(3) acquire by gift, purchase, or transfer from state or federal agencies, or from individuals, corporations, partnerships or

1 associations, land, water, or land and water areas necessary, suitable
2 and proper for roadside, picnic, recreational, marine sanctuary, or
3 park purposes;

4 (4) control, develop and maintain state parks, marine
5 sanctuaries, and recreational areas;

6 (5) provide for the acquisition, care, control, supervision,
7 improvement, development, extension and maintenance [OF PUBLIC RECREA-
8 TIONAL LANDS], and make necessary arrangements, contracts or commit-
9 ments for the improvement and development of lands, water, or land and
10 water areas acquired under secs. 10--47 [10--40] of this chapter;

11 (6) adopt [ESTABLISH], in accordance with the Administrative
12 Procedure Act, [RULES AND] regulations governing nominations for
13 additions to the system of state parks, marine sanctuaries, and recrea-
14 tional facilities and governing the use and designating incompatible
15 uses within the boundaries of state park, marine sanctuary, and recrea-
16 tional areas to protect the property and to preserve the peace;

17 (7) cooperate with the United States and its agencies and
18 local subdivisions of the state to secure the effective supervision,
19 improvement, development, extension, and maintenance of state parks,
20 state monuments, state historical areas, state marine sanctuaries,
21 and state recreational areas, and secure agreements or contracts for
22 the purpose of secs. 10--47 [10--40] of this chapter;

23 (8) encourage the organization of state public park, marine
24 sanctuary, and recreational activities in the local political sub-
25 divisions of the state;

26 (9) provide for consulting service designed to develop
27 local park, marine sanctuary, and recreation facilities and programs;

28 (10) provide clearing-house services for other state agencies
29 concerned with park, marine sanctuary, and recreation matters; and

1 (11) perform other duties as are prescribed by executive
2 order or by law.

3 * Sec. 4. AS 41.20.040 is amended to read:

4 Sec. 41.20.040. DIVISION WITHIN DEPARTMENT OF NATURAL RESOURCES.
5 The commissioner of natural resources may establish within the Depart-
6 ment of Natural Resources a separate division to perform the functions
7 relative to parks, marine sanctuaries, and recreational facilities
8 specified in secs. 10--47 [10--40] of this chapter and related or
9 additional functions as are otherwise assigned to the department by
10 law.

11 * Sec. 5. AS 41.20.045 is amended to read:

12 Sec. 41.20.045. ENFORCEMENT AUTHORITY. (a) For offenses com-
13 mitted within parks, marine sanctuaries, and recreational facilities
14 subject to the department's supervision, the following persons are
15 peace officers of the state and they shall enforce the provisions of
16 this chapter and the regulations adopted [PROMULGATED] under this
17 chapter:

18 (1) an employee of the department authorized by the com-
19 missioner;

20 (2) a police officer in the state;

21 (3) any other person authorized by the commissioner.

22 (b) Each person designated in (a) of this section may, when
23 enforcing the provisions of this chapter or a regulation adopted
24 [MADE] under this chapter,

25 (1) execute a warrant or other process issued by an officer
26 or court of competent jurisdiction;

27 (2) administer or take an oath, affirmation or affidavit;

28 and

29 (3) arrest a person who violates a provision of this chapter

1 or a regulation adopted [MADE] under this chapter.

2 * Sec. 6. AS 41.20 is amended by adding new sections to read:

3 ARTICLE 12. STATE MARINE SANCTUARIES.

4 Sec. 41.20.410. DECLARATION OF PURPOSE. The purpose of secs.
5 410--430 of this chapter is to restrict land and water areas described
6 in sec. 415 of this chapter to use as a state marine sanctuary, con-
7 sistent with AS 38.05.300, and art. VIII, sec. 7, of the Alaska
8 Constitution.

9 Sec. 41.20.415. STATE LAND AND WATER AREAS DESIGNATED AS STATE
10 MARINE SANCTUARY. Land and water areas owned by the state lying
11 within the boundaries described in this section, are designated as the
12 Kachemak Bay State Marine Sanctuary. The sanctuary is established for
13 the protection and enhancement of the extraordinary abundance and
14 diversity of marine life and variety of human uses associated with the
15 area. The land and water areas designated as the Kachemak Bay State
16 Marine Sanctuary are those state-owned lands and waters seaward of the
17 mean higher high water line, beginning at Anchor Point; then around
18 the perimeter of Kachemak Bay, to Point Pogibshi; then west to the
19 three mile limit of state land and waters; then north to a point three
20 miles west of Anchor Point; then east to the mean higher high water
21 line of Anchor Point, the point of beginning.

22 Sec. 41.20.420. DESIGNATION OF MANAGEMENT RESPONSIBILITY. (a)
23 Except as provided in (d) of this section, management of the state
24 land and water areas describe. in sec. 415 of this chapter is assigned
25 to the Department of Natural Resources, and those areas shall be
26 protected from activities that would significantly damage the environ-
27 ment of the areas.

28 (b) The following particular uses of the area are legislatively
29 determined not to significantly affect the environment of the areas:

COMMITTEE COPY

1 (1) activities related to commercial, sport or subsistence
2 fishing, including the operation of all authorized fishing gear, and
3 the building, operation and maintenance of seafood processing plants;

4 (2) the taking of marine and beach plants for subsistence
5 and artistic purposes;

6 (3) the gathering of driftwood and coal;

7 (4) the construction, ownership and maintenance of homes
8 and vacation cabins;

9 (5) the construction and operation of docks, lodges,
10 fishing piers and other tourist facilities;

11 (6) the discharge of treated fish waste;

12 (7) the development of deep water ports within the area.

13 (c) Any regulations adopted by the commissioner of natural
14 resources regarding management of the sanctuary may only be adopted
15 after public hearings held in accordance with the Administrative
16 Procedure Act. At least one such public hearing must be held within
17 10 miles of the borders of the sanctuary.

18 (d) The Department of Fish and Game is responsible for manage-
19 ment of the fish and wildlife resources of the areas.

20 Sec. 41.20.425. OIL AND GAS DEVELOPMENT. The legislature finds
21 that the value of the renewable resources and the recreational and
22 environmental qualities of the Kachemak Bay Marine Sanctuary requires
23 complete protection from the risks and activities associated with the
24 exploration for and the development and production of oil and gas in the
25 sanctuary. No oil or gas leases may be issued by the Department
26 of Natural Resources or any other state agency for the exploration
27 for or the development or production of oil and gas within the
28 sanctuary. The commissioner of natural resources may acquire, by
29 purchase or through the exercise of the power of eminent domain,

1 in the name of the state, title to or interests in oil or gas leases
2 which were issued prior to the effective date of this Act, the pur-
3 chase of which is necessary to prohibit oil and gas exploration,
4 development or production in the sanctuary. In lieu of payment for a
5 purchased leasehold interest, the commissioner may authorize a credit
6 of the purchase price plus interest at the rate prescribed by
7 AS 09.30.070 to be granted the seller to be applied against lease
8 rental payments, permit fees, or oil and gas taxes which may be owed
9 or are owing on other leases or property on state land held by the
10 seller for oil and gas development.

11 * Sec. 7. This Act takes effect immediately in accordance with AS 01-
12 .10.070(c).
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COMMITTEE COPY

SS/HB 626

March 2, 1976

The Honorable Mike Bradner
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a Sponsor Substitute for House Bill No. 626. This is in direct response to a Town Meeting held in Homer last week by members of my Administration. Residents in Homer voiced concern that the condemnation powers in the original bill were too broad and that the bill would inhibit certain uses of the area which were favored by the residents. The sponsor substitute takes care of the concerns by limiting the condemnation power and specifically providing that certain uses in Kachemak Bay, such as the development of deep water ports, fishing, tourism and other matters, will not be curtailed by the creation of the sanctuary.

I urge the legislature in the strongest terms to pass this bill and the appropriation to fund it. We have oil development all through this state, from the North Slope to Cook Inlet. We will have much more of it in the future. This is one area where other resources are simply more valuable than oil and we should be willing to act to preserve them.

Sincerely,

Jay S. Hammond
Governor

ALASKA STATE LEGISLATURE

NINTH Legislature SECOND Session

SPONSOR SUBSTITUTE FOR HOUSE BILL..... NO. 626...

By .. RULES COMMITTEE BY REQUEST OF THE GOVERNOR

"An Act relating to the establishment of marine sanctuaries; and providing for an effective date."

Establishment of marine sanctuaries

Introduced in the House ...3/2...., 19.76

HISTORY IN THE HOUSE

19 76	Read first time and referred to Committee on												
Mar 2	Resources and Finance												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
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	Reported correctly engrossed												
	Signed by Speaker												
	Sent to Senate												

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on												
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	Read second time and												
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	Reported correctly engrossed												
	Signed by President												
	Returned to House												

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	Received from Senate
	Reported correctly enrolled
	Sent to Governor
 By Governor
	Filed with Lt. Governor
	Chapter No.

Introduced: 1/19/76
Referred: Resources and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN HOUSE

2 HOUSE BILL NO. 626

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the establishment of marine
7 sanctuaries; and providing for an effective date."

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

9 * Section 1. AS 38.05.295 is amended to read:

10 ARTICLE 10. PARKS, MARINE SANCTUARIES AND
11 RECREATION AREAS.

12 Sec. 38.05.295. PARKS, MARINE SANCTUARIES AND RECREATION AREAS.

13 (a) The commissioner shall establish a policy and adopt [PRESCRIBE
14 RULES AND] regulations by which parks, marine sanctuaries, and recrea-
15 tion areas, including public scenic overlooks and cultural sites,
16 shall be developed and managed in a manner that will best serve the
17 interests of the people of the state. The commissioner may classify
18 public lands, water, and land and water areas as parks, marine sanctu-
19 aries, scenic overlooks, cultural sites and recreation areas as long
20 as the general intent of this chapter is maintained.

21 (b) Annually, the commissioner shall call for nominations from
22 the public for the establishment of additions to the state system of
23 parks, marine sanctuaries and recreational facilities. Any person,
24 including state or federal agencies, or local governments may nominate
25 state land, water, or land and water areas for additions to the system.
26 The commissioner shall adopt regulations which are necessary to carry
27 out this section, including provision for public hearings.

28 * Sec. 2. AS 41.20.310 is amended to read:

29 CHAPTER 20. PARKS, MARINE SANCTUARIES, AND

1 RECREATIONAL FACILITIES.

2 ARTICLE 1. ACQUISITION, DEVELOPMENT AND MAINTENANCE OF STATE
3 PARKS, MARINE SANCTUARIES, AND RECREATIONAL AREAS GENERALLY.

4 Sec. 41.20.010. DECLARATION OF PURPOSE. (a) It is the purpose
5 of secs. 10--47 [10--40] of this chapter to foster the growth and
6 development of a system of parks and recreational facilities and
7 opportunities in the state, for the general health, welfare, education,
8 and enjoyment of its citizens and for the attraction of visitors to
9 the state.

10 (b) It is also the purpose of this chapter to foster the growth
11 and development of marine sanctuaries, water, or land and water areas
12 to be set aside as part of the state parks and recreation system,
13 under the general management responsibility of the Department of
14 Natural Resources, with responsibility for the fish and wildlife
15 resources vested in the Alaska Department of Fish and Game. It is the
16 intent to protect certain areas in the coastal zone for their excep-
17 tionally high natural, recreational, habitat, or scientific values,
18 for the benefit of the people of the state.

19 * Sec. 3. AS 41.20.020 is amended to read:

20 Sec. 41.20.020. DUTIES OF DEPARTMENT OF NATURAL RESOURCES. The
21 Department of Natural Resources shall

22 (1) develop a continuing plan for the conservation and
23 maximum use in the public interest of the scenic, historic, archaeolo-
24 gic, scientific, biological, and recreational resources of the state;

25 (2) plan for and develop a system of state parks, marine
26 sanctuaries, and recreational facilities, to be established as the
27 legislature authorizes and directs;

28 (3) acquire by gift, purchase, or transfer from state or
29 federal agencies, or from individuals, corporations, partnerships or

1 associations, land, water, or land and water areas necessary, suitable
2 and proper for roadside, picnic, recreational, marine sanctuary, or
3 park purposes;

4 (4) control, develop and maintain as appropriate state
5 parks, marine sanctuaries, and recreational areas;

6 (5) provide for the acquisition, care, control, supervision,
7 improvement, development, extension and maintenance [OF PUBLIC RECREA-
8 TIONAL LANDS], and make necessary arrangements, contracts or commit-
9 ments for the improvement and development of lands, water, or land and
10 water areas acquired under secs. 10--47 [10--40] of this chapter;

11 (6) adopt [ESTABLISH], in accordance with the Administrative
12 Procedure Act, [RULES AND] regulations governing nominations for
13 additions to the system of state parks, marine sanctuaries, and recrea-
14 tional facilities and governing the use and designating incompatible
15 uses within the boundaries of state park, marine sanctuary, and recrea-
16 tional areas to protect the property and to preserve the peace;

17 (7) cooperate with the United States and its agencies and
18 local subdivisions of the state to secure the effective supervision,
19 improvement, development, extension, and maintenance of state parks,
20 state monuments, state historical areas, state marine sanctuaries,
21 and state recreational areas, and secure agreements or contracts for
22 the purpose of secs. 10--47 [10--40] of this chapter;

23 (8) encourage the organization of state public park, marine
24 sanctuary, and recreational activities in the local political sub-
25 divisions of the state;

26 (9) provide for consulting service designed to develop
27 local park, marine sanctuary, and recreation facilities and programs;

28 (10) provide clearing-house services for other state agencies
29 concerned with park, marine sanctuary, and recreation matters; and

1 (11) perform other duties as are prescribed by executive
2 order or by law.

3 * Sec. 4. AS 41.20.040 is amended to read:

4 Sec. 41.20.040. DIVISION WITHIN DEPARTMENT OF NATURAL RESOURCES.
5 The commissioner of natural resources may establish within the Depart-
6 ment of Natural Resources a separate division to perform the functions
7 relative to parks, marine sanctuaries, and recreational facilities
8 specified in secs. 10--47 [10--40] of this chapter and related or
9 additional functions as are otherwise assigned to the department by
10 law.

11 * Sec. 5. AS 41.20.045 is amended to read:

12 Sec. 41.20.045. ENFORCEMENT AUTHORITY. (a) For offenses com-
13 mitted within parks, marine sanctuaries, and recreational facilities
14 subject to the department's supervision, the following persons are
15 peace officers of the state and they shall enforce the provisions of
16 this chapter and the regulations adopted [PROMULGATED] under this
17 chapter:

18 (1) an employee of the department authorized by the com-
19 missioner;

20 (2) a police officer in the state;

21 (3) any other person authorized by the commissioner.

22 (b) Each person designated in (a) of this section may, when
23 enforcing the provisions of this chapter or a regulation adopted
24 [MADE] under this chapter,

25 (1) execute a warrant or other process issued by an officer
26 or court of competent jurisdiction;

27 (2) administer or take an oath, affirmation or affidavit;

28 and

29 (3) arrest a person who violates a provision of this chapter

1 or a regulation adopted [MADE] under this chapter.

2 * Sec. 6. AS 41.20 is amended by adding new sections to read:

3 ARTICLE 12. STATE MARINE SANCTUARIES.

4 Sec. 41.20.410. DECLARATION OF PURPOSE. The purpose of secs.
5 410--430 of this chapter is to restrict land and water areas described
6 in sec. 415 of this chapter to use as a state marine sanctuary, con-
7 sistent with AS 38.05.300, and art. VIII, sec. 7, of the Alaska
8 Constitution.

9 Sec. 41.20.415. STATE LAND AND WATER AREAS DESIGNATED AS STATE
10 MARINE SANCTUARY. Land and water areas owned by the state on the
11 effective date of this Act, and all those acquired in the future by
12 the state, lying within the boundaries described in this section, are
13 designated as the Kachemak Bay State Marine Sanctuary. The sanctuary
14 is established for the protection and enhancement of the broad range
15 of natural, renewable resources, extraordinary abundance and diversity
16 of marine life and variety of human uses, associated with the area.
17 Primary among the uses which require a high degree of protection are
18 fisheries, recreation and scientific research. The land and water
19 areas designated as the Kachemak Bay State Marine Sanctuary and
20 reserved from all uses incompatible with their primary function as a
21 state marine sanctuary are those seaward of the mean higher high water
22 line, beginning at Anchor Point; then around the perimeter of Kachemak
23 Bay, to Point Pogibshi; then west to the three mile limit of state
24 land and waters; then north to a point three miles west of Anchor
25 Point; then east to the mean higher high water line of Anchor Point,
26 the point of beginning; including within the boundaries, all islands,
27 sea bird colonies, marine mammal haulouts, and rookeries.

28 Sec. 41.20.420. DESIGNATION OF MANAGEMENT RESPONSIBILITY.
29 General management of the state land and water areas described in sec.

1 415 of this chapter is assigned to the Department of Natural Resources,
2 and those areas shall be protected from exploitation, development, and
3 any activity that would seriously alter or otherwise endanger the
4 ecology or the appearance of the areas, the seabed, or the subsoil of
5 the areas. The Department of Fish and Game is responsible for manage-
6 ment of the fish and wildlife resources of the areas.

7 Sec. 41.20.425. INCOMPATIBLE USE PROHIBITED. (a) The legislature
8 finds that all activities associated with the exploration or develop-
9 ment of oil and gas are incompatible activities and are prohibited in
10 the sanctuary. All other uses are compatible unless determined to be
11 incompatible and are prohibited or restricted under (b) of this
12 section.

13 (b) The commissioner of natural resources, in consultation with,
14 and with the consent of, the commissioner of fish and game, may desig-
15 nate by regulations adopted in accordance with the Administrative
16 Procedure Act (AS 44.62), uses which could seriously alter or otherwise
17 endanger the ecology or appearance of the areas, the seabed, or the
18 subsoil of the areas, as incompatible within the boundaries of the
19 sanctuary. Those incompatible uses are prohibited or restricted, as
20 provided by regulation.

21 Sec. 41.20.430. PURCHASE AUTHORIZED. For Kachemak Bay State
22 Marine Sanctuary, the commissioner of natural resources may acquire,
23 by purchase or through exercise of the power of eminent domain, in the
24 name of the state, title to or interests in real property, including
25 leasehold interests, lying within the boundaries of the sanctuary
26 which are incompatible with the purposes for which this sanctuary was
27 created.

28 * Sec. 7. This Act takes effect immediately in accordance with AS 01.-
29 10.070(c).

Introduced: 3/2/76
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 626

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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13 (a) The commissioner shall establish a policy and adopt [PRESCRIBE
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15 tion areas, including public scenic overlooks and cultural sites,
16 shall be developed and managed in a manner that will best serve the
17 interests of the people of the state. The commissioner may classify
18 public lands, water, and land and water areas as parks, marine sanctu-
19 aries, scenic overlooks, cultural sites and recreation areas as long
20 as the general intent of this chapter is maintained.

21 (b) Annually, the commissioner shall call for nominations from
22 the public for the establishment of additions to the state system of
23 parks, marine sanctuaries and recreational facilities. Any person,
24 including state or federal agencies, or local governments may nominate
25 state land, water, or land and water areas for additions to the system.
26 The commissioner shall adopt regulations which are necessary to carry
27 out this section, including provision for public hearings.

28 * Sec. 2. AS 41.20.010 is amended to read:

29 CHAPTER 20. PARKS, MARINE SANCTUARIES, AND

1 RECREATIONAL FACILITIES.

2 ARTICLE 1. ACQUISITION, DEVELOPMENT AND MAINTENANCE OF STATE
3 PARKS, MARINE SANCTUARIES, AND RECREATIONAL AREAS GENERALLY.

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7 opportunities in the state, for the general health, welfare, education,
8 and enjoyment of its citizens and for the attraction of visitors to
9 the state.

10 (b) It is also the purpose of this chapter to foster the growth
11 and development of marine sanctuaries, water, or land and water areas
12 to be set aside as part of the state parks and recreation system,
13 under the general management responsibility of the Department of
14 Natural Resources, with responsibility for the fish and wildlife
15 resources vested in the Alaska Department of Fish and Game. It is the
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25 (2) plan for and develop a system of state parks, marine
26 sanctuaries, and recreational facilities, to be established as the
27 legislature authorizes and directs;

28 (3) acquire by gift, purchase, or transfer from state or
29 federal agencies, or from individuals, corporations, partnerships or

1 associations, land, water, or land and water areas necessary, suitable
2 and proper for roadside, picnic, recreational, marine sanctuary, or
3 park purposes;

4 (4) control, develop and maintain state parks, marine
5 sanctuaries, and recreational areas;

6 (5) provide for the acquisition, care, control, supervision,
7 improvement, development, extension and maintenance [OF PUBLIC RECREA-
8 TIONAL LANDS], and make necessary arrangements, contracts or commit-
9 ments for the improvement and development of lands, water, or land and
10 water areas acquired under secs. 10--47 [10--40] of this chapter;

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15 uses within the boundaries of state park, marine sanctuary, and recrea-
16 tional areas to protect the property and to preserve the peace;

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18 local subdivisions of the state to secure the effective supervision,
19 improvement, development, extension, and maintenance of state parks,
20 state monuments, state historical areas, state marine sanctuaries,
21 and state recreational areas, and secure agreements or contracts for
22 the purpose of secs. 10--47 [10--40] of this chapter;

23 (8) encourage the organization of state public park, marine
24 sanctuary, and recreational activities in the local political sub-
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27 local park, marine sanctuary, and recreation facilities and programs;

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15 peace officers of the state and they shall enforce the provisions of
16 this chapter and the regulations adopted [PROMULGATED] under this
17 chapter:

18 (1) an employee of the department authorized by the com-
19 missioner;

20 (2) a police officer in the state;

21 (3) any other person authorized by the commissioner.

22 (b) Each person designated in (a) of this section may, when
23 enforcing the provisions of this chapter or a regulation adopted
24 [MADE] under this chapter,

25 (1) execute a warrant or other process issued by an officer
26 or court of competent jurisdiction;

27 (2) administer or take an oath, affirmation or affidavit;

28 and

29 (3) arrest a person who violates a provision of this chapter

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7 sistent with AS 38.05.300, and art. VIII, sec. 7, of the Alaska
8 Constitution.

9 Sec. 41.20.415. STATE LAND AND WATER AREAS DESIGNATED AS STATE
10 MARINE SANCTUARY. Land and water areas owned by the state lying
11 within the boundaries described in this section, are designated as the
12 Kachemak Bay State Marine Sanctuary. The sanctuary is established for
13 the protection and enhancement of the extraordinary abundance and
14 diversity of marine life and variety of human uses associated with the
15 area. The land and water areas designated as the Kachemak Bay State
16 Marine Sanctuary are those state-owned lands and waters seaward of the
17 mean higher high water line, beginning at Anchor Point; then around
18 the perimeter of Kachemak Bay, to Point Pogibshi; then west to the
19 three mile limit of state land and waters; then north to a point three
20 miles west of Anchor Point; then east to the mean higher high water
21 line of Anchor Point, the point of beginning.

22 Sec. 41.20.420. DESIGNATION OF MANAGEMENT RESPONSIBILITY. (a)
23 Except as provided in (d) of this section, management of the state
24 land and water areas described in sec. 415 of this chapter is assigned
25 to the Department of Natural Resources, and those areas shall be
26 protected from activities that would significantly damage the environ-
27 ment of the areas.

28 (b) The following particular uses of the area are legislatively
29 determined not to significantly affect the environment of the areas:

1 (1) activities related to commercial, sport or subsistence
2 fishing, including the operation of all authorized fishing gear, and
3 the building, operation and maintenance of seafood processing plants;

4 (2) the taking of marine and beach plants for subsistence
5 and artistic purposes;

6 (3) the gathering of driftwood and coal;

7 (4) the construction, ownership and maintenance of homes
8 and vacation cabins;

9 (5) the construction and operation of docks, lodges,
10 fishing piers and other tourist facilities;

11 (6) the discharge of treated fish waste;

12 (7) the development of deep water ports within the area.

13 (c) Any regulations adopted by the commissioner of natural
14 resources regarding management of the sanctuary may only be adopted
15 after public hearings held in accordance with the Administrative
16 Procedure Act. At least one such public hearing must be held within
17 10 miles of the borders of the sanctuary.

18 (d) The Department of Fish and Game is responsible for manage-
19 ment of the fish and wildlife resources of the areas.

20 Sec. 41.20.425. OIL AND GAS DEVELOPMENT. The legislature finds
21 that the value of the renewable resources and the recreational and
22 environmental qualities of the Kachemak Bay Marine Sanctuary requires
23 complete protection from the risks and activities associated with the
24 exploration for and the development and production of oil and gas in the
25 sanctuary. No oil or gas leases may be issued by the Department
26 of Natural Resources or any other state agency for the exploration
27 for or the development or production of oil and gas within the
28 sanctuary. The commissioner of natural resources may acquire, by
29 purchase or through the exercise of the power of eminent domain,

1 in the name of the state, title to or interests in oil or gas leases
2 which were issued prior to the effective date of this Act, the pur-
3 chase of which is necessary to prohibit oil and gas exploration,
4 development or production in the sanctuary. In lieu of payment for a
5 purchased leasehold interest, the commissioner may authorize a credit
6 of the purchase price plus interest at the rate prescribed by
7 AS 09.30.070 to be granted the seller to be applied against lease
8 rental payments, permit fees, or oil and gas taxes which may be owed
9 or are owing on other leases or property on state land held by the
10 seller for oil and gas development.

11 * Sec. 7. This Act takes effect immediately in accordance with AS 01-
12 .10.070(c).
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THE LEGISLATURE OF THE STATE OF ALASKA

FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. HB 626
 Title: Marine Sanctuaries
 Requested by: _____ Date: _____
 Return Date Requested: _____
 Agency: Nat. Resources - Div. Parks Program: District Operations

II. FISCAL DETAIL

Budget Request Unit(s) Affected: District Operations

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		16.0	21.0	21.0	21.0	21.0
200 TRAVEL		2.5	1.4	1.4	1.4	1.4
300 CONTRACTUAL		4.5	4.5	4.5	4.5	4.5
400 COMMODITIES		2.0	4.0	4.0	4.0	4.0
500 EQUIPMENT		51.0	3.0	3.0	3.0	15.0
600 LAND & STRUCTURES		150.0	--	--	--	--
700 GRANTS, CLAIMS, ETC.						
TOTAL		226.0	33.9	33.9	33.9	45.9

B. FUNDING: (Thousands of dollars)

GENERAL FUND		76.0	33.9	33.9	33.9	45.9
FEDERAL FUNDS		75.0				
OTHER		75.0				

C. POSITIONS:

PERMANENT/TEMPORARY	/	1/	1/ 1	1/ 1	1/ 1	1/ 1
MAN MONTHS (P./T.)	/	12/	12/ 4	12/ 4	12/ 4	12/ 4

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

Legislation creating marine sanctuaries will have fiscal impact only; inasmuch as it creates the Kachemak Sanctuary in the enabling act. Manpower will be directed toward interpretation and education from a visitor center in Homer, and operation of a boat in conjunction with the Kachemak Bay State Park. Boat operations will also be coordinated with the Department of Fish and Game. One permanent ranger-naturalist will be assisted by a seasonal ranger. Initial development will be for a simple visitor center and parking area in Homer. Additional fiscal impact cannot be assessed until legislative intent vis-a-vis other marine sanctuaries is known.

IV. ATTACHMENTS

V. DATE: 3/16/76 PREPARED BY: Russell Cabell

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

HFC.

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

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FEDERAL FUNDS		75.0				
OTHER		75.0				

C. POSITIONS:

PERMANENT/TEMPORARY	/	1/	1/ 1	1/ 1	1/ 1	1/ 1
MAN MONTHS (P./T.)	/	12/	12/ 4	12/ 4	12/ 4	12/ 4

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