

LEG. FINANCE - BILLS 1981 - 1982 1697

CSSB 659

1697

STATE OF ALASKA -- CAPITAL BUDGET SUMMARY

* * * * * DEPARTMENT OF TRANSPORTATION/PUBLIC FACILITIES * * * * *

SHORT
FORM
PAGE

BUDGET COMPONENT	REQUEST	GOVERNOR	CAPITAL	OTHER
YAKUTAT PORT & DOCK SUPP		2000.0	2000.0	
REFUGE FLOATS		500.0	500.0	
JUNEAU HARBOR DEVELOPMENT PLAN		100.0		100.0
CONST/MAINT CONTINGENCY		200.0	200.0	
ADVANCED PROJECT DEFINITION		30.0		30.0
INVENTORY AND CONDITION SURVEY		100.0		100.0
*** PROGRAM TOTAL ***		8180.0	7950.0	230.0
SOUTHEAST REGION FACILITIES				
SUPPORT BUILDING ELECTRICAL		250.0	250.0	
BUILDING HVAC SYSTEM IMP		233.0	233.0	
ELECTRICAL SYSTEMS MAINT		136.0	136.0	
ROOF REHABILITATION		211.0	211.0	
STATE OFFICE BUILDING CARPET		184.0	184.0	
ALASKA OFFICE BUILDING CARPET		175.0	175.0	
CARPET REPLACEMENT		102.0	102.0	
STATE OFFICE BLDG ELEVATOR		200.0	200.0	
ARCHIVES CENTER FOUNDATION		462.0	462.0	
HYDABURG SHOP DESIGN		153.4		153.4
CRAIG/KLAMOK SHOP		1200.0	1200.0	
*** PROGRAM TOTAL ***		3311.4	3153.0	158.4
STATEWIDE RESEARCH PROJECTS				
STATE FUNDED RESEARCH		500.0		500.0
NEW PRODUCTS TESTING		165.0		165.0
ENGINEERING STUDENT PROGRAM		50.0		50.0
RURAL AIRPORT EDGE LIGHTING		250.0		250.0
VANDALISM TO TRANS SYSTEMS		50.0		50.0
COST EFFECTIVE CORROSION PROT		110.0		110.0
NEW BRIDGE DECK REPAIR TECH		20.0		20.0
BREAKWATER MONITORING PROJECT		25.0		25.0
RATING/INSPECTION MARINE FACIL		210.0		210.0
EARTHQUAKE HAZARDS STUDY		18.0		18.0
VTOL EVALUATION		100.0		100.0
PUBLIC BLDG ENERGY STANDARDS		97.0		97.0
ENERGY CONSERVATION STUDY		115.0		115.0
FOUNDATION MATERIALS HANDBOOK		200.0		200.0
HF RADIO ENHANCEMENT		45.0		45.0
UNIT ELECTRIC POWER SYSTEM		123.0		123.0
WASTE HEAT RECOVERY STUDY		80.0		80.0
ENERGY SYSTEM CONVERSION		30.0		30.0
ALASKAN SOLAR SCHOOL		75.0		75.0
FEDERAL HIGHWAY RESEARCH PGM		700.0		700.0
PAVEMENT DEFLECTION INVENTORY		125.0		125.0
THERMAL PROPERTIES MEASUREMENT		75.0		75.0
ROADWAY FAILURE RESEARCH		120.0		120.0
BRIDGE DECK CORROSION ANALYSIS		83.0		83.0
GEOPHYSICAL SOILS INVEST		160.0		160.0
DALTON HWY PERFORMANCE STUDY		275.0		275.0

STATE OF ALASKA -- CAPITAL BUDGET SUMMARY

* * * * * DEPARTMENT OF TRANSPORTATION/PUBLIC FACILITIES * * * * *

SHORT
FORM
PAGE

BUDGET COMPONENT	REQUEST	GOVERNOR	CAPITAL	OTHER
SOUTHCENTRAL REGION		330.0		330.0
SOUTHEAST REGION		619.0		619.0
CENTRAL REGION		1584.0		1534.0
WESTERN REGION		765.0		765.0
*** PROGRAM TOTAL ***		7131.0		7131.0
*** CATEGORY TOTAL ***		648803.2	611557.3	36945.9
***** TOTAL EXPENDITURES		648803.2	611557.3	36945.9
***** FUNDING				
FED. RECEIPT		202530.3	196630.3	5900.0
GENERAL FUND		403238.9	376923.0	31045.9
OTHER FUNDS		33034.0	38004.0	

STATE OF ALASKA -- CAPITAL BUDGET SUMMARY

* * * * * DEPARTMENT OF ENVIRONMENTAL CONSERVATION * * * * *

SHORT FORM PAGE	BUDGET COMPONENT	REQUEST	GOVERNOR	CAPITAL	OTHER
	NATURAL RESOURCE MANAGEMENT				
	ENVIRONMENTAL CONSERVATION				
	WATER, SEWER AND SOLID WASTE	25000.0		25000.0	
	VILLAGE SAFE WATER	6650.0		6650.0	
	DATA MANAGEMENT SYSTEM	500.0			500.0
	LABORATORY EQUIPMENT	212.5		212.5	
	AUTOCLAVE - PALMER LAB	25.0		25.0	
	*** PROGRAM TOTAL ***	32387.5		31837.5	500.0
*****	TOTAL EXPENDITURES	32387.5		31837.5	500.0
*****	FUNDING				
	GENERAL FUND	32387.5		31837.5	500.0

STATE OF ALASKA -- CAPITAL BUDGET SUMMARY

* * * * * DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS * * * * *

SHORT
FORM
PAGE

BUDGET COMPONENT	REQUEST	GOVERNOR	CAPITAL	OTHER
DEVELOPMENT				
COMMUNITY PLANNING SERVICES				
COMMUNITY PROFILES	480.0	480.0		480.0
REGIONAL STRATEGIES	600.0	500.0		600.0
*** PROGRAM TOTAL ***	1080.0	1000.0		1080.0
HOUSING ASSISTANCE				
NONCONFORMING HOUSING LOANS	40000.0	40000.0		40000.0
*** CATEGORY TOTAL ***	41080.0	41000.0		41080.0
***** TOTAL EXPENDITURES	41080.0	41000.0		41080.0
***** FUNDING				
GENERAL FUND	41080.0	41000.0		41080.0

STATE OF ALASKA -- CAPITAL BUDGET SUMMARY

* * * * * ALASKA COURT SYSTEM * * * * *

SHORT
FORM
PAGE

BUDGET COMPONENT	REQUEST	GOVERNOR	CAPITAL	OTHER
ADMINISTRATION OF JUSTICE				
ANCH CT ADDITION CONSTRUCTION	33229.0		33229.0	
RECORDS AUTOMATION SYSTEM	933.8		933.8	
REGIONAL MICROFILMING	219.2			219.2
PALMER CT PLNG & CONST	6227.0		6227.0	
*** CATEGORY TOTAL ***	40609.0		40389.8	219.2
***** TOTAL EXPENDITURES	40609.0		40389.8	219.2
***** FUNDING				
GENERAL FUND	40609.0		40389.8	219.2

STATE OF ALASKA -- CAPITAL BUDGET SUMMARY

* * * * * UNIVERSITY OF ALASKA * * * * *

SHORT
FORM
PAGE

BUDGET COMPONENT	REQUEST	GOVERNOR	CAPITAL	OTHER
UNIVERSITY OF ALASKA				
UNIVERSITY OF ALASKA/STATEWIDE				
UPGRADE OF UACN COMPUTER	4753.0		4753.0	
STATEWIDE EQUIPMENT	4000.0		4000.0	
CAMPUS MASTER PLANNING	1000.0			1000.0
RENOVATION/REPAIR/CODE UPGRADE	4000.0		4000.0	
TELECOMMUNICATIONS	1000.0		1000.0	
*** PROGRAM TOTAL ***	14753.0		13753.0	1000.0
UNIVERSITY OF ALASKA/JUNEAU				
CONSTRUCTION & INSTRUCTION	719.0		719.0	
LIBRARY BOOKS	429.0		429.0	
*** PROGRAM TOTAL ***	1148.0		1148.0	
UNIVERSITY OF ALASKA/ANCHORAGE				
BOOKSTORE FIXTURES	300.0		300.0	
UNIVERSITY OF ALASKA/FAIRBANKS				
STUDENT RESIDENT HALLS/RENOV	4000.0		4000.0	
WATER TREATMENT	450.0		450.0	
COAL HANDLING FACILITY	1200.0		1200.0	
*** PROGRAM TOTAL ***	5650.0		5650.0	
UNIVERSITY OF ALASKA/CCREE				
LIBRARY ACQUISITIONS	235.0		235.0	
PALMER EMERGENCY GENERATOR	33.0		33.0	
*** PROGRAM TOTAL ***	268.0		268.0	
*** CATEGORY TOTAL ***	22119.0		21119.0	1000.0
***** TOTAL EXPENDITURES	22119.0		21119.0	1000.0
***** FUNDING				
GENERAL FUND	22119.0		21119.0	1000.0

STATE OF ALASKA -- TOTAL CAPITAL BUDGET
SUMMARY OF FUNDING BY AGENCY

CATEGORY	FUNDING	REQUEST	GOVERNOR	CAPITAL	OTHER
OFFICE OF THE GOVERNOR	GENERAL FUND		1668.9		1668.9
	*** TOTAL FUNDS ***		1668.9		1668.9
DEPARTMENT OF ADMINISTRATION	GENERAL FUND		26557.2	15943.3	10613.9
	*** TOTAL FUNDS ***		26557.2	15943.3	10613.9
DEPARTMENT OF LAW	*** TOTAL FUNDS ***				
DEPARTMENT OF REVENUE	GENERAL FUND		223000.0		223000.0
	*** TOTAL FUNDS ***		223000.0		223000.0
DEPARTMENT OF EDUCATION	FED. RECEIPT		936.1		936.1
	GENERAL FUND		128473.0	65704.4	62775.6
	OTHER FUNDS		5336.3		5336.3
	*** TOTAL FUNDS ***		134350.4	65704.4	69146.0
DEPARTMENT OF HEALTH & SOCIAL SERVICES	FED. RECEIPT		750.0		750.0
	GENERAL FUND	73733.3	86339.9	34742.8	2096.1
	*** TOTAL FUNDS ***	73733.3	87503.9	34742.8	2346.1
DEPARTMENT OF LABOR	FED. RECEIPT		767.0	752.0	15.0
	GENERAL FUND		416.5	416.5	
	*** TOTAL FUNDS ***		1183.5	1168.5	15.0
DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT	GENERAL FUND	115571.5	115571.5	3299.5	112272.0
	*** TOTAL FUNDS ***	115571.5	115571.5	3299.5	112272.0
DEPARTMENT OF MILITARY AFFAIRS	GENERAL FUND	2263.0	2263.0	2613.0	250.0
	*** TOTAL FUNDS ***	2263.0	2263.0	2613.0	250.0
DEPARTMENT OF NATURAL RESOURCES	FED. RECEIPT		956.2		956.2
	GENERAL FUND		40761.0	1997.5	38763.5
	OTHER FUNDS		50.0		50.0
	*** TOTAL FUNDS ***		41767.2	1997.5	39769.7
DEPARTMENT OF FISH & GAME	GENERAL FUND		17834.0	11710.9	6173.1
	*** TOTAL FUNDS ***		17834.0	11710.9	6173.1
DEPARTMENT OF PUBLIC SAFETY	GENERAL FUND	3303.1	3303.1	7709.0	594.1
	*** TOTAL FUNDS ***	3303.1	3303.1	7709.0	594.1
DEPARTMENT OF TRANSPORTATION/PUBLIC FACILITIES	FED. RECEIPT		202530.3	196630.3	5900.0
	GENERAL FUND		403263.9	376923.0	31045.9
	OTHER FUNDS		38004.0	38004.0	
	*** TOTAL FUNDS ***		643803.2	611557.3	36945.9

DEPARTMENT OF ENVIRONMENTAL CONSERVATION				
GENERAL FUND		32387.5	31887.5	500.0
*** TOTAL FUNDS ***		32387.5	31887.5	500.0
DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS				
GENERAL FUND	41080.0	41080.0		41080.0
*** TOTAL FUNDS ***	41080.0	41080.0		41080.0
LEGISLATIVE BUDGET & AUDIT	*** TOTAL FUNDS ***			
LEGISLATIVE AFFAIRS	*** TOTAL FUNDS ***			
ALASKA COURT SYSTEM	GENERAL FUND	40609.0	40389.3	219.2
*** TOTAL FUNDS ***	*** TOTAL FUNDS ***	40609.0	40389.8	219.2
UNIVERSITY OF ALASKA	GENERAL FUND	22119.0	21119.0	1000.0
*** TOTAL FUNDS ***	*** TOTAL FUNDS ***	22119.0	21119.0	1000.0
STATE BOND COMMITTEE	*** TOTAL FUNDS ***			
*** CAPITAL BUDGET ***	FED. RECEIPT	205989.6	197382.3	8607.3
	GENERAL FUND	282164.9	564456.2	532050.3
	OTHER FUNDS		33004.0	5436.3
*** TOTAL FUNDS	*** TOTAL FUNDS	282164.9	899842.5	546093.9

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Representative Al Adams
Chairman
House Finance Committee

FROM: Jay Hogan
Director
Legislative Finance

DATE: March 1, 1982

SUBJECT: Other States and CS for SB 659 (Finance)

Several weeks ago we requested the legal definition of capital projects from each of the 11 western states. To date, we have received a response from 8 states and their definitions are set out as follows:

Arizona

"We have by custom referred to capital projects as Land, Buildings and Improvements."

California

"In California we distinguish between ongoing capital requirements (maintenance and repairs) and one-time capital improvements (capital outlay). Moreover, capital outlay is divided into two categories--major and minor projects. Attached (page 5) is a copy of the broad definitions of these various capital programs.

Major capital projects generally require more than one year to design and construct. Consequently, the following descriptions are used to define various phases of major capital outlay:

Preliminary Plans. A site plan, architectural floor plans, elevations, outline specifications and a cost estimate. For utility, site development, conversion and remodeling

MEMORANDUM

March 1, 1982

Page 2

projects, the drawings should be sufficiently descriptive to convey accurately the location, scope, cost and the nature of the improvement being proposed.

Working Drawings. A complete set of plans and specifications showing and describing all phases of the project-- architectural, structural, mechanical, electrical, civil engineering, and landscape systems--to the degree necessary to assure accurate bidding by contractors and for the use of artisans in constructing the projects. All necessary professional fees and administrative service costs are included in the preparation of such drawings.

Construction. All costs related to construction such as fixtures, installed (fixed) equipment and auxiliary facilities."

Colorado

Capital construction and controlled maintenance are funded in the capital construction fund budget:

"(1) 'Capital construction' means:

(a) Purchase of land, regardless of the value thereof;

(b) Purchase, construction, or demolition of buildings or other physical facilities, including utilities or remodeling or renovation of existing buildings or other physical facilities, including utilities, to make physical changes necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the facility, or to improve appearance where the cost will be fifteen thousand dollars or more, including the value of materials and labor, either state-supplied or supplied by contracts:

(c) Site improvement or development where the cost will be five thousand dollars or more, including the value of materials and labor either state-supplied

or supplied by contract, but not including the value of inmate labor;

(d) Purchase and installation of the fixed and movable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, remodeling, or renovation;

(e) Purchase of the services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with any capital construction project and to supervise the construction or execution of such capital construction projects;

(f) Any item of instructional or scientific equipment if the cost will exceed fifty thousand dollars.

(2) 'Controlled maintenance' means work required to preserve or restore to their original condition, or to a condition such that they can be effectively used for their designated purposes, those existing state-owned buildings and other physical facilities funded from the general fund, including utilities, site improvements, and the like, which are suitable for retention and use for at least five years, and replacement and repair of the fixed equipment necessary for the operation of such facilities, when such work is not funded in the operating budget of a state agency and is to be accomplished by the agency's physical plant staff."

Hawaii

Hawaii Revised Statutes

"'Capital investment costs' means costs, beyond the research and development phase, associated with capital improvements, including the acquisition and development of land, the design and construction of

new facilities, and the making of renovations or additions to existing facilities."

Idaho

A definition in use is: "building of needed structures, renovations, repairs to and remodeling of existing structures . . ."

Montana

Every regular session the state legislature passes a long range building bill. The latest long range building bill defined capital project as: ". . . acquisition of land or improvements, planning, capital construction, renovation, furnishing, or major repair projects authorized in this act."

Some excerpts from state codes which speak to capital projects: "Long-range building program" means and includes all buildings, structures, and facilities to be constructed, repaired, used, equipped, or furnished and land to be acquired therefor with the consent of the legislature . . ."

Nevada

"The state Administrative Manual requires that state agencies submit all requests for new building construction or repairs or remodeling of existing buildings which are estimated to cost more than \$5,000 to the State Public Works Board."

Oregon

The following are used for budget purposes:

Capital Improvement - Expenditures related to construction or remodeling costs of physical facilities with a project cost of more than \$4,500, but less than \$100,000.

Capital Construction - Expenditures limited to construction or remodeling of physical facilities with a project cost of \$100,000 or more."

BUDGETING

(Continued)
GENERAL GUIDELINES (Revised 8/81)

6103

DISTINCTION BETWEEN TYPES OF STATE OPERATIONS AND CAPITAL OUTLAY

DESCRIPTION OF PROJECT	STATE OPERATIONS	CAPITAL OUTLAY	
	OPERATING EXPENSES AND EQUIPMENT	MINOR PROJECTS	MAJOR PROJECTS
Construction Projects: New construction, alteration, extension or betterment of existing structure, estimated to cost.		\$150,000 or less	In excess of \$150,000
Repair Projects: Repair and maintenance projects continue the usability of a facility at its designed level of service. (See Note 1 below.)	Irrespective of amount		
Equipment Projects: a. Irrespective of time of purchase or estimated cost of equipment if related to a specific construction project estimated to cost.		\$150,000 or less	In excess of \$150,000
b. New equipment to meet program needs and not related to a construction project, and replacement of existing equipment even though the new equipment is to be used in a new facility	Irrespective of amount		
Purchase of Land: Including related cost such as condemnation and court costs, legal fees, and title reports, etc.			Irrespective of amount

NOTE 1: Special repairs or maintenance projects are budgeted as part of State Operations. Special repairs have been defined as major repair items which occur less frequently than annually. The cost of such projects are large enough to warrant a special line item in the State Operations budget. Examples are: painting the exterior of a building; replacing a roof; or a major overhaul of an air conditioning system. Alterations and improvements which are to change the use of or modernize a building should be included under capital outlay.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

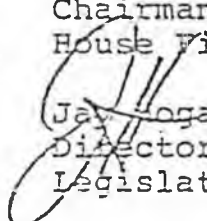
AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

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Chairman
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FROM:  Jay Logan
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projects, the drawings should be sufficiently descriptive to convey accurately the location, scope, cost and the nature of the improvement being proposed.

Working Drawings. A complete set of plans and specifications showing and describing all phases of the project-- architectural, structural, mechanical, electrical, civil engineering, and landscape systems--to the degree necessary to assure accurate bidding by contractors and for the use of artisans in constructing the projects. All necessary professional fees and administrative service costs are included in the preparation of such drawings.

Construction. All costs related to construction such as fixtures, installed (fixed) equipment and auxiliary facilities."

Colorado

Capital construction and controlled maintenance are funded in the capital construction fund budget:

"(1) 'Capital construction' means:

(a) Purchase of land, regardless of the value thereof;

(b) Purchase, construction, or demolition of buildings or other physical facilities, including utilities or remodeling or renovation of existing buildings or other physical facilities, including utilities, to make physical changes necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the facility, or to improve appearance where the cost will be fifteen thousand dollars or more, including the value of materials and labor, either state-supplied or supplied by contracts:

(c) Site improvement or development where the cost will be five thousand dollars or more, including the value of materials and labor either state-supplied

or supplied by contract, but not including the value of inmate labor;

(d) Purchase and installation of the fixed and movable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, remodeling, or renovation;

(e) Purchase of the services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with any capital construction project and to supervise the construction or execution of such capital construction projects;

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(2) 'Controlled maintenance' means work required to preserve or restore to their original condition, or to a condition such that they can be effectively used for their designated purposes, those existing state-owned buildings and other physical facilities funded from the general fund, including utilities, site improvements, and the like, which are suitable for retention and use for at least five years, and replacement and repair of the fixed equipment necessary for the operation of such facilities, when such work is not funded in the operating budget of a state agency and is to be accomplished by the agency's physical plant staff."

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BUDGETING

(Continued)
GENERAL GUIDELINES (Revised 8/31)

6103

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DESCRIPTION OF PROJECT	STATE OPERATIONS	CAPITAL OUTLAY	
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STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

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POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

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(c) Site improvement or development where the cost will be five thousand dollars or more, including the value of materials and labor either state-supplied

MEMORANDUM

March 1, 1982

Page 3

or supplied by contract, but not including the value of inmate labor;

(d) Purchase and installation of the fixed and movable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, remodeling, or renovation;

(e) Purchase of the services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with any capital construction project and to supervise the construction or execution of such capital construction projects;

(f) Any item of instructional or scientific equipment if the cost will exceed fifty thousand dollars.

(2) 'Controlled maintenance' means work required to preserve or restore to their original condition, or to a condition such that they can be effectively used for their designated purposes, those existing state-owned buildings and other physical facilities funded from the general fund, including utilities, site improvements, and the like, which are suitable for retention and use for at least five years, and replacement and repair of the fixed equipment necessary for the operation of such facilities, when such work is not funded in the operating budget of a state agency and is to be accomplished by the agency's physical plant staff."

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The following are used for budget purposes:

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BUDGETING

(Continued)
GENERAL GUIDELINES (Revised 8/81)

6103

DISTINCTION BETWEEN TYPES OF STATE OPERATIONS AND CAPITAL OUTLAY

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Equipment Projects: a. Irrespective of time of purchase or estimated cost of equipment if related to a specific construction project estimated to cost.		\$150,000 or less	In excess of \$150,000
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NOTE 1: Special repairs or maintenance projects are budgeted as part of State Operations. Special repairs have been defined as major repair items which occur less frequently than annually. The cost of such projects are large enough to warrant a special line item in the State Operations budget. Examples are: painting the exterior of a building; replacing a roof; or a major overhaul of an air conditioning system. Alterations and improvements which are to change the use of or modernize a building should be included under capital outlay.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Representative Al Adams
Chairman
House Finance Committee

FROM: Jay Logan
Director
Legislative Finance

DATE: March 1, 1982

SUBJECT: Other States and CS for SB 659 (Finance)

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"We have by custom referred to capital projects as Land, Buildings and Improvements."

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"In California we distinguish between ongoing capital requirements (maintenance and repairs) and one-time capital improvements (capital outlay). Moreover, capital outlay is divided into two categories--major and minor projects. Attached (page 5) is a copy of the broad definitions of these various capital programs.

Major capital projects generally require more than one year to design and construct. Consequently, the following descriptions are used to define various phases of major capital outlay:

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MEMORANDUM

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BUDGETING

(Continued)
GENERAL GUIDELINES (Revised 8/81)

6103

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THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W -- ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF -- STATE CAPITOL

JUREAU 99801

MEMORANDUM

TO: Representative Al Adams
Chairman
House Finance Committee

FROM: Jay Logan
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Legislative Finance

DATE: March 1, 1982

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MEMORANDUM

March 1, 1982

Page 4

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BUDGETING

(Continued)
GENERAL GUIDELINES (Revised 8/81)

6103

DISTINCTION BETWEEN TYPES OF STATE OPERATIONS AND CAPITAL OUTLAY

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STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH # — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH # — STATE CAPITOL

BUREAU 99801

MEMORANDUM

TO: Representative Al Adams
Chairman
House Finance Committee

FROM: Jay Logan
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Legislative Finance

DATE: March 1, 1982

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MEMORANDUM

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BUDGETING

(Continued)
GENERAL GUIDELINES (Revised B/81)

6103

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STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

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FROM: (Jay Hogan)
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BUDGETING

(Continued)
GENERAL GUIDELINES (Revised 8/81)

6103

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THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
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FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

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(Continued)
GENERAL GUIDELINES (Revised 8/81)

6103

DISTINCTION BETWEEN TYPES OF STATE OPERATIONS AND CAPITAL OUTLAY

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STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Representative Al Adams
Chairman
House Finance Committee

FROM: Jay Hogan
Director
Legislative Finance

DATE: March 1, 1982

SUBJECT: Other States and CS for SB 659 (Finance)

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STATE OF ALASKA

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BUDGET AND AUDIT COMMITTEE

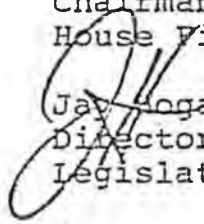
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POUCH WF — STATE CAPITOL

JUREAU 99801

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(Continued)
GENERAL GUIDELINES (Revised 8/81)

6103

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THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

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POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

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House Finance Committee

FROM: Jay Logan
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DATE: March 1, 1982

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TO ASSURE LEGIBILITY

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Capital Improvement - Expenditures related to construction or remodeling costs of physical facilities with a project cost of more than \$2,500, but less than \$100,000.

Capital Construction - Expenditures limited to construction or remodeling of physical facilities with a project cost of \$100,000 or more."

(Continued)
GENERAL GUIDELINES (Revised 8/81)

6703

DISTINCTION BETWEEN TYPES OF STATE OPERATIONS AND CAPITAL OUTLAY

DESCRIPTION OF PROJECT	STATE OPERATIONS	CAPITAL OUTLAY	
	OPERATING EXPENSES AND EQUIPMENT	MINOR PROJECTS	MAJOR PROJECTS
Construction Projects: New construction, alteration, extension or betterment of existing structure, estimated to cost.		\$150,000 or less	In excess of \$150,000
Repair Projects: Repair and maintenance projects continue the usability of a facility at its designed level of service. (See Note 1 below.)	Irrespective of amount		
Equipment Projects: a. Irrespective of time of purchase or estimated cost of equipment if related to a specific construction project estimated to cost.		\$150,000 or less	In excess of \$150,000
b. New equipment to meet program needs and not related to a construction project, and replacement of existing equipment even though the new equipment is to be used in a new facility	Irrespective of amount		
Purchase of Land: Including related cost such as condemnation and court costs, legal fees, and title reports, etc.			Irrespective of amount

NOTE 1: Special repairs or maintenance projects are budgeted as part of State Operations. Special repairs have been defined as major repair items which occur less frequently than annually. The cost of such projects are large enough to warrant a special line item in the State Operations budget. Examples are: painting the exterior of a building; replacing a roof; or a major overhaul of an air conditioning system. Alterations and improvements which are to change the use of or modernize a building should be included under capital outlay.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

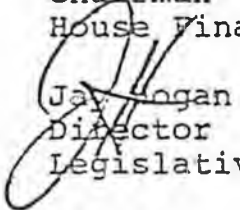
AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Representative Al Adams
Chairman
House Finance Committee

FROM:  Jay Logan
Director
Legislative Finance

DATE: March 1, 1982

SUBJECT: Other States and CS for SB 659 (Finance)

Several weeks ago we requested the legal definition of capital projects from each of the 11 western states. To date, we have received a response from 8 states and their definitions are set out as follows:

Arizona

"We have by custom referred to capital projects as Land, Buildings and Improvements."

California

"In California we distinguish between ongoing capital requirements (maintenance and repairs) and one-time capital improvements (capital outlay). Moreover, capital outlay is divided into two categories--major and minor projects. Attached (page 5) is a copy of the broad definitions of these various capital programs.

Major capital projects generally require more than one year to design and construct. Consequently, the following descriptions are used to define various phases of major capital outlay:

Preliminary Plans. A site plan, architectural floor plans, elevations, outline specifications and a cost estimate. For utility, site development, conversion and remodeling

projects, the drawings should be sufficiently descriptive to convey accurately the location, scope, cost and the nature of the improvement being proposed.

Working Drawings. A complete set of plans and specifications showing and describing all phases of the project-- architectural, structural, mechanical, electrical, civil engineering, and landscape systems--to the degree necessary to assure accurate bidding by contractors and for the use of artisans in constructing the projects. All necessary professional fees and administrative service costs are included in the preparation of such drawings.

Construction. All costs related to construction such as fixtures, installed (fixed) equipment and auxiliary facilities."

Colorado

Capital construction and controlled maintenance are funded in the capital construction fund budget:

"(1) 'Capital construction' means:

(a) Purchase of land, regardless of the value thereof;

(b) Purchase, construction, or demolition of buildings or other physical facilities, including utilities or remodeling or renovation of existing buildings or other physical facilities, including utilities, to make physical changes necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the facility, or to improve appearance where the cost will be fifteen thousand dollars or more, including the value of materials and labor, either state-supplied or supplied by contracts:

(c) Site improvement or development where the cost will be five thousand dollars or more, including the value of materials and labor either state-supplied

MEMORANDUM

March 1, 1982

Page 3

or supplied by contract, but not including the value of inmate labor;

(d) Purchase and installation of the fixed and movable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, remodeling, or renovation;

(e) Purchase of the services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with any capital construction project and to supervise the construction or execution of such capital construction projects;

(f) Any item of instructional or scientific equipment, if the cost will exceed fifty thousand dollars.

(2) 'Controlled maintenance' means work required to preserve or restore to their original condition, or to a condition such that they can be effectively used for their designated purposes, those existing state-owned buildings and other physical facilities funded from the general fund, including utilities, site improvements, and the like, which are suitable for retention and use for at least five years, and replacement and repair of the fixed equipment necessary for the operation of such facilities, when such work is not funded in the operating budget of a state agency and is to be accomplished by the agency's physical plant staff."

Hawaii

Hawaii Revised Statutes

"'Capital investment costs' means costs, beyond the research and development phase, associated with capital improvements, including the acquisition and development of land, the design and construction of

new facilities, and the making of renovations or additions-to existing facilities."

Idaho

A definition in use is: "building of needed structures, renovations, repairs to and remodeling of existing structures . . ."

Montana

Every regular session the state legislature passes a long range building bill. The latest long range building bill defined capital project as: ". . . acquisition of land or improvements, planning, capital construction, renovation, furnishing, or major repair projects authorized in this act."

Some excerpts from state codes which speak to capital projects: "Long-range building program" means and includes all buildings, structures, and facilities to be constructed, repaired, used, equipped, or furnished and land to be acquired therefor with the consent of the legislature . . ."

Nevada

"The state Administrative Manual requires that state agencies submit all requests for new building construction or repairs or remodeling of existing buildings which are estimated to cost more than \$5,000 to the State Public Works Board."

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The following are used for budget purposes:

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BUDGETING

(Continued)
GENERAL GUIDELINES (Revised 8/81)

6103

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THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE JINEAU 99801

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FROM: Jay Hogan
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BUDGETING

(Continued)
GENERAL GUIDELINES (Revised 8/81)

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COMMITTEE REPORT

HOUSE

FURTHER:

(11)

2/17/82

Date: _____

Mr. Speaker:

The Committee on FINANCE has had CSSB 659(Fin) am

"An Act defining 'capital projects and improvements' as that term is used in the Executive Budget Act; 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) [] same title
- [] replace with CS for _____ [] 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

Original sponsor: Dankworth

Offered: 2/10/82
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 659 (Finance) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - SECOND SESSION

5 A. BILL

6 For an Act entitled: "An Act defining 'capital projects and improvements' as
7 that term is used in the Executive Budget Act; and
8 providing for an effective date."

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

10 * Section 1. AS 37.07.120 is amended by adding a new paragraph to read:

11 (7) "capital projects and improvements" means any allocation
12 or appropriation item for land acquisition, construction, or structural
13 improvement and includes engineering and design for a single project.
14 Equipment and repair costs that exceed \$50,000 shall also be classified
15 as capital projects or improvements.

16 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

28
29
COMMITTEE COPY

ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND. Session

SENATE BILL..... NO. ...659..

ByDANKWORTH.....

"An Act defining 'capital outlay' as that term is used in the Executive Budget Act; and providing for an effective date."

Introduced in the Senate 19....

HISTORY IN THE SENATE

19 82	Read first time and referred to Committee on										
1 14	Finance										
2 11	Reported back with <i>Finance</i> recommendation that <i>replace w/CS, new title to do pass, to Rules.</i>										
2 16	<i>Rolls: Rev CS & Calendar</i>										
2 16	Read second time and <i>CS (for), new title, adp. amended & adv</i>										
2 16	Read third time and										
2 16	<table border="0"> <tr> <td>PASS <i>ad</i></td> <td>Effective Date</td> </tr> <tr> <td>Yeas 16</td> <td>Yeas <i>Lewis</i></td> </tr> <tr> <td>Nays 0</td> <td>Nays</td> </tr> <tr> <td>Absent 3</td> <td>Absent</td> </tr> <tr> <td>Excused 0</td> <td>Excused</td> </tr> </table>	PASS <i>ad</i>	Effective Date	Yeas 16	Yeas <i>Lewis</i>	Nays 0	Nays	Absent 3	Absent	Excused 0	Excused
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	Reconsideration										
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PASS	Effective Date										
Yeas	Yeas										
Nays	Nays										
Absent	Absent										
Excused	Excused										
2 16	Reported correctly engrossed										
16	Signed by President										
16	Sent to House										
	<i>Reggie McIlhenny</i> SECRETARY OF THE SENATE										

HISTORY IN THE HOUSE

19 82	Read first time and referred to Committee on										
Feb 11	<i>Finance</i>										
	Reported back with recommendation that										
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	Signed by Speaker										
	Returned to Senate										
	CHIEF CLERK OF THE HOUSE										

HISTORY IN THE SENATE

19	Received from House
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.