

LEG. FINANCE - BILLS 1979 - 1980 1166

HB 713 thru HB 714 • • 1166



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James O. Smith
Signature of Camera Operator

3/20/90
Date

HB 713

An Act making supplemental appropriations
to the Department of Administration;
effective date.

Sec. 1 of HB 713
inc. in CSHB 60-

IN: 2/11/80

Sec. 117
Sec. 3 isⁱⁿ Sec 119

*Letter +
Backup*

Funding Information:

General Fund: \$117,000
Other Funds: 50,000
\$167,000

Introduced: 2/11/80
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 713

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Department of Administration; and providing for an
8 effective date."

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

10 * Section 1. The sum of \$96,000 is appropriated from the general fund
11 to the Department of Administration, Division of General Services and Sup-
12 ply, Employee Housing Program.

13 * Sec. 2. The sum of \$50,000 is appropriated to the Department of Ad-
14 ministration, Division of Retirement and Benefits, for office equipment and
15 partitions for new open office system, from the following sources:

16	Public Employees Retirement System	\$25,000
17	Teachers' Retirement System	25,000

18 * Sec. 3. The sum of \$21,000 is appropriated from the general fund to
19 the Department of Administration, Division of General Services and Supply,
20 to fund printing of state forms and changes to the Alaska Statutes.

21 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
22 10.070(c).

23
24
25
26
27
28
29 COMMITTEE COPY



HB 713

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1980

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making supplemental appropriations to the Department of Administration. The three elements of the bills are as follows:

1. \$96,000 appropriated to the Division of General Services and Supply, Employee Housing Program, due to an employee grievance filed regarding housing rental rates, requiring general funds to replace the short-fall in program receipts in order to maintain the housing program as planned.

2. \$50,000 appropriated to the Division of Retirement and Benefits (\$25,000 - Public Employees Retirement System and \$25,000 - Teachers' Retirement System). Due to a critical space shortage, the division has gone to an open office system requiring the purchase of new office equipment and partitions.

3. \$21,000 appropriated to the Division of General Services and Supply to make up for insufficient funding for printing of state forms and changes to the Alaska Statutes.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond".

Jay S. Hammond
Governor

STATE
of ALASKA

MEMORANDUM

NOV 26 REC'D
B&MTO: [Ron Lehr
Division of Budget & Management
Office of Governor

DATE: November 2, 1979

FILE NO:

TELEPHONE NO:

FROM: W. R. Hudson
Commissioner
Department of AdministrationSUBJECT: FY 80 Supplemental,
Division of General
Services and Supply,
Housing Program

14B 713

The Department of Administration, Division of General Services and Supply, Housing Program, requests a supplemental appropriation of 96.0 General Funds to replace a loss in revenue of 96.0 Program Receipts.

The loss of revenue is the result of an arbitrator's decision on a challenge to increased rents by APEA. The arbitrator ruled that since the union had not been informed of the change in rents during contract negotiations, rate increases scheduled for July 1, could not be implemented. This rollback in rents will result in a loss of revenue to the Housing Program of approximately 8.0 per month.

Further details of the arbitration ruling are included in the attached memo of October 11, from Kip Roloff, Labor Relations Analyst, to George Elgee, Director of General Services and Supply.

Your action in forwarding this supplemental request is appreciated.

WRH/ja

cc: George Elgee
Director
Division of General Services and SupplyKellus Sewell
Director
Division of Administrative Services

MEMORANDUM

TO: George Elgee
Director
Division of General Services & Supply

DATE: October 11, 1979

THRU: Sandy Withers
Director
Division of Personnel & Labor Relations

FROM: Kip Roloff
Labor Relations Analyst
Employees Relations
Division of Personnel & Labor Relations

FILE NO:

TELEPHONE NO:

SUBJECT: Housing

Attention: Mike DeBerry
Housing Officer

The State is in receipt of Arbitrator Hauck's decision in the case between APEA and the State of Alaska regarding the State's Housing Policy. The arbitrator ruled that the State cannot raise the rental rates established prior to July 1, 1979. In addition, all monies collected from APEA member employees which is directly attributable to the July 1, 1979 increases must be returned to the employee retroactive to July 1, 1979. For example, if an employee had the rent charged for his state owned and controlled rental unit raised by \$50 per month effective July 1, 1979 and he has paid the full rent chargeable to him through October 1979, he will be entitled to a \$200 reimbursement and his rental rate in November will be that for which he was charged in June.

The arbitrator reasoned that the past practice of subsidizing APEA represented employees in State owned housing was an employee benefit of major proportions and as such constituted a term or condition of employment. Arbitrator Hauck ruled that terms or conditions of employment which constitute mandatory subjects of bargaining can be changed in only one of two ways. First, such a change can be made if during negotiations the Union negotiating committee is informed of the planned change and the Union fails to negotiate a provision which precludes the implementation of that planned change. Second, benefits of major proportions may be substantially reduced during the life of the contract if a letter of understanding on the subject is obtained and that letter does not prohibit the contemplated reduction. Arbitrator Hauck found that since the State did not discuss the change in housing rental rates during negotiations over the Supervisory or General Government agreement, and since a letter of understanding regarding the proposed change was not attained, the rate increases scheduled to go into effect on July 1, 1979 could not be implemented.

Finally, Mr. Hauck found that the record did not substantiate union allegations that the implementation of the Housing Policy resulted in a poor maintenance record or profiteering by the State. Furthermore, the Union's failure to file an earlier grievance precluded the arbitrator from reviewing changes in rental rates which occurred prior to July 1, 1979. Therefore, the rental rates which were established prior to July 1, 1979, will remain in effect. Tenants who have refused to meet those rates now owe back rent.

George Elgee

-2-

October 11, 1979

In conclusion the arbitrators award applies only to APEA represented employees in State owned and controlled housing. The rents charged to those employees must be rolled back to the rates being charged before July 1, 1979.

cc: Rus Clark
Fish. & Game

Ray Rush
Public Safety

Stan Kenniston
Department of Transportation
and Public Facilities

Douglas Goldbach
Health and Social Services

Kellus Sewell
Department of Administration

Tom Clark
Military Affairs

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

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Building & Equipment Services
AGENCY	Administration
DIVISION	General Services & Supply
BUDGET REQUEST UNIT	Employee Housing
BUDGET COMPONENT	-----
APPROPRIATION	Building & Equipment Services
ALLOCATION	Employee Housing

		INITIAL AUTHORIZATION	RP 80-88X	RP 80-220X	This RP Supplemental	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	68.8	4.5	20.8							
02	TRAVEL	24.8	1.2								
03	CONTRACTUAL	980.5	(4.5)								
04	COMMODITIES	3.0	(1.2)								
05	EQUIPMENT	24.8									
06	LANDS, BUILDINGS	124.0									
07	GRANTS, CLAIMS										
08	MISCELLANEOUS										
	TOTAL	1225.9	-0-	20.8							
1002	FEDERAL RECEIPTS										
1003	G/F MATCH										
1004	GENERAL FUND	455.3		20.8	96.0						
1005	I/A RECEIPTS										
1028	PROGRAM RECEIPTS	770.6			(96.0)						
15	FULL TIME	2.0		1.0							
16	PART TIME										
17	TEMPORARY										
18	MAN-MONTHS	24.0		12.0							

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUATI
PERSONAL SERVICES		36.3	20.8	93.1	68.8	94.1	36.8	4.0	53.3	- 0 -	101.7
TRAVEL		5.0	2.5	26.0	24.8	26.0	10.5		15.5	- 0 -	27.8
CONTRACTUAL SERVICES		73.3	68.7	1077.6	980.5	976.0	90.9	150.0	1,270.9	(535.8)	1023.1
COMMODITIES		1.0	2.2	3.9	3.0	1.8	6.9		(5.1)*	- 0 -	1.9
EQUIPMENT		1.8	2.0	25.7	24.8	24.8	7.3		17.5	- 0 -	84.4
LANDS, BLDG. ...				124.0	124.0	124.0	124.0		- 0 -		121.7
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	0	117.4	96.2	1350.3	1225.9	1246.7	276.4	154.0	1,352.1	(535.8)	
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND				535.7	455.3	476.1	75.0	154.0	878.9	(631.8)	586.3
INTER-AGENCY RECEIPTS											
Program Receipts		117.4	96.2	814.6	770.6	770.6	201.4		473.2	96.0	774.3

* Overexpenditure due to purchases of fire extinguishers, smoke detectors, etc. Budgeted funds from Repair & maintenance in the Contractual line item will be transferred.

AGENCY: Administration

BRU: Building & Equipment SVCS COMPONENT: Housing

REVISED: _____

STATE
of ALASKA

MEMORANDUM

OCT 16 REC'D
B&M

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

DATE: October 11, 1979

FILE NO:

TELEPHONE NO:

FROM: Kellus N. Sewell *(Signature)*
Director
Division of Administrative Services
Department of Administration

SUBJECT: Request for FY 80
Supplemental or Governor's
Contingency Funds of
21.0 for Archives and
Records

The Department of Administration, Division of General Services, Archives and Records Program requests authority to receive and expend 21.0 General Funds Supplemental Appropriation or from the Governor's Contingency Fund.

The contractual line item for this budget was reduced by 15% from the FY 79 level; or by \$29.0. Since it was not possible to reduce the cost of statewide forms, the only place to reduce was in the printing of Alaska Statutes (see attached Financial Plan memo from Richard Bradley to Ron Lind). We have now been billed for the total cost of the statutes by Legislative Affairs (37.8) and have only 16.8 available to pay. Since Legislative Affairs has budgeted the total 37.8 as program receipts, they will need to receive that amount in order to not over-expend their budget. This Department will pay the 16.8 we have available, but we do not feel we should risk over-expending our budget by paying the bill in full. We also feel agencies should not be required to absorb these costs due the existing financial constraints.

In addition, funds cannot be made available within the appropriation containing the Archives component or other appropriations in the Department without seriously impacting already less than satisfactory service levels. Therefore, we request an increase to this appropriation of 21.0 in order to cover the costs of paying this bill.

KNS/aiw
Attachment

cc: George Elgee, Director
Division of General Services & Supply

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

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Admin. Services to State Agencies
AGENCY	Administration
DIVISION	General Services & Supply
BUDGET REQUEST UNIT	General Services
BUDGET COMPONENT	Archives
APPROPRIATION	General Services
ALLOCATION	Archives

		INITIAL AUTHORIZATION	RSA RP Revenue	This RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	284.5								284.5
02	TRAVEL	2.9								2.9
03	CONTRACTUAL	118.6	1.8	21.0						141.4
04	COMMODITIES	17.3								17.3
05	EQUIPMENT									
06	LANDS, BUILDINGS	104.0								104.0
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	TOTAL	527.3	1.8	21.0						550.1
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	527.3		21.0						548.3
1005	I/A RECEIPTS		1.8							1.8
1028	PROGRAM RECEIPTS									
15	FULL TIME	11.0								11.0
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS	132.0								132.0

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUATI
PERSONAL SERVICES	280.1	292.7	294.3	313.4	284.5	252.0	88.9	9.6	153.5		282.5
TRAVEL	3.2	2.9	2.8	4.1	2.9	2.9	1.2		1.7		3.1
CONTRACTUAL SERVICES	125.9	150.4	147.5	147.6	118.6	153.1	71.0	1.5	101.6	(21.0)	138.6
COMMODITIES	15.6	20.5	22.1	21.5	17.3	17.1	.4		16.7		20.2
EQUIPMENT	4.5	6.7	5.9								
LANDS, BLDG. ...	104.2	104.6	104.6	104.0	104.0	104.0	104.0		0		104.0
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	533.5	577.8	577.2	590.6	527.3	529.1	265.5	11.1	273.5	(21.0)	548.4
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND	533.5	577.8	577.2	590.6	527.3	527.3	263.7	11.1	273.5	(21.0)	548.4
INTER-AGENCY RECEIPTS						1.8	1.8				

AGENCY: Administration

BRU: General Services

COMPONENT: Archives

REVISED: _____

STATE
of ALASKA

MEMORANDUM

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

DATE: January 4, 1980

FILE NO:

TELEPHONE NO:

FROM: Commissioner W. R. Hudson
Department of Administration

SUBJECT: FY 80 Supplemental.
Division of Retirement
and Benefits

The Department of Administration, Division of Retirement and Benefits, requests a supplemental appropriation for FY 80 of 25.0 each of PERS and TRS funds for open office system equipment.

This request is necessitated by the addition of new positions in the Division of Retirement with no additional space. The open office equipment allows a space savings of 30%. Costs for converting the entire Division are 75.0 with 75.0 coming from existing funds and 10.0 from the supplemental Benefits (Opt-out) Program.

The Division is being provided a loan of 50.0 from the Governor's contingency fund which will be reimbursed by this supplemental.

Your consideration of this supplemental is appreciated.

WRH/mjc

cc: Paul B. Arnoldt, Director
Division of Retirement and
Benefits

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

REVISED PROGRAM SUMMARY

CATEGORY	General Government
COVER PROGRAM	Labor Services
AGENCY	Administration
DIVISION	Retirement & Benefits
BUDGET REQUEST UNIT	Retirement
APPROPRIATION	Labor Services
ALLOCATION	

BRU COMPONENTS	INITIAL AUTHORIZATION	Supplem. RP Benefits	This RP Supplemental	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
PERS	674.4		25.0						699.4
TRS	634.2		25.0						659.2
Other Benefits	255.4	450.9							706.3
TOTAL	1564.0	450.9	50.0						2064.9
FEDERAL RECEIPTS									
G/F MATCH									
GENERAL FUND	185.5								185.5
I/A RECEIPTS									
PROGRAM RECEIPTS- FICA	69.9								69.9
PERS	674.4		25.0						699.4
TRS	634.2		25.0						659.2
Supplemental Benefits		450.9							450.9
FULL TIME	33.0	3.0							36.0
PART TIME									
TEMPORARY	4.0								4.0
MAN - MONTHS	400.0	36.0							436.0

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

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Labor Services
AGENCY	Administration
DIVISION	Retirement & Benefits
BUDGET REQUEST UNIT	Retirement
BUDGET COMPONENT	PERS
APPLICATION	Labor Services
ALLOCATION	PERS

		INITIAL AUTHORIZATION	This RP Supplemental	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	346.7								346.7
02	TRAVEL	26.0								26.0
03	CONTRACTUAL	229.1								229.1
04	COMMODITIES	3.6								3.6
05	EQUIPMENT	4.6	25.0							29.6
06	LANDS, BUILDINGS	17.5								17.5
07	GRANTS, CLAIMS	46.6								46.6
08	MISCELLANEOUS									
	TOTAL	674.4	25.0							699.4
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND									
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
	PERS	674.4	25.0							699.4
15	FULL TIME	12.8								12.8
16	PART TIME									
17	TEMPORARY	2.0								2.0
18	MAN-MONTHS	158.0								158.0

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

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Labor Services
AGENCY	Administration
DIVISION	Retirement & Benefits
BUDGET REQUEST UNIT	Retirement
BUDGET COMPONENT	TRS
APPROPRIATION	Labor Services
ALLOCATION	TRS

		INITIAL AUTHORIZATION	This RP Supplemental	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	366.0								366.0
02	TRAVEL	24.9								24.9
03	CONTRACTUAL	175.2								175.2
04	COMMODITIES	4.2								4.2
05	EQUIPMENT	4.6	25.0							29.6
06	LANDS, BUILDINGS	18.9								18.9
07	GRANTS, CLAIMS	40.4								40.4
08	MISCELLANEOUS									
	TOTAL	634.2	25.0							659.2
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND									
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
	TRS	634.2	25.0							659.2
15	FULL TIME	13.8								13.8
16	PART TIME									
17	TEMPORARY	2.0								2.0
18	MAN-MONTHS	166.0								166.0

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUATI
PERSONAL SERVICES	196.9	263.2	289.1	346.7	361.5	306.4	103.8	12.0	190.6		382.6
TRAVEL	10.8	20.1	13.4	26.0	26.0	26.0	9.3		16.7		27.8
CONTRACTUAL SERVICES	139.0	320.5	294.4	229.1	234.4	290.7	116.2	4.0	170.5		323.7
COMMODITIES	1.6	3.4	2.5	3.9	4.1	2.8	.4		2.4		4.6
EQUIPMENT	1.8	2.9	1.2	4.6	4.9	4.8			29.8	(25.0)	2.0
LANDS, BLDG. ...				17.5	17.5	17.5	17.5		0		16.8
GRANTS, CLAIMS, ...	18.2	31.6	31.6	46.6	46.6	46.6			46.6		66.1
MISCELLANEOUS											.6
TOTAL	368.3	641.7	632.2	674.4	695.0	694.8	247.2	16.0	456.6	(25.0)	824.2
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
PERS	368.3	641.7	632.2	674.4	695.0	694.8	247.2	16.0	456.6	(25.0)	824.2

AGENCY: Administration BRU: Retirement & Benefits COMPONENT: PERS REVISED: _____

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUATI
PERSONAL SERVICES	187.6	283.2	290.0	306.0	375.8	320.7	118.5	13.7	188.5		401.6
TRAVEL	9.2	19.7	13.8	24.9	24.9	24.9	10.4		14.5		26.6
CONTRACTUAL SERVICES	129.7	297.2	162.7	175.2	175.4	231.7	104.5	4.0	123.2		203.9
COMMODITIES	8.9	3.7	2.5	4.2	4.3	3.1	.3		2.8		4.8
EQUIPMENT	1.8	3.7	3.5	4.6	4.8	4.8			29.8	(25.0)	2.0
LANDS, BLDG. ...				18.9	18.9	18.9	18.9		0		18.2
GRANTS, CLAIMS. ...	17.9	28.3	28.3	40.4	40.4	40.4			40.4		52.1
MISCELLANEOUS											.5
TOTAL	355.1	635.8	500.8	634.2	644.5	644.5	252.6	17.7	399.2	(25.0)	<u>709.7</u>
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
TRS	355.1	635.8	500.8	634.2	644.5	644.5	252.6	17.7	399.2	(25.0)	709.7

AGENCY: Administration BRU: Retirement & Benefits COMPONENT: TRS REVISED: _____

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

HOUSE ...BILL..... NO. 713...

By ..THE RULES COMMITTEE..BY...
REQUEST OF THE GOVERNOR

"An Act making supplemental appropriations to the Department of Administration; and providing for an effective date."

Supp appro, Dept of Admin

Introduced in the House 2/11....., 19.80

HISTORY IN THE HOUSE

19 80	Read first time and referred to Committee on												
Feb. 11	Finance												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	<table border="0"> <tr> <td>Reconsideration</td> <td></td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	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												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	<table border="0"> <tr> <td>Reconsideration</td> <td></td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	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.	

Funding Information:
General Fund: \$117,000
Other Funds: 50,000
\$167,000

Introduced: 2/11/80
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 713

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Department of Administration; and providing for an
8 effective date."

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

10 * Section 1. The sum of \$96,000 is appropriated from the general fund
11 to the Department of Administration, Division of General Services and Sup-
12 ply, Employee Housing Program.

13 * Sec. 2. The sum of \$50,000 is appropriated to the Department of Ad-
14 ministration, Division of Retirement and Benefits, for office equipment and
15 partitions for new open office system, from the following sources:

16 Public Employees Retirement System \$25,000

17 Teachers' Retirement System 25,000

18 * Sec. 3. The sum of \$21,000 is appropriated from the general fund to
19 the Department of Administration, Division of General Services and Supply,
20 to fund printing of state forms and changes to the Alaska Statutes.

21 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
22 10.070(c).

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24

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Funding Information:
General Fund: \$117,000
Other Funds: 50,000
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1980

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making supplemental appropriations to the Department of Administration. The three elements of the bills are as follows:

1. \$96,000 appropriated to the Division of General Services and Supply, Employee Housing Program, due to an employee grievance filed regarding housing rental rates, requiring general funds to replace the short-fall in program receipts in order to maintain the housing program as planned.

2. \$50,000 appropriated to the Division of Retirement and Benefits (\$25,000 - Public Employees Retirement System and \$25,000 - Teachers' Retirement System). Due to a critical space shortage, the division has gone to an open office system requiring the purchase of new office equipment and partitions.

3. \$21,000 appropriated to the Division of General Services and Supply to make up for insufficient funding for printing of state forms and changes to the Alaska Statutes.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond".

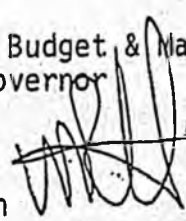
Jay S. Hammond
Governor

TO: Ron Lehr
Division of Budget & Management
Office of Governor

DATE: November 2, 1979

FILE NO:

TELEPHONE NO:

FROM:  W. R. Hudson
Commissioner
Department of Administration

SUBJECT: FY 80 Supplemental,
Division of General
Services and Supply,
Housing Program

14B 713

The Department of Administration, Division of General Services and Supply, Housing Program, requests a supplemental appropriation of 96.0 General Funds to replace a loss in revenue of 96.0 Program Receipts.

The loss of revenue is the result of an arbitrator's decision on a challenge to increased rents by APEA. The arbitrator ruled that since the union had not been informed of the change in rents during contract negotiations, rate increases scheduled for July 1, could not be implemented. This rollback in rents will result in a loss of revenue to the Housing Program of approximately 8.0 per month.

Further details of the arbitration ruling are included in the attached memo of October 11, from Kip Roloff, Labor Relations Analyst, to George Elgee, Director of General Services and Supply.

Your action in forwarding this supplemental request is appreciated.

WRH/ja

cc: George Elgee
Director
Division of General Services and Supply

Kellus Sewell
Director
Division of Administrative Services

TO: George Elgee
Director
Division of General Services & Supply

DATE: October 11, 1979

FILE NO:

THRU: Sandy Withers
Director
Division of Personnel & Labor Relations

TELEPHONE NO:

FROM: Kip Roloff
Labor Relations Analyst
Employees Relations
Division of Personnel & Labor Relations

SUBJECT:

Housing

Attention: Mike DeBerry
Housing Officer

The State is in receipt of Arbitrator Hauck's decision in the case between APEA and the State of Alaska regarding the State's Housing Policy. The arbitrator ruled that the State cannot raise the rental rates established prior to July 1, 1979. In addition, all monies collected from APEA member employees which is directly attributable to the July 1, 1979 increases must be returned to the employee retroactive to July 1, 1979. For example, if an employee had the rent charged for his state owned and controlled rental unit raised by \$50 per month effective July 1, 1979 and he has paid the full rent chargeable to him through October 1979, he will be entitled to a \$200 reimbursement and his rental rate in November will be that for which he was charged in June.

The arbitrator reasoned that the past practice of subsidizing APEA represented employees in State owned housing was an employee benefit of major proportions and as such constituted a term or condition of employment. Arbitrator Hauck ruled that terms or conditions of employment which constitute mandatory subjects of bargaining can be changed in only one of two ways. First, such a change can be made if during negotiations the Union negotiating committee is informed of the planned change and the Union fails to negotiate a provision which precludes the implementation of that planned change. Second, benefits of major proportions may be substantially reduced during the life of the contract if a letter of understanding on the subject is obtained and that letter does not prohibit the contemplated reduction. Arbitrator Hauck found that since the State did not discuss the change in housing rental rates during negotiations over the Supervisory or General Government agreement, and since a letter of understanding regarding the proposed change was not attained, the rate increases scheduled to go into effect on July 1, 1979 could not be implemented.

Finally, Mr. Hauck found that the record did not substantiate union allegations that the implementation of the Housing Policy resulted in a poor maintenance record or profiteering by the State. Furthermore, the Union's failure to file an earlier grievance precluded the arbitrator from reviewing changes in rental rates which occurred prior to July 1, 1979. Therefore, the rental rates which were established prior to July 1, 1979, will remain in effect. Tenants who have refused to meet those rates now owe back rent.

George Elgee

-2-

October 11, 1979

In conclusion the arbitrators award applies only to APEA represented employees in State owned and controlled housing. The rents charged to those employees must be rolled back to the rates being charged before July 1, 1979.

cc: Russ Clark
Fish & Game

Ray Rush
Public Safety

Stan Kenniston
Department of Transportation
and Public Facilities

Douglas Goldbach
Health and Social Services

Kellus Sewell
Department of Administration

Tom Clark
Military Affairs

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

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Building & Equipment Services
AGENCY	Administration
DIVISION	General Services & Supply
BUDGET REQUEST UNIT	Employee Housing
BUDGET COMPONENT	-----
APPROPRIATION	Building & Equipment Services
ALLOCATION	Employee Housing

		INITIAL AUTHORIZATION	RP 80-88X	RP 80-220X	This RP Supplemental	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	68.8	4.5	20.8						
02	TRAVEL	24.8	1.2							
03	CONTRACTUAL	980.5	(4.5)							
04	COMMODITIES	3.0	(1.2)							
05	EQUIPMENT	24.8								
06	LANDS, BUILDINGS	124.0								
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	TOTAL	1225.9	-0-	20.8						
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	455.3		20.8	96.0					
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS	770.6			(96.0)					
15	FULL TIME	2.0		1.0						
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS	24.0		12.0						

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUATI
PERSONAL SERVICES		36.3	20.8	93.1	68.8	94.1	36.8	4.0	53.3	- 0 -	101.7
TRAVEL		5.0	2.5	26.0	24.8	26.0	10.5		15.5	- 0 -	27.8
CONTRACTUAL SERVICES		73.3	68.7	1077.6	980.5	976.0	90.9	150.0	1,270.9	(535.8)	1023.1
COMMODITIES		1.0	2.2	3.9	3.0	1.8	6.9		(5.1)*	- 0 -	1.9
EQUIPMENT		1.8	2.0	25.7	24.8	24.8	7.3		17.5	- 0 -	84.4
LANDS, BLDG. ...				124.0	124.0	124.0	124.0		- 0 -		121.7
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	0	117.4	96.2	1350.3	1225.9	1246.7	276.4	154.0	1,352.1	(535.8)	
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND				535.7	455.3	476.1	75.0	154.0	878.9	(631.8)	586.3
INTER-AGENCY RECEIPTS											
Program Receipts		117.4	96.2	814.6	770.6	770.6	201.4		473.2	96.0	774.3

* Overexpenditure due to purchases of fire extinguishers, smoke detectors, etc. Budgeted funds from Repair & maintenance in the Contractual line item will be transferred.

AGENCY: Administration

BRU: Building & Equipment SVCS COMPONENT: Housing

REVISED: _____

OCT 16 REC'D
B&M

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

DATE: October 11, 1979

FILE NO:

TELEPHONE NO:

FROM: Kellus N. Sewell *(Signature)*
Director
Division of Administrative Services
Department of Administration

SUBJECT: Request for FY 80
Supplemental or Governor's
Contingency Funds of
21.0 for Archives and
Records

The Department of Administration, Division of General Services, Archives and Records Program requests authority to receive and expend 21.0 General Funds Supplemental Appropriation or from the Governor's Contingency Fund.

The contractual line item for this budget was reduced by 15% from the FY 79 level; or by \$29.0. Since it was not possible to reduce the cost of statewide forms, the only place to reduce was in the printing of Alaska Statutes (see attached Financial Plan memo from Richard Bradley to Ron Lind). We have now been billed for the total cost of the statutes by Legislative Affairs (37.8) and have only 16.8 available to pay. Since Legislative Affairs has budgeted the total 37.8 as program receipts, they will need to receive that amount in order to not over-expend their budget. This Department will pay the 16.8 we have available, but we do not feel we should risk over-expending our budget by paying the bill in full. We also feel agencies should not be required to absorb these costs due the existing financial constraints.

In addition, funds cannot be made available within the appropriation containing the Archives component or other appropriations in the Department without seriously impacting already less than satisfactory service levels. Therefore, we request an increase to this appropriation of 21.0 in order to cover the costs of paying this bill.

KNS/aiv
Attachment

cc: George Elgee, Director
Division of General Services & Supply

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

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Admin. Services to State Agencies
AGENCY	Administration
DIVISION	General Services & Supply
BUDGET REQUEST UNIT	General Services
BUDGET COMPONENT	Archives
APPROPRIATION	General Services
ALLOCATION	Archives

		INITIAL AUTHORIZATION	RSA RP Revenue	This RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	284.5								284.5
02	TRAVEL	2.9								2.9
03	CONTRACTUAL	118.6	1.8	21.0						141.4
04	COMMODITIES	17.3								17.3
05	EQUIPMENT									
06	LANDS, BUILDINGS	104.0								104.0
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	TOTAL	527.3	1.8	21.0						550.1
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	527.3		21.0						548.3
1005	I/A RECEIPTS		1.8							1.8
1028	PROGRAM RECEIPTS									
15	FULL TIME	11.0								11.0
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS	132.0								132.0

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUATI
PERSONAL SERVICES	280.1	292.7	294.3	313.4	284.5	252.0	88.9	9.6	153.5		282.5
TRAVEL	3.2	2.9	2.8	4.1	2.9	2.9	1.2		1.7		3.1
CONTRACTUAL SERVICES	125.9	150.4	147.5	147.6	118.6	153.1	71.0	1.5	101.6	(21.0)	138.6
COMMODITIES	15.6	20.5	22.1	21.5	17.3	17.1	.4		16.7		20.2
EQUIPMENT	4.5	6.7	5.9								
LANDS, BLDG. ...	104.2	104.6	104.6	104.0	104.0	104.0	104.0		0		104.0
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	533.5	577.8	577.2	590.6	527.3	529.1	265.5	11.1	273.5	(21.0)	548.4
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND	533.5	577.8	577.2	590.6	527.3	527.3	263.7	11.1	273.5	(21.0)	548.4
INTER-AGENCY RECEIPTS						1.8	1.8				

AGENCY: Administration BRU: General Services COMPONENT: Archives REVISED: _____

STATE
of ALASKA

MEMORANDUM

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

DATE: January 4, 1980

FILE NO:

TELEPHONE NO:

FROM: Commissioner W. R. Hudson
Department of AdministrationSUBJECT: FY 80 Supplemental
Division of Retirement
and Benefits

The Department of Administration, Division of Retirement and Benefits, requests a supplemental appropriation for FY 80 of 25.0 each of PERS and TRS funds for open office system equipment.

This request is necessitated by the addition of new positions in the Division of Retirement with no additional space. The open office equipment allows a space savings of 30%. Costs for converting the entire Division are 75.0 with 75.0 coming from existing funds and 10.0 from the supplemental Benefits (Opt-out) Program.

The Division is being provided a loan of 50.0 from the Governor's contingency fund which will be reimbursed by this supplemental.

Your consideration of this supplemental is appreciated.

WRH/mjc

cc: Paul B. Arnoldt, Director
Division of Retirement and
Benefits

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

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Labor Services
AGENCY	Administration
DIVISION	Retirement & Benefits
BUDGET REQUEST UNIT	Retirement
BUDGET COMPONENT	PERS
APPROPRIATION	Labor Services
ALLOCATION	PERS

		INITIAL AUTHORIZATION	This RP Supplemental	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	346.7								346.7
02	TRAVEL	26.0								26.0
03	CONTRACTUAL	229.1								229.1
04	COMMODITIES	3.6								3.6
05	EQUIPMENT	4.6	25.0							29.6
06	LANDS, BUILDINGS	17.5								17.5
07	GRANTS, CLAIMS	46.6								46.6
08	MISCELLANEOUS									
	TOTAL	674.4	25.0							699.4
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND									
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
	PERS	674.4	25.0							699.4
15	FULL TIME	12.8								12.8
16	PART TIME									
17	TEMPORARY	2.0								2.0
18	MAN-MONTHS	158.0								158.0

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

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	General Government
COVER PROGRAM	Labor Services
AGENCY	Administration
DIVISION	Retirement & Benefits
BUDGET REQUEST-UNIT	Retirement
BUDGET COMPONENT	TRS
APPROPRIATION	Labor Services
ALLOCATION	TRS

	INITIAL AUTHORIZATION	This RP Supplemental	RP	RP	RP	RP	RP	RP	AMEI/DED AUTHORIZATION
01	PERSONAL SERVICES	366.0							366.0
02	TRAVEL	24.9							24.9
03	CONTRACTUAL	175.2							175.2
04	COMMODITIES	4.2							4.2
05	EQUIPMENT	4.6	25.0						29.6
06	LANDS, BUILDINGS	18.9							18.9
07	GRANTS, CLAIMS	40.4							40.4
08	MISCELLANEOUS								
	TOTAL	634.2	25.0						659.2
1002	FEDERAL RECEIPTS								
1003	G/F MATCH								
1004	GENERAL FUND								
1005	I/A RECEIPTS								
1028	PROGRAM RECEIPTS								
	TRS	634.2	25.0						659.2
15	FULL TIME	13.8							13.8
16	PART TIME								
17	TEMPORARY	2.0							2.0
18	MAN-MONTHS	166.0							166.0

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUAT
PERSONAL SERVICES	196.9	263.2	289.1	346.7	361.5	306.4	103.8	12.0	190.6		382.6
TRAVEL	10.8	20.1	13.4	26.0	26.0	26.0	9.3		16.7		27.8
CONTRACTUAL SERVICES	139.0	320.5	294.4	229.1	234.4	290.7	116.2	4.0	170.5		323.7
COMMODITIES	1.6	3.4	2.5	3.9	4.1	2.8	.4		2.4		4.6
EQUIPMENT	1.8	2.9	1.2	4.6	4.9	4.8			29.8	(25.0)	2.0
LANDS, BLDG. ...				17.5	17.5	17.5	17.5		0		16.8
GRANTS, CLAIMS, ...	18.2	31.6	31.6	46.6	46.6	46.6			46.6		66.1
MISCELLANEOUS											.6
TOTAL	368.3	641.7	632.2	674.4	695.0	694.8	247.2	16.0	456.6	(25.0)	824.2
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
PERS	368.3	641.7	632.2	674.4	695.0	694.8	247.2	16.0	456.6	(25.0)	824.2

AGENCY: Administration BRU: Retirement & Benefits COMPONENT: PERS REVISED: _____

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUAT
PERSONAL SERVICES	187.6	283.2	290.0	366.0	375.8	320.7	118.5	13.7	188.5		401.6
TRAVEL	9.2	19.7	13.8	24.9	24.9	24.9	10.4		14.5		26.6
CONTRACTUAL SERVICES	129.7	297.2	162.7	175.2	175.4	231.7	104.5	4.0	123.2		203.9
COMMODITIES	8.9	3.7	2.5	4.2	4.3	3.1	.3		2.8		4.8
EQUIPMENT	1.8	3.7	3.5	4.6	4.8	4.8			29.8	(25.0)	2.0
LANDS, BLDG. ...				18.9	18.9	18.9	18.9		0		18.2
GRANTS, CLAIMS.	17.9	28.3	28.3	40.4	40.4	40.4			40.4		52.1
MISCELLANEOUS											.5
TOTAL	355.1	635.8	500.8	634.2	644.5	644.5	252.6	17.7	399.2	(25.0)	709.7 156.7
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
TRS	355.1	635.8	500.8	634.2	644.5	644.5	252.6	17.7	399.2	(25.0)	709.7

AGENCY: Administration BRU: Retirement & Benefits COMPONENT: TRS REVISED: _____



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

3/20/90
Date

HB 714

An Act making a supplemental appropriation
to the Department of Natural Resources,
Division of Forest, Land & Water Management,
Icy Bay No. 2 timber sale; effective date

Inc. in 60
CSHB ~~74~~-Sec. 71

IN: 2/11/80

(11)

COMMITTEE REPORT

HOUSE

2/11/80

FURTHER:

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 714

"An Act making a supplemental appropriation to the Department of Natural Resources, Division of Forest, Land and Water Management, Icy Bay No. 2 timber sale; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

*letter +
Backup*

Funding Information:
General Funds: \$45,800
Other Funds: -0-
\$45,800

Introduced: 2/11/80
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 714

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Natural Resources, Division of Forest,
8 Land and Water Management, Icy Bay No. 2 timber sale
9 and providing for an effective date."

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

11 * Section 1. The sum of \$45,800 is appropriated from the general fund
12 to the Department of Natural Resources, Division of Forest, Land and Water
13 Management, for the purpose of conducting the Icy Bay No. 2 timber sale.

14 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
15 10.070(c).

29 COMMITTEE COPY

JAY S. HAMMOND
GOVERNOR



14B 714

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1980

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making a supplemental appropriation to the Department of Natural Resources, Division of Forest, Land and Water Management, in order to conduct a 40MMBF timber sale near Icy Bay this summer.

The sale will be competitive, with several firms having expressed great interest in bidding. The demand at this time is largely due to the temporary moratorium on timber sales in the Chugach Forest, in turn due to the delay in "(d)(2)" legislation in Congress.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond".

Jay S. Hammond
Governor

JAN 22 REC'D

10-2

TO:

Ron Lehr, Director
Budget and Management

DATE: January 21, 1979

FILE NO:

MB 714

TELEPHONE NO:

FROM:



Jeff Haynes, Deputy Commissioner SUBJECT: Icy Bay supplemental

The attached request for supplemental is forwarded for your review for the third time. These funds are absolutely necessary in order to conduct a 40MMBF timber sale near Icy Bay in the summer of this year. The sale will be competitive, with several firms having expressed great interest in bidding, most particularly Kenai Lumber in Seward. The demand at this time is largely due to the temporary moratorium on timber sales in the Chugach Forest, in turn due to the delay in (d) (2) legislation in Washington.

This sale was not anticipated at the time the department's FY 80 budget was submitted. However, the subsequent decrease in the other available sources of timber have created a short term crisis. After several meetings with the industry, the Department of Natural Resources and Governor Hammond agreed that the Icy Bay sale could help to alleviate this crisis, and that it should be held as soon as possible.

Revenues from the sale, when held during the next fiscal year, will return our administrative costs, plus some additional profit to the State.

Where possible, costs associated with sale preparations which could be deferred into the new fiscal year without delaying the sale, are included in our FY 81 budget request.



 JAN 10 REC'D

 TO: Ron Lehr, Director
 Budget & Management

DATE: January 9, 1980

FILE NO:

TELEPHONE NO:

 FROM: 
 Geoff Haynes
 Deputy Commissioner

 SUBJECT: Detailed information
 request to support
 supplemental - Icy Bay
 #2 Timber Sale.

Anticipated costs associated with the Icy Bay #2 Timber Sale.

Advanced recon of sales area 9/7/79 to 9/15/79 expended

100	3 - Two man crews	\$3394
200	Per Diem	\$1444 *
	Air Travel (Anc. - Yakutat) & Return	\$ 642
300	Air Charter (Yakutat - Icy Bay) & Return	\$ 465
	Helicopter #3 days	\$3657
	Total	\$8158

* Room & Board provided by Gulf Timber

Funds needed by supplemental appropriation required to complete work 3/15/80 to 4/27/80.

Sale Layout & Cruise

100	3 - Forest Tech III @ 3 months	\$15,150
200	Air Travel (Anc. - Yakutat) & Return 5-People x \$214 round trip rate	\$ 1,070
300	Room & Board (contracted w/Southcentral timber company) 90 days @ \$30.00 x 3 people	\$ 8,100
	Air charter (Yakutat - Icy Bay & Return)	\$ 680
	Helicopter 1000/Day @ 19 days	\$19,000
400	Supplies Misc. (Flagging, Paint (tree) photography etc.	\$ 1,800
1	Total Requested	\$45,800

*Section 1. The sum of \$45,800 is appropriated from the general fund to the Department of Natural Resources for the purpose of preparing a timber sale in the Yakataga area.

*Section 2. This Act takes effect immediately in accordance with AS 01.10.070 (c).

1980 LEGISLATIVE PROPOSAL REQUEST FORM

AGENCY REQUESTING: Department of Natural Resources

SUBJECT OF PROPOSED BILL: Supplemental appropriation

BRIEF SUMMARY: Funding for preparation of Icy Bay #2 timber sale

(Attach a more detailed explanation if you can.)

ESTIMATED FISCAL IMPACT: General Fund - \$45,800

OTHER STATE AGENCIES CONSULTED: ADF&G

CONSTITUENT GROUPS
Those opposed: Anticipate opposition from environmental organizations

Those in favor: Timber industry, particularly Kenai Lumber

Those yet to be contacted: ADEC, U.S fish and Wildlife Service, general public

Has this or a substantially similar bill been introduced in the legislature in the past? Yes ___ No x

If so, state:

Bill number:

Dept. of Law log no: J-77- _____

(if it was an Administration bill)

PREFERRED HOUSE OF INTRODUCTION: _____

RATE THE BILL'S IMPORTANCE TO DEPARTMENT: _____

DRAFT ATTACHED: Yes X No ___ Not finalized ___

APPROVAL BY COMMISSIONER: [Signature]

DATE: November 2, 1979

REPORT ON THE PRELIMINARY
RECONNAISSANCE OF THE YAKATAGA
AND ICY CAPE AREA CONCERNING
THE PROPOSED ICY CAPE NO. 2 SALE

Compiled By:

Michael Peacock
Timber Management Forester
South Central District

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PREFACE

On September 8 through September 15, 1979, Southcentral District completed an advance reconnaissance of the proposed Icy Cape No. 2 Timber Sale. The objective of this trip was to gather data to be used in the planning of the Icy Cape No. 2 Timber Sale. To complete this objective, a crew consisting of three people from the Southcentral District Office and three people from the State Forester's Office were employed. Also involved in this project was a contract helicopter (12-E Hiller) used to move the crews. The helicopter was needed because of the size of the area to be investigated and the time constraints of this project.

ALTERNATE DUMP FACILITIES

Due to the topography of the Icy Cape and Cape Yakataga areas there were only a few dump sites available which met the criteria of a feasible dump site. The criteria used by this study team were:

1. a dump that would be easily accessible to a road system,
2. a large enough area surrounding the dump site for a sort yard,
3. a deep enough area to handle the draft of a tug and barge, about 18-20 feet in depth,
4. an area that can offer shelter from the storms of the Gulf of Alaska,
5. Ocean bottom conditions capable of driving piling or supporting a fill-type dump ,
6. a dump that can be constructed at a price that could be amortized over a 4-year time frame, with 40 million board feet scribner, and
7. an area that could handle the environmental impact of decked logs and a barge loading facility.

After selecting these criteria, the only sites that deserved to be explored further were Cape Yakataga and the Estuary of the Kaliakh River.

Cape Yakataga

This area is accessible to an already-constructed road which made it a prime area for review. It has an area large enough to support a sort yard and dry storage area, but the area was not deep enough to handle a tug and barge without the construction of a 1500 foot dock and loading area. Driving pilings in this area is difficult due to a slate type of rock formation that is an extension of a hill near the White Alice site at Cape Yakataga. During the time we visited this area, there was a storm with winds up to 50 mph. We observed a 13-foot sea that was breaking approximately 2600 feet from the high tide mark and continually breaking again 3 more times before reaching the beach. From this observation, we concluded that this area has too rough ocean conditions to allow for the loading of barges without undue risk. The wind in the Icy Cape area observed from our stay in the Yakataga area are more turbulent than the winds down the coast because of its more exposed position on the Gulf of Alaska.

In conclusion, the Cape Yakataga dump site is not feasible from the point of amortizing its costs over a 40 million board feet sale, the unstable wind patterns, and the lack of good shelter from the storms of the Gulf of Alaska.

Kaliakh River Dump Site

From looking on the map, this area would offer good protection from storms plus give a good area for sorting and decking of logs. Upon examination of the site, we discovered an estuary situation with wide shallow areas and a fluctuating river channel. The river carries large amounts of silt and debris. Because of the estuary condition, a 1000 foot dock, plus continual dredging of one-half mile of the river to keep it open for tug and barge traffic, would be necessary. At the mouth of the Kaliakh River there is shallow water with a large tide rip. This condition would create problems with bringing in a tug and barge to the mouth of the river. Due to the estuary condition, environmental problems could result from the storage of logs plus the continual dredging activity.

In conclusion, the Kaliakh River dump site is unfeasible due to its shallow water which would require large capital investment that could not be effectively amortized over the 40 MMBF to be harvested. Also the environmental aspects of dredging and log storage would create problems with other agencies.

The only dump site that is available is the one South Central Timber uses in Icy Bay. The Gulf of Alaska has a history of bad storms that, within 6 to 8 hours, can reach a magnitude which is capable of destroying barges, docks, and bridges. Because of this, a transfer site should be carefully planned to reduce the risk to the purchaser of state timber.

The comment was made by Crowley Marine, who has significant barging experience in the Gulf of Alaska, that any docking facility on the Gulf other than at Icy Bay is extremely risky.

In summary the only dump site available is the one at Icy Bay being used by South Central. Any other dump sites other than the one at Icy Bay is too costly, contain a high risk of losing the resource plus tug and barges and could be environmentally sensitive.

EXISTING ROADS

During the late 1950s and early 1960s, Phillips Petroleum drilled various wells in the Icy Bay-Cape Yakataga area. To access these wells, they constructed a vast road network. The road network consisted of 2 systems. The first system begins at the present dump site of Southcentral Timber at Icy Bay, and continues to Mundy Creek. The second road system starts at Cape Yakataga and continues to the upper reaches of the White River drainage.

The existing road from Cape Yakataga is still in good condition, except from Two Mile Creek to Fulton Creek where the road has been washed out due to erosion of the beach caused by tidal action. Since this portion of the road would have to be realigned to access the timber further inland, this really is not a problem. Some areas have revegetated to thick alder which will require complete rebuilding of the road. The road from Fulton Creek to the upper drainage of the

White River can be used for timber extraction with few minor changes in alignment to access the timber. The road is in excellent condition and does not require any work except blading and shaping.

The road from Icy Bay to Mundy Creek has been used by the existing contractor for timber contract SC-182, with minor changes in alignment. The most work done to these roads was the removal of alder cover and the placing of one foot of rock for surfacing.

ROCK AND GRAVEL SOURCES

There are rock and gravel sources between Mundy Creek and Cape Yakatka. The sources identified were the Little River, Johnston Creek, a shale pit located on the White River, a gravel pit located near the White Alice site at Cape Yakataga, and possible pits that might be found between Acme Creek and Cape Yakataga.

The Little River pit is poor quality gravel because of its high silt content. The silt content lowers the road's capacity to hold loads, which usually results in ruts, silt in streams, and high amounts of rock to make the road stand up to heavy payload. Because it is the only rock source available except for the pit located at Johnston Creek, which is small and will be utilized for the construction of spurs on the east and west sides of Johnston Creek, the Little River pit will have to be used to construct all roads until the shale pit is developed on the White River.

The shale pit on the White River would be developed at a toe of a hill located about three-quarters of a mile up the White River drainage on the west side. We only considered the possibility that the rock would be ripped rather than shot.

The possible gravel pit between Acme Creek and Cape Yakataga was not located, but from analysis of the area, we suspect that there might be some usable gravel between these areas.

The gravel pit at Cape Yakataga is the pit used in the construction of roads in the area and is located about one-half mile from the White Alice station.

BRIDGES

From Mundy Creek to Cape Yakataga, two main bridges were studied. These were high flow bodies of water which needed to be surveyed for possible bridge crossing sites. The two bodies of water were Lawrence Creek and White River. The criteria used to select these bridge crossings were:

1. no bridge greater in span than 70 feet;
2. suitable approaches that do not exceed 6% favorable or adverse grades;

3. the ability to move equipment across the stream without undue environmental impacts, and
4. good support for sill logs that have a marginal chance of washing out during periods of high stream flow.

The White River crossing involves a double span bridge utilizing an island for the center pier. The approximate distance by ocular estimate was 40 feet on the east side of the river and a 70 foot span on the west side, giving a 110 foot total span length with good approaches on both sides of the river.

The Lawrence Creek crossing would involve a 70 foot span located about three-quarters of a mile above the mouth of Lawrence Creek. The reason for this site was that suitable approaches cannot be built until reaching one-half mile above the stream.

AREA DETERMINATION

Determination of Salable Area

Forested land in the Icy Bay/Cape Yagataga area was divided into two broad categories: commercially operable lands and non-commercial lands. Four interdependent considerations were selected for drawing this distinction: 1) estimated volume per acre, 2) market value of stumpage, 3) logging costs, and 4) non-timber values such as soils, wildlife, and recreation.

Volume Per Acre

The average minimum volume per acre of commercially operable land was selected at 25 MBF. This figure represents the marginal volume necessary to compensate for operating costs in the majority of sites. In places where haul distances are long and road construction costs high, the minimum volume per acre will necessarily be higher.

Market Values of Stumpage

All harvested logs in the sale area are recorded in accordance with the Puget Sound Log Scaling and Grading Bureau rules. Grade determination is largely a function of volume. The Puget Sound Rules require any log within the top three grades to have a minimum 30 inch diameter, breast high. Dollar value of any grade depends upon the market conditions at the time of sale. There are two markets accessible to the purchaser; the Japanese export and the pulp mills of Southeastern Alaska. The Japanese market utilizes only those logs within the top three grades, all lower quality logs are shipped to Southeastern. Transportation costs, in addition to logging costs, exceed the stumpage value of low grade logs thus creating a negative stumpage. This must be compensated by the sale of a sufficient number of high grade logs in order to break even.

Logging Costs

Logging costs are affected by topography, volume per acre, and haul distance to sort yard. Any changes in these factors can change the economics of harvesting any stands. The three factors were determined by photo interpretation using 1 inch to 1 mile quad maps and field checking during our recon trip in September.

The main areas deleted by high estimated logging cost are the north side of the Yakataga River and the Duktoth River drainages. These areas were deleted because the topography is low and flat, with many braided stream channels. Because of the topography, there will be a large amount of fill material and a large bridge crossing to access this area. The estimated cost of crossing the north channel of the Yakataga River alone, using the costs of Kodiak Lumber Mill's crossing of the Chakachatna River, would be from \$200,000 to \$250,000 at today's prices. The cost of Kodiak Lumber Mill's crossing was \$110,000, and the north channel of the Yakataga River is about twice as long. The timber on the north side of the Yakataga River is enough to amortize the cost of this bridge, but combined with the estimated round trip haul to Icy Bay of 70 miles, would put the volume on the other side of the Yakataga on the deficit side of an appraisal. If a dump could be established at Cape Yakataga, this timber should be included in the timber plan. In the evaluation of the Cape Yakataga Dump, it was determined that this area would be unsuitable for a log transfer facility at this time.

Even though the area on the north channel of the Yakataga River and Duktoth River are not economical for harvest at this time it should not be excluded from the timber management classification because some day in the future it could be used for timber management with changing technology in the logging industry and the increased demand for wood fiber.

Soil Conditions

The soils to access the area above the 500 foot contour along the coast are of the cryorthent series which has a low load bearing capacity. This means that to access these areas, road failure is certain. When roads fail, there will be large areas of resource damage that cannot be justified by the volume removed over the road system. These areas were deleted and, if included in future plans, are subject to "exotic" logging systems, such as helicopter and balloon which, in the opinion of the author, are not cost-effective to yield enough stumpage return at present especially on a small sale. These areas should not be eliminated from forest classification because logging technology could improve and that would make these areas commercially operable.

VOLUME DETERMINATION

In working with the volume data received from our recon trip in September. We found that our volumes from our trip did not fit into the original type. Due to this fact, we found that to type this area effectively we will have to type by basal area rather than diameter since basal area is more important in volume distribution than diameter.

Even though there were errors in the original typing, we feel that the volumes from ground truthing were in line with what was projected in the original typing. So, as a result, we will go with these figures until we can identify a typing system which can give us some stability in the volume calculations.

Data for Short Term

The estimated volume of salable timber in the Icy Bay-Cape Yakataga area was derived by the following procedures:

1. delineation of accessible, merchantable timber on aerial photographs,
2. stratification into timber stand types based upon species, age, and stand density,
3. calculation of areas for each stand type,
4. derivation of volume per acre by stand type, and
5. calculation of volume totals.

Methods

Delineations of Accessible, Merchantable Timber

Using the YAK series of aerial photographs taken in August 1970, staff forester Mike Peacock interpreted the boundaries of areas containing commercially operable timber. These were marked directly on the photos. Criteria for selection included tree size, stand density, haul distance, slope, and soil stability.

Stand Stratification

The following system of stand typing was followed:

Species

S	greater than 50% spruce
H	greater than 50% hemlock
SH	mixed cover with neither species comprising greater than 50% coverage, but both species together greater than 50%. Spruce predominant.
HS	same as above, except hemlock predominant
X	area containing less than 50% forest cover

Size Classes

1	Reproduction	1" - 4.5" D.B.H.
2	Poletimber	4.6" - 10.5" D.B.H.
3	Small sawtimber	10.6" - 20.5" D.B.H.
4	Old sawtimber	20.6 +

Percent Cover*

5	50% - 59% cover
6	60% - 69% cover
7	70% - 79% cover
8	80% - 89% cover
9	90% - 99% cover

* were marked directly on photos.

Calculation of Area

Timber type boundaries were transferred from aerial photos to a mylar overlay with ink. Using a K&E compensating polar planimeter, areas in square inches by timber type were calculated. Average photo scale was determined by taking several samples along the length of the study area. Ideally, a scale determination for each photo would be used, but a lack of time prevented this approach. Average photo scale was 1:15,796 (39.78 acres per square inch), which compares favorably to the nominal scale of 1:15,840 (40.0 acres per square inch).

Derivation of Volume per Acre

The only available field data for the study area came from three U.S. Forest Service inventory plots taken in 1975. Gross and net volumes for spruce and hemlock were estimated. Plot location was correlated with timber type and volume per acre assigned to that type from the inventory. Available plot information pertained only to size Class 4 timber (greater than 20.5: D.B.H.). Volumes for size Class 4 timber types with no inventory data were determined by graphic projection assuming a linear relation between volume and percent cover. Only one plot was located in hemlock site Class 4, so the assumption was made that the slope of the line for hemlock was equal to that of spruce.

For size Class 3 timber, five samples of 0.12 acre were taken using the aerial photos for each cover type. The number of trees in each sample were counted. An average number of merchantable trees per acre by cover type was derived. Assuming an average sized tree for this size class for each species as 18 inches DBH and 80 feet in height, an estimate of volume per acre by timber type was derived. For stands of

mixed species, it was estimated that SH types contained two spruce for every hemlock and vice versa for HS types.

Estimated Volume:

The following timber volume and acreage estimates were derived from information based upon a number of assumptions, as noted above. The estimates should be interpreted as general approximations and do not reflect the degree of confidence obtained by utilizing field inventory data. Bearing this in mind, the results are as follows:

Area 1: Mundy Creek to East Bank of White River:

<u>Total Area</u>	<u>Total Volume</u>	<u>Average Volume Acre</u>
2709 acres	105.1 MMBF	38.8 MBF

Area 2: West Bank White River to Cape Yakataga

<u>Total Area</u>	<u>Total Volume</u>	<u>Average Volume/Acre</u>
1468 acres	56.6 MMBF	38.6 MBF

Area 3: Yakataga River Basin

<u>Total Area</u>	<u>Total Volume</u>	<u>Average Volume/Acre</u>
2046 acres	59.8 MMBF	29.2 MBF

Total for all areas:

<u>Total Area</u>	<u>Total Volume</u>	<u>Average Volume/Acre</u>
6223 acres	221.5 MMBF	35.5 MBF

ALLOWABLE CUT

After taking all the variables involved in determining area and the volume figured by type, we came up with an annual cut figure using the area-volume calculation. The volumes and area were broken down by geographical areas to aid in the planning process.

Contract Volume	141,497 MBF
Volume Not Under Contract*	<u>221,697 MBF</u>

Total Volume Available for Harvest = 363,194 MBF

The estimated rotation age was determined to be 100 years which Enzo Becia used in his calculations for the Yakataga area.

Allowable Cut = $363,194/100 = 3.6$ million board feet

* The volume under contract is more than the 221,697 MBF stated above due to the fact that 2,000 acres of contract area was deleted due to goat habitat.

Time Schedule for Icy Cape Sale

<u>Date of Project</u>	<u>Project</u>	
<u>Beginning Date</u>	<u>Completion Date</u>	
1/7/79	9/15/79	Advance Recon of Sale Area
9/16/79	10/5/79	Report of Volume and Conditions of Icy Cape No. 2 Sale
10/79	11/31/79	Sale Design
11/31/79	1/30/80	Sale Review & Preliminary Decision
1/30/80	3/15/80	Stand Type and Cruise Design
3/15/80	3/25/80	First 10 Day Sale Layout Trip
4/1/80	4/11/80	Second 10 Day Sale Layout Trip
4/11/80	7/4/80	Work Cruise
4/30/80	5/31/80	Appraisal & contract complete for review
5/31/80	7/4/80	Advertisement & final decision
	8/30/80	Bid Date

COSTS

Project	Projected Cost	Actual Cost
A) Advance Recon of Sale Area	9/7/79 to 9/15/79	
1) Per Diem 3-2 Man Crews	\$1,444*	Ø
2) 1 Helicopter 3 Days	2,000+	\$3,657
3) Alaska Airlines Anchorage to Yakutat	566	642
4) Air Charter Yakutat to	520	465
SUBTOTAL ADVANCE RECON	\$4,530	\$4,764
B) Sale Cruise and Layout		
	3/15/80 to 4/11/80	
3 Forest Tech. III 3 Months	15,150	
1 Forester II 3 Months	7,500	
Aerial Photo	6,000	
Supplies	2,000	
Food/Lodging	<u>8,100</u>	
Total FY 80	\$43,680	
C) Associated Costs FY 81		
1 Vehicle 4 x 4 PU	9,500	
1 Crew Quarters	12,000	
1 Forester II Sale Administration	29,500	
1 Tech. III	<u>20,200</u>	
	\$71,200	
D) State Office Time		
100-5.3, 100-0.5, 300-0.5	<u>6,300</u>	
	\$77,500	
* Per Diem Picked up by Gulf Timber		
+ Extra Helicopter Cost Due to 50 Mile Head Winds		

WANAMAKER, DEVEAUX & CRABTREE

A PROFESSIONAL CORPORATION
750 W. SECOND AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501

JAMES N. WANAMAKER
LEROY E. DEVEAUX
RICHARD L. CRABTREE

TELEPHONE
AREA CODE 907
279-6591

September 13, 1979

Mr. Dave Wallingford
Management Forester
Department of Natural Resources
323 East 4th Avenue
Anchorage, Alaska 99501

SUBJECT: Proposed New Sale In The Icy Cape Area

Dear Mr. Wallingford:

South-Central is very concerned about the problems which would result from any sale to another bidder which would contemplate use of the road system, storage yard, loading area and dock built by South-Central.

Nothing in this letter should be construed as an admission that the State has the right to impose a second operator upon the log transportation network created by South-Central. We are, however, concerned that you identify these problem areas as soon as possible:

1. The log storage yard is bounded on the rear by a impregnable rock cliff and, of course, on the front by the waters of Icy Bay. The yard provides insufficient space for South-Central's operations as they now exist. Trying to incorporate the operations of another timber operator on this storage yard would be extremely difficult.

2. The use of the dock facility involves a very important time factor. This arises from the fact that the waters of Icy Bay are often filled with icebergs and there are prolonged periods of time when maritime operations are not feasible. During these periods, barges must lie offshore and wait until conditions clear. When conditions clear there is a scramble to move the logs as soon as possible before conditions close in again. It would be extremely difficult if two companies were trying to rush to utilize the identical facilities at the same time.

Mr. Dave Wallingford
September 13, 1979
Page 2

3. South-Central pioneered the Icy Cape area when no one else was willing to try, and it has invested a great deal of money in this very high risk venture. South-Central must protect its right to receive the benefit of that investment.

4. South-Central has several years of logging left on SC-182 and must protect its capacity to move timber through the roads, storage yard, and dock.

This letter is being rushed to you to indicate South-Central's concerns on the matter. Of course, there are many other factors which must be considered.

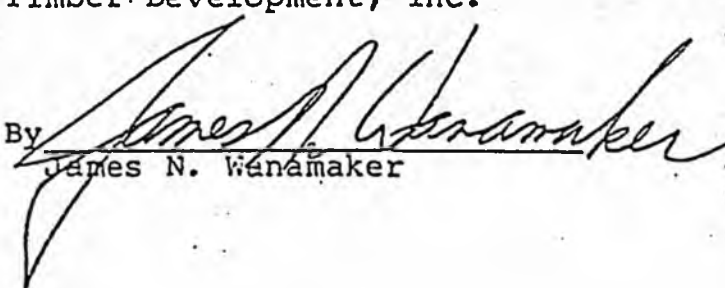
Thank you for your attention to these concerns.

Sincerely yours,

WANAMAKER, DeVEAUX & CRABTREE
A Professional Corporation

Attorneys for South-Central
Timber Development, Inc.

By


James N. Wanamaker

JNW/sl

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUATIO
PERSONAL SERVICES	103.6	166.0	154.4	174.2	165.5	165.5	67.9	0	97.6	-	
TRAVEL	7.8	7.7	12.5	15.0	5.8	5.8	6.1	0	0	-(.3)	
ACTUAL SERVICES	16.7	63.4	56.3	52.6	44.7	44.7	4.7	0	39.4	+(.6)	
COMMODITIES	1.4	10.9	12.8	6.5	1.2	1.2	1.5	0	0	-(.3)	
EQUIPMENT	.4	11.1	11.2	7.0	0	0	0	0	0		
LANDS, BLDG. ...											
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	129.9	259.1	247.2	250.3	217.2	217.2	80.2	-	137.0	-	
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND	129.9	259.1	247.2	250.3	217.2	217.2	80.2		137.0		
INTER-AGENCY RECEIPTS											

AGENCY: Natural Resources BRU: FOREST PROTECTION & MANAGEMENT COMPONENT: MANAGEMENT & TIMBER SALES REVISED: _____

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

HOUSE ... BILL..... NO.714.....

By ..THE RULES COMMITTEE BY...
REQUEST OF THE GOVERNOR

"An Act making a supplemental appropriation to the Department of Natural Resources, Division of Forest, Land and Water Management, Icy Bay No. 2 timber sale; and providing for an effective date."

Supp appro, Icy Bay No. 2 timber sale

Introduced in the House .2/11....., 19...80

HISTORY IN THE HOUSE

19 80

Feb. 11 Finance

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused
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

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused
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.

Funding Information:
General Funds: \$45,800
Other Funds: -0-
\$45,800

Introduced: 2/11/80
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 714

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Natural Resources, Division of Forest,
8 Land and Water Management, Icy Bay No. 2 timber sale;
9 and providing for an effective date."

10

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

11

* Section 1. The sum of \$45,800 is appropriated from the general fund
12 to the Department of Natural Resources, Division of Forest, Land and Water
13 Management, for the purpose of conducting the Icy Bay No. 2 timber sale.

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* Sec. 2. This Act takes effect immediately in accordance with AS 01.-
15 10.070(c).

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143 114

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1980

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making a supplemental appropriation to the Department of Natural Resources, Division of Forest, Land and Water Management, in order to conduct a 40MMBF timber sale near Icy Bay this summer.

The sale will be competitive, with several firms having expressed great interest in bidding. The demand at this time is largely due to the temporary moratorium on timber sales in the Chugach Forest, in turn due to the delay in "(d)(2)" legislation in Congress.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond".

Jay S. Hammond
Governor

JAN 22 REC'D

10-2

TO: Ron Lenr, Director
Budget and Management


DATE: January 21, 1979

FILE NO:

143 714

TELEPHONE NO:

FROM:

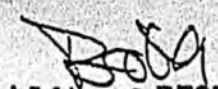

Jeff Haynes, Deputy Commissioner SUBJECT: Icy Bay supplemental

The attached request for supplemental is forwarded for your review for the third time. These funds are absolutely necessary in order to conduct a 40MMBF timber sale near Icy Bay in the summer of this year. The sale will be competitive, with several firms having expressed great interest in bidding, most particularly Kenai Lumber in Seward. The demand at this time is largely due to the temporary moratorium on timber sales in the Chugach Forest, in turn due to the delay in (d) (2) legislation in Washington.

This sale was not anticipated at the time the department's FY 80 budget was submitted. However, the subsequent decrease in the other available sources of timber have created a short term crisis. After several meetings with the industry, the Department of Natural Resources and Governor Hammond agreed that the Icy Bay sale could help to alleviate this crisis, and that it should be held as soon as possible.

Revenues from the sale, when held during the next fiscal year, will return our administrative costs, plus some additional profit to the State.

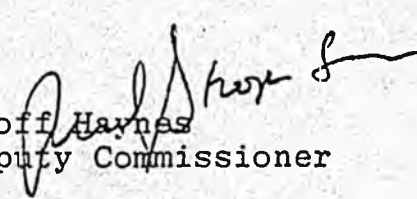
Where possible, costs associated with sale preparations which could be deferred into the new fiscal year without delaying the sale, are included in our FY 81 budget request.


 JAN 10 REC'D

 TO: Ron Lehr, Director
 Budget & Management

DATE: January 9, 1980

FILE NO:

 FROM: 
 Geoff Haynes
 Deputy Commissioner

TELEPHONE NO:

 SUBJECT: Detailed information
 request to support
 supplemental - Icy Bay
 #2 Timber Sale.

Anticipated costs associated with the Icy Bay #2 Timber Sale.

Advanced recon of sales area 9/7/79 to 9/15/79 expended

100	3 - Two man crews	\$3394
200	Per Diem	\$1444 *
	Air Travel (Anc. - Yakutat) & Return	\$ 642
300	Air Charter (Yakutat - Icy Bay) & Return	\$ 465
	Helicopter #3 days	\$3657
	Total	\$8158

* Room & Board provided by Gulf Timber

Funds needed by supplemental appropriation required to complete work 3/15/80 to 4/27/80.

Sale Layout & Cruise

100	3 - Forest Tech III @ 3 months	\$15,150
200	Air Travel (Anc. - Yakutat) & Return 5-People x \$214 round trip rate	\$ 1,070
300	Room & Board (contracted w/Southcentral timber company) 90 days @ \$30.00 x 3 people	\$ 8,100
	Air charter (Yakutat - Icy Bay & Return)	\$ 680
	Helicopter 1000/Day @ 19 days	\$19,000
400	Supplies Misc. (Flagging, Paint (tree) photography etc.	\$ 1,800
1	Total Requested	\$45,800

*Section 1. The sum of \$45,800 is appropriated from the general fund to the Department of Natural Resources for the purpose of preparing a timber sale in the Yakataga area.

*Section 2. This Act takes effect immediately in accordance with AS 01.10.070 (c).


REPORT ON THE PRELIMINARY
RECONNAISSANCE OF THE YAKATAGA
AND ICY CAPE AREA CONCERNING
THE PROPOSED ICY CAPE NO. 2 SALE

Compiled By:

Michael Peacock
Timber Management Forester
South Central District

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PREFACE

On September 8 through September 15, 1979, Southcentral District completed an advance reconnaissance of the proposed Icy Cape No. 2 Timber Sale. The objective of this trip was to gather data to be used in the planning of the Icy Cape No. 2 Timber Sale. To complete this objective, a crew consisting of three people from the Southcentral District Office and three people from the State Forester's Office were employed. Also involved in this project was a contract helicopter (12-E Hiller) used to move the crews. The helicopter was needed because of the size of the area to be investigated and the time constraints of this project.

